

F. NSE/QPA/0166  
2<sup>nd</sup> September, 2022

Listing Department  
National Stock Exchange of India Ltd.  
'Exchange Plaza', Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051.

Ref: **Scrip Code ARIES**  
Sub: **Annual Report- 2021-22**

Dear Sir,

As required by Regulation 34(1)(a) of the SEBI (LODR) Regulations, 2015, attached please find the soft copy of the Annual Report-2021-22.

Kindly take the same on your records.

Thanking you,

Yours faithfully  
For **Aries Agro Limited**

**Qaiser P. Ansari**  
**Company Secretary & Compliance Officer**

Encls: a/a





**52<sup>nd</sup>**

**ANNUAL REPORT**  
**2021-2022**

## BOARD OF DIRECTORS



Dr. Rahul Mirchandani  
*Chairman & Managing Director*



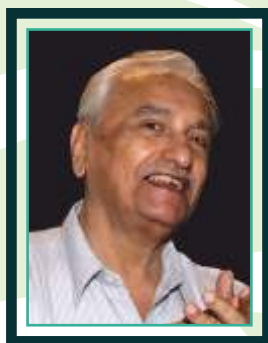
Dr. Jimmy Mirchandani  
*Director*



Mrs. Nitya Mirchandani  
*Director*



Prof. R. S. S. Mani  
*Independent Director*



Mr. Chakradhar Bharat Chhaya  
*Independent Director*



Mr. Nrupang B. Dholakia  
*Independent Director*



### VISION

Empowering farmers everywhere, with our versatile range of agricultural Next Practices, we aim to be a global leader in specialised, sustainable & cost effective agricultural inputs.

### OUR MISSION IS TO

1. Build on our stellar legacy as a market leader & expand our unique range of quality products & solutions globally
2. Grow the Aries Family as a highly skilled, trusted and motivated team, having a clear focus on the future and a singular commitment to excellence
3. Continue being recognized and respected as a responsible, robust and profitable business that is Made In India, and proudly serves the farmers of the World

# BETTER PLANTS FOR A BETTER LIFE

## Aries Proudly Presents Our Wide Product Range for Better Harvests

**Multi - Micronutrients | Chelated Nutrients**  
**Secondary Nutrients | Water Soluble NPK Fertilizers**

- India's most respected Specialty Micro - Nutrients Manufacturer
- Pioneer in Chelation Technology • Present in 26 states across India & 8 Countries
  - State of art Factories with 95,400 MT/annum manufacturing capacity
  - 113 brands customized based on crop, soil and agro - climatic requirements
    - Reaching 9 million farmers over 5 Decades
    - 19 Organically certified Products



**• Farmers • Nurseries • Hydroponics • Corporate Parks • Kitchen Gardens**



# Aries Mascot Jeevan Launch





## Aries Supermax Launch





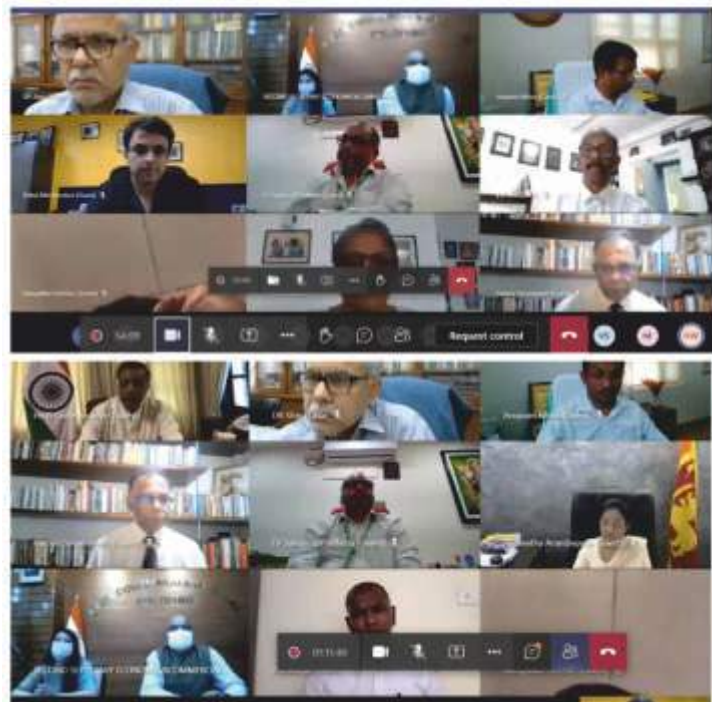
# Aries Vaccination Camp



## Distribution of Oxygen Concentrator



## Bureau of Indian Standards' Soil Quality and Fertilizer Sectional Committee



## Bilateral Interaction India Sri Lanka on Organic Agriculture





## Dare to Dream Award 2021



## Most Influential Leaders of New India - 2021



## 52<sup>nd</sup> Annual Report 2021 - 2022

### BOARD OF DIRECTORS

**Dr. Rahul Mirchandani** Chairman & Managing Director

**Dr. Jimmy Mirchandani**  
**Mrs. Nitya Mirchandani** Non Executive-Non Independent Directors

**Prof. R. S. S. Mani**  
**Mr. C. B. Chhaya**  
**Mr. B. V. Dholakia** Independent Directors  
Upto 20.01.2022 (Expired-20.01.2022)  
**Mr. Nrupang B. Dholakia**  
(w.e.f.-15.03.2022)

### AUDIT COMMITTEE

**Mr. C. B. Chhaya** Chairman  
**Prof. R. S. S. Mani**  
**Mrs. Nitya Mirchandani**  
**Mr. B. V. Dholakia**  
Upto 20.01.2022(Expired-20.01.2022)  
**Mr. Nrupang B. Dholakia**  
(w.e.f.-23.03.2022)

### STAKEHOLDERS RELATIONSHIP COMMITTEE

**Mr. C. B. Chhaya** Chairman  
**Dr. Rahul Mirchandani**  
**Mrs. Nitya Mirchandani**

### NOMINATION & REMUNERATION COMMITTEE

**Prof. R. S. S. Mani** Chairman  
**Mr. C. B. Chhaya**  
**Mr. B. V. Dholakia**  
Upto 20.01.2022(Expired-20.01.2022)  
**Mr. Nrupang B. Dholakia**  
(w.e.f.-23.03.2022)

### TREASURY COMMITTEE

**Dr. Rahul Mirchandani** Chairman  
**Mr. C. B. Chhaya**  
**Mrs. Nitya Mirchandani**

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

**Dr. Rahul Mirchandani** Chairman  
**Mrs. Nitya Mirchandani**  
**Mr. B. V. Dholakia**  
Upto 20.01.2022 (Expired-20.01.2022)  
**Mr. Nrupang B. Dholakia**  
(w.e.f.-23.03.2022)

**Mr. Qaiser P. Ansari**  
Company Secretary and Chief Legal Officer & Compliance Officer

**Mrs. Chhaya Ashok Warriar**  
Senior Vice President-Finance  
(discharging the duties and responsibilities of the Chief Financial Officer)

### STATUTORY AUDITOR

**M/s Sandeep Sheth and Associates**

### INTERNAL AUDITOR

**M/s K. Narayanan & Associates**

### COST AUDITOR

**M/s R. Nanabhoy & Co.**

### SECRETARIAL AUDITOR

**Mr. A. Sekar**

### BANKERS

**Canara Bank**  
**HDFC Bank Limited**  
**AXIS Bank Limited**  
**ICICI Bank Limited**  
**YES Bank Limited**

### BRANCHES/STOCK LOCATIONS

**Ahmedabad, Gujarat**  
**Bangalore, Karnataka**  
**Berhampur-Odisha**  
**Bhatinda-Punjab**  
**Bhubaneswar, Orissa**  
**Coimbatore, Tamil Nadu**  
**Ghaziabad, Uttar Pradesh**  
**Guwahati, Assam**  
**Hissar, Haryana**  
**Hyderabad, Telangana**  
**Indore, Madhya Pradesh**  
**Jaipur, Rajasthan**  
**Jalandhar, Punjab**  
**Kolkata, West Bengal**  
**Lucknow, Uttar Pradesh**  
**Nagpur, Maharashtra**  
**Nashik, Maharashtra**  
**Nipani, Karnataka**  
**Patna, Bihar**  
**Raipur, Chhatisgarh**  
**Ranchi, Jharkhand,**  
**Rudrapur, Uttaranchal**  
**Sholapur, Maharashtra**  
**Sriganganagar, Rajasthan**  
**Vijayawada, Andhra Pradesh**

### MANUFACTURING LOCATIONS

**Mumbai**  
**Hyderabad**  
**Chhatral**  
**Lucknow**  
**Vijayawada**  
**Raipur**  
**Fujairah, UAE(Associate Company)**



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|  | Golden Harvest Middle East FZC               | 151       |
|  | Aries Agro Care Private Limited              | 187       |
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|  | Mirabelle Agro Manufacturing Private Limited | 269       |
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## FINANCIAL HIGHLIGHTS - STANDALONE

( Rupees in Lakhs unless stated otherwise)

| Particulars   | 2021-22   | 2020-21   | 2019-20   | 2018-19   | 2017-18   |
|---|-----------|-----------|-----------|-----------|-----------|
| Revenue from Operations (Gross)                                     | 54,752.45 | 47,449.83 | 37,150.08 | 32,030.91 | 31,988.68 |
| Revenue from Operations (Net of Discounts / Rebates)                | 43,947.00 | 38,145.65 | 29,614.46 | 26,531.65 | 26,449.99 |
| Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) | 5,650.82  | 6,239.55  | 5,397.35  | 5,254.86  | 4,870.58  |
| EBITDA %  | 12.86     | 16.36     | 18.23     | 19.81     | 18.41     |
| Profit Before Depreciation and Tax                                  | 3,220.37  | 3,646.34  | 2,845.24  | 2,514.66  | 2,399.10  |
| Profit Before Depreciation and Tax %                                | 7.33      | 9.56      | 9.61      | 9.48      | 9.07      |
| Profit Before Tax (PBT)   | 2,655.02  | 3,008.19  | 2,308.80  | 2,273.98  | 2,177.29  |
| PBT %   | 6.04      | 7.89      | 7.80      | 8.57      | 8.23      |
| Profit for the Year (PAT)   | 1,902.38  | 2,263.91  | 1,561.07  | 1,489.80  | 1,414.89  |
| PAT Growth %  | (15.97)   | 45.02     | 4.78      | 5.29      | 19.47     |
| Equity Dividend %   | 8.00      | 8.00      | 5.00      | 18.00     | 23.00     |
| Dividend Payout   | 0.05      | 0.05      | 0.04      | 0.16      | 0.21      |
| Net Worth   | 20,864.92 | 19,052.57 | 16,817.20 | 15,679.80 | 14,619.29 |
| Gross Fixed Assets  | 11,436.53 | 9,889.34  | 8,632.58  | 7,225.69  | 6,582.70  |
| Net Fixed Assets  | 6,451.44  | 5,442.19  | 4,796.07  | 3,860.43  | 3,404.92  |
| Total Assets  | 48,624.31 | 47,550.00 | 45,446.58 | 42,492.22 | 38,501.69 |
| Market Capitalisation   | 17,770.43 | 10,052.35 | 5,201.74  | 11,281.26 | 22,920.15 |
| Number of Employees   | 1,002     | 958       | 922       | 924       | 868       |

## KEY INDICATORS - STANDALONE

| Particulars  | 2021-22   | 2020-21   | 2019-20   | 2018-19   | 2017-18   |
|--|-----------|-----------|-----------|-----------|-----------|
| Earnings Per Share - Rs. (Excluding Exceptional Items) | 14.63     | 17.41     | 12.00     | 11.46     | 10.88     |
| Turnover Per Share - Rs.                               | 337.94    | 293.33    | 227.73    | 204.02    | 203.39    |
| Book Value Per Share - Rs.                             | 160.45    | 146.51    | 129.32    | 120.57    | 112.42    |
| Total Debt (Non-Current & Current Borrowings)          | 11,005.84 | 14,227.21 | 15,796.33 | 16,134.53 | 14,908.03 |
| Debt-Equity  | 0.53      | 0.75      | 0.94      | 1.03      | 1.02      |
| EBITDA / Gross Turnover %                              | 10.32     | 13.15     | 14.53     | 16.41     | 15.23     |
| Net Profit Margin %                                    | 4.33      | 5.93      | 5.27      | 5.62      | 5.35      |
| RONW or ROE %  | 9.53      | 12.62     | 9.28      | 9.50      | 9.68      |
| ROCE %   | 15.66     | 16.57     | 14.71     | 15.57     | 15.51     |
| Inventory Turnover (in days) - on NET Sales            | 122       | 135       | 171       | 179       | 175       |
| Trade Receivables Turnover (in days) - On NET Sales    | 88        | 104       | 125       | 137       | 131       |
| Current Ratio  | 1.60      | 1.49      | 1.44      | 1.41      | 1.46      |
| Price Earning Ratio                                    | 9.34      | 4.44      | 3.33      | 7.57      | 16.20     |



### FINANCIAL HIGHLIGHTS - CONSOLIDATED

(Rupees in Lakhs unless stated otherwise)

| Particulars   | 2021-22   | 2020-21   | 2019-20   | 2018-19   | 2017-18   |
|---|-----------|-----------|-----------|-----------|-----------|
| Revenue from Operations (Gross)                                     | 54,808.76 | 47,451.15 | 37,150.08 | 32,030.91 | 35,011.55 |
| Revenue from Operations (Net of Discounts / Rebates)                | 44,003.31 | 38,146.97 | 29,614.46 | 26,531.65 | 29,472.87 |
| Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA) | 5,053.74  | 5,702.15  | 4,701.68  | 4,690.11  | 4,786.32  |
| EBITDA %  | 11.48     | 14.95     | 15.88     | 17.68     | 16.24     |
| Profit Before Depreciation and Tax                                  | 2,606.40  | 3,105.80  | 2,148.29  | 1,795.63  | 1,897.59  |
| Profit Before Depreciation and Tax %                                | 5.92      | 8.14      | 7.25      | 6.77      | 6.44      |
| Profit Before Tax (PBT)   | 2,028.12  | 2,461.44  | 1,611.85  | 1,554.11  | 1,671.24  |
| PBT %   | 4.61      | 6.45      | 5.44      | 5.86      | 5.67      |
| Profit for the Year (PAT)   | 1,329.03  | 1,795.71  | 974.24    | 988.25    | 1,048.36  |
| PAT %   | 3.02      | 4.71      | 3.29      | 3.72      | 3.56      |
| Equity Dividend %   | 8.00      | 8.00      | 5.00      | 18.00     | 23.00     |
| Dividend Payout   | 0.08      | 0.06      | 0.07      | 0.24      | 0.29      |
| Net Worth   | 22,424.52 | 21,056.16 | 19,421.84 | 18,910.35 | 18,290.58 |
| Gross Fixed Assets  | 11,772.09 | 9,950.47  | 8,632.58  | 16,940.65 | 15,730.10 |
| Net Fixed Assets  | 6,774.05  | 5,487.02  | 4,796.07  | 9,542.99  | 8,756.52  |
| Total Assets  | 50,903.96 | 50,088.75 | 48,710.80 | 49,433.99 | 47,747.78 |
| Market Capitalisation   | 17,770.43 | 10,052.35 | 5,201.74  | 11,281.26 | 22,920.15 |
| Number of Employees   | 1,002     | 958       | 922       | 924       | 868       |

### KEY INDICATORS - CONSOLIDATED

| Particulars  | 2021-22   | 2020-21   | 2019-20   | 2018-19   | 2017-18   |
|--|-----------|-----------|-----------|-----------|-----------|
| Earnings Per Share - Rs. (Excluding Exceptional Items) | 10.22     | 13.81     | 7.49      | 7.60      | 8.06      |
| Turnover Per Share - Rs.                               | 338.37    | 293.34    | 227.73    | 204.02    | 226.64    |
| Book Value Per Share - Rs.                             | 172.44    | 161.92    | 149.35    | 145.42    | 140.65    |
| Total Debt (Non-Current & Current Borrowings)          | 11,228.40 | 14,279.71 | 15,802.42 | 17,184.24 | 17,076.35 |
| Debt : Equity Ratio                                    | 0.50      | 0.68      | 0.81      | 0.91      | 0.93      |
| EBITDA / Gross Turnover %                              | 9.22      | 12.02     | 12.66     | 14.64     | 13.67     |
| Net Profit Margin %                                    | 3.02      | 4.71      | 3.29      | 3.72      | 3.56      |
| RONW or ROE %  | 5.93      | 8.53      | 5.02      | 5.23      | 5.73      |
| ROCE %   | 13.09     | 14.10     | 11.68     | 12.19     | 12.73     |
| Inventory Turnover (in days) - on NET Sales            | 122       | 135       | 171       | 179       | 157       |
| Trade Receivables Turnover (in days) - On NET Sales    | 98        | 118       | 144       | 256       | 226       |
| Current Ratio  | 1.53      | 1.45      | 1.42      | 1.47      | 1.53      |
| Price Earning Ratio                                    | 13.37     | 5.60      | 5.34      | 11.42     | 21.86     |

## Financial Highlights of the Company since 2006

### STANDALONE

(Rupees in Crores unless stated otherwise)

| Particulars                                   | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Sales (Gross)                                 | 74.05   | 103.38  | 110.44  | 139.75  | 158.26  | 194.38  | 189.76  | 237.53  | 239.13  | 234.62  | 277.19  | 319.89  | 320.31  | 371.50  | 474.50  | 547.52  |
| RM Consumption<br>(Including Products Traded) | 23.97   | 40.20   | 54.73   | 54.17   | 60.86   | 86.66   | 71.62   | 86.94   | 86.22   | 88.46   | 91.28   | 107.14  | 100.22  | 112.50  | 157.70  | 192.21  |
| PBT   | 13.98   | 15.40   | 5.04    | 18.94   | 22.36   | 16.50   | 14.03   | 18.41   | 15.09   | 10.40   | 18.34   | 21.77   | 22.74   | 23.09   | 30.08   | 26.55   |
| PAT   | 8.69    | 11.54   | 3.11    | 12.56   | 14.72   | 10.98   | 9.71    | 11.86   | 12.14   | 6.40    | 11.84   | 14.15   | 14.90   | 15.61   | 22.64   | 19.02   |
| Dividend including DDT                        | -       | 1.83    | -       | 2.27    | 3.03    | 2.27    | 2.28    | 3.04    | 3.13    | 2.35    | 3.13    | 3.60    | 2.82    | 0.78    | 1.04    | 1.04    |
| Dividend (Rs. / Share)                        | -       | 1.20    | -       | 1.50    | 2.00    | 1.50    | 1.50    | 2.00    | 2.00    | 1.50    | 2.00    | 2.30    | 1.80    | 0.50    | 0.80    | 0.80    |
| Inventory                                     | 16.97   | 20.98   | 50.36   | 46.87   | 84.19   | 102.82  | 102.40  | 99.48   | 99.68   | 99.28   | 114.91  | 127.15  | 129.79  | 138.03  | 140.75  | 146.61  |
| Debtors                                       | 26.71   | 40.27   | 49.35   | 69.52   | 48.87   | 68.56   | 82.44   | 95.05   | 82.24   | 80.69   | 80.13   | 94.86   | 99.32   | 101.59  | 108.93  | 105.88  |
| Loan Funds                                    | 21.47   | 23.08   | 70.49   | 87.54   | 103.20  | 123.12  | 148.14  | 131.64  | 106.90  | 113.69  | 111.68  | 149.08  | 161.31  | 150.24  | 134.53  | 103.93  |
| Reserves                                      | 25.80   | 83.85   | 84.85   | 93.44   | 104.51  | 112.40  | 119.18  | 127.38  | 109.70  | 112.68  | 122.10  | 133.19  | 143.79  | 155.17  | 177.52  | 195.64  |
| Installed Capacity in MT                      | 21,600  | 54,000  | 84,600  | 84,600  | 84,600  | 84,600  | 84,600  | 84,600  | 84,600  | 84,600  | 84,600  | 95,400  | 95,400  | 95,400  | 95,400  | 95,400  |
| Capacity Utilised in MT                       | 18,534  | 19,891  | 16,907  | 35,647  | 39,577  | 40,608  | 38,070  | 40,608  | 43,146  | 41,454  | 49,068  | 58,194  | 59,799  | 61,724  | 64,229  | 66,226  |
| Human Resources in Nos.                       | 525     | 490     | 547     | 612     | 645     | 765     | 748     | 785     | 753     | 748     | 822     | 868     | 924     | 922     | 946     | 1,002   |

## Financial Highlights of the Company since 2006

### CONSOLIDATED

| Particulars                                   | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Sales (Gross)                                 | 74.14   | 103.38  | 113.08  | 152.44  | 180.05  | 239.04  | 254.80  | 302.43  | 309.77  | 289.76  | 312.91  | 350.12  | 320.31  | 371.50  | 474.51  | 548.09  |
| RM Consumption<br>(Including Products Traded) | 23.97   | 39.72   | 53.03   | 58.83   | 80.35   | 104.37  | 104.46  | 117.09  | 120.05  | 113.94  | 107.36  | 133.46  | 100.25  | 112.50  | 157.70  | 191.77  |
| PBT   | 14.65   | 18.09   | 7.62    | 23.86   | 28.03   | 21.07   | 20.25   | 25.32   | 22.48   | 12.17   | 11.95   | 16.71   | 15.54   | 16.12   | 24.61   | 20.28   |
| PAT   | 8.69    | 13.55   | 5.05    | 16.24   | 18.59   | 14.33   | 13.98   | 16.25   | 17.19   | 7.23    | 7.06    | 10.48   | 9.88    | 9.74    | 17.96   | 13.29   |
| Dividend including DDT                        | -       | 1.83    | -       | 2.27    | 3.03    | 2.27    | 2.28    | 3.04    | 3.13    | 2.35    | 3.13    | 3.60    | 2.82    | 0.78    | 1.04    | 1.04    |
| Dividend (Rs. / Share)                        | -       | 1.20    | -       | 1.50    | 2.00    | 1.50    | 1.50    | 2.00    | 2.00    | 1.50    | 2.00    | 2.30    | 1.80    | 0.50    | 0.80    | 0.80    |
| Inventory                                     | 16.97   | 24.33   | 54.45   | 55.90   | 108.38  | 127.71  | 134.80  | 136.76  | 144.72  | 142.38  | 141.51  | 127.15  | 129.79  | 138.03  | 140.75  | 147.08  |
| Debtors                                       | 27.04   | 43.02   | 56.15   | 66.22   | 55.27   | 88.08   | 100.64  | 131.80  | 115.91  | 118.33  | 142.39  | 182.18  | 185.89  | 116.27  | 123.08  | 118.47  |
| Loan Funds                                    | 23.49   | 23.12   | 70.52   | 87.77   | 117.32  | 155.62  | 189.96  | 177.95  | 158.96  | 166.59  | 137.44  | 170.76  | 171.84  | 150.30  | 134.60  | 105.90  |
| Reserves                                      | 25.80   | 85.92   | 90.65   | 100.60  | 116.43  | 126.81  | 146.18  | 163.82  | 153.04  | 158.59  | 162.19  | 169.90  | 176.10  | 181.21  | 197.56  | 211.24  |



## CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Members,

It is with great pleasure that I present to you the 52<sup>nd</sup> Annual Report of your Company, Aries Agro Limited.

The Year 2021-22 was another landmark year. The year under review was faced with disruptions due to supply chain constraints in the second half of the year and rising input costs. There was minimal disruption due to covid related issues and all teams across the country functioned efficiently. There was consistent demand for specialty nutrients during the year with almost normal crop and climatic conditions.

With the collective support of staff and Aries Customers the Company was able to improve its revenue from Indian operations by 15.39% from Rs. 474.49 Crores to Rs.547.52 Crores. International sales began towards end of the Financial Year with restart of manufacturing in UAE facility.

During the year under review the monsoon was at 103% of the LPA (Long Period Average). 3 out of the 4 Kharif season months received above normal rainfall viz June (110%), July (93%) and September (135%) while August recorded deficient rainfall.

The total capacity utilization currently stands at 69.42% of the total installed capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE resumed operations in the month of September 2021 and has started manufacturing four value added Sulphur based pastillized products for sale in India and globally. The supply chain constraints however led to availability shortages for imported raw materials, especially those sourced from China. The Indian manufacturing base was expanded with commencement of manufacturing and repacking operations at Vijayawada and Raipur.

There were increase in costs with every passing quarter and profitability remained under pressure since the entire cost increase could not be passed on to the consumers. Certain departments took additional efforts to control expenses especially the treasury and marketing where certain costs were minimized to offset increased costs of imports and logistics.

The annual booking bazaars led to orders worth Rs. 574 Crores and a conversion of 95% leading to total revenue of 547.52 crores during FY 2021-22, up by 15.39% compared to previous FY.

All our units were 100% operational after serving millions of Aries customers throughout the 2020 Pandemic. We are now prepared and equipped for operations despite any and all constraints of the continued impact of Covid-19 in the current Financial Year

**Expansion of our Manufacturing Base:** Aries Hyderabad Factory Shed (Phase 3) was inaugurated in July 2021 followed by Mirabelle Agro Manufacturing Pvt. Ltd.'s (a subsidiary of Aries) commencement of operations at Chhatral, Gujarat.

New land acquired at GIDC Saykha, Gujarat and the ceremonial ground breaking ceremony was done on 6<sup>th</sup> September 2021. Vijayawada Phase-II started operations in February, 2022.

Aries Raipur Unit phase I also started packing operations in February 2022.

**Launch of Aries Mascot – Jeevan – A National Campaign** - Aries Mascot – Jeevan, a face that represents our identity to the world was launched on 19<sup>th</sup> July, 2021 across India. 'Jeevan' is a symbol of Strength, Knowledge and Wisdom, which are the core values of Aries. We celebrated the launch of Jeevan across India..

We won the **National Award for Excellence in Manufacturing** under the **category – Best Operational Excellence – 2021** by CMO Asia & World Manufacturing Congress & Awards. Also won the **Dare to Dream Awards 2021 – Company of the Year – Agriculture** presented by TV9 Network – this award is a testament to the resilience of the India agricultural sector.

Aries was listed among **CNN News 18 – The Most Influential Leader of New India 2021**. Aries Agro featured in **Fortune India Magazine – “Aries Agro – Staying Unique in the Pursuit of Excellence”**

Also had the privilege of having a **seat on the Bureau of Indian Standards' Soil Quality and Fertilizers Sectional Committee'** in the capacity as President of Indian Micro-Fertilizers Manufacturers Association.

For 17 **consecutive years Aries Quality Management System** was audited and certified as **ISO 9001:2015** with zero non-compliance report showing complete adherence to international quality standards

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. During the year, we continued to emphasize more on Covid-19 Relief Programme and create a sustainable environment.

There was a shortage of Oxygen Cylinders across the country during the second wave of the pandemic, hence we distributed Oxygen Concentrators in the following regions viz. Nasik, Nagpur, Raipur, Hyderabad, Vijayawada, Lucknow, Coimbatore, Ghaziabad, Kolkata and Ahmedabad.

As personal immunity is the first internal line of defense, we distributed Immunity booster kits containing Vitamin C & Zinc and Vitamin D3 Tablets to help boost immunity with subsequent reduction in disease severity. Apart from the above, we also distributed Mask, Sanitizer and Face Shields.

We distributed Rapid Antigen Testing Kits for instant qualitative detection of Covid-19 as more number of people were infected in the second wave of the Pandemic and the numbers of RTPCR tests were high and time consuming

In addition to the above, Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomists and Agricultural Research Institutions throughout the year.

This year we continued Farmers meeting and training programs on a digital platform. Aries Fasal Sabha- Facebook live sessions were conducted by technical experts for farmers across the country. A series of 15 sessions on various crops were addressed. An Average reach of 20,000 audience per session was recorded on Facebook application. A significant cost was spent on data collection and presentation for online sessions

The Company also provided fees and scholarships to students in addition to series of awards to meritorious students.

The Company's Call Centre based in Vijayawada continued to provide answers to farmers' queries on integrated nutrient management, pest management, soil health and post harvest management. The Company also organized soil testing camps in 3 major consuming states using Mobile Soil Testing Kits.

The year 2022-23 is the 53<sup>rd</sup> year of operations and the Company has planned to strengthen its range of products by finding domestic sources of raw materials to reduce the impact of import supply chain disruption and high costs as well as intensive campaigning to establish products launched in the recent two years. During 2022-23 only variants of few products will be introduced primarily with the aim of reducing cost of application to the farmers and to keep fixed costs under control. No major new product concepts will

be introduced. The astronomical increase in certain essential raw material prices has necessitated alternative formulations, reducing pack sizes and providing combination packs coupled with multiple products sale during a sales call. Substitutes for certain products like EDTA Chelates and water soluble NPKs, which are facing high cost escalation have been identified within the Aries range itself and demand creation for these substitutes will ensure demand is met with cost effective alternatives. 2022-23 annual booking was conducted online with 1258 dealers from 26 states using our Booking App. This is expected to achieve gross revenue of Rs. 625 Crores in FY 2022-23

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

Sincerely,

Dr. Rahul Mirchandani  
Chairman & Managing Director

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE FIFTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF ARIES AGRO LIMITED** will be held on Thursday, the 29<sup>th</sup> September, 2022 at 4.30 p.m.(IST) through Video Conferencing(“VC”)/Other Audio Visual Means(“OAVM”), to transact the following business:-

### ORDINARY BUSINESS

#### **1. To receive, consider, approve and adopt:**

- a. the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and the Auditors thereon, and
- b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Report of the Auditors thereon.

and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions**:

- (a) “RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement together with Notes, Schedules, Board’s Report (including Report on Corporate Governance, Management Discussion and Analysis Report and Report on Corporate Social Responsibility) and the Report of the Auditors thereon duly circulated be and are hereby received, approved and adopted.”
- (b) “RESOLVED FURTHER THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement together with Notes, Schedules and the Report of the Auditors thereon duly circulated be and are hereby received, approved and adopted.”

#### **2. To declare Dividend for the Financial Year ended 31<sup>st</sup> March, 2022**

and in this regard, to consider and pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the recommendation of the Board of Directors, Dividend at the rate of Rs. 0.80 (8%) per Equity Share on 1,30,04,339 Equity Shares of Rs. 10/- each of the Company, for the Financial Year ended on 31<sup>st</sup> March, 2022 aggregating to Rs. 104.03 Lakhs be and is hereby declared out of the Profit of the Company for the Previous Financial Year ended on 31<sup>st</sup> March, 2022 and that the same be paid to the Members whose names appear on the Register of Members/ List of Beneficial Owners of the Company as on Thursday, 22<sup>nd</sup> September, 2022.”

#### **3. To appoint a Director in place of Mrs. Nitya Mirchandani (DIN 06882384) who retires by rotation and being eligible offers herself for re-appointment**

and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Nitya Mirchandani(DIN 06882384), a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to determination by retirement by rotation.”

#### **4. Appointment of Statutory Auditors of the Company.**

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Kirti D. Shah & Associates, Chartered Accountants, Mumbai(Firm Registration No. 115133W, Membership No. 32371), and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), be and is hereby appointed as Auditors of the Company in place of retiring Auditors M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai,(Membership No. 101903), to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Fifty Seventh Annual General Meeting of the Company to be held in the year 2027 and at such Remuneration plus GST, Out-of-Pocket, Travelling Expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### SPECIAL BUSINESS

#### **5. Ratification of the Remuneration of the Cost Auditor in terms of Section 148 of the Companies Act, 2013 read with Companies(Audit and Auditors) Rules, 2014 and in this regard to consider and if thought fit to pass the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 2,90,400/-(Rupees Two Lakh Ninety Thousands Four Hundred Only) plus GST and reimbursement of Out of Pocket Expenses at actual as approved by the Board of Directors of the Company payable to M/s. R. Nanabhoy & Co., Cost Accountants, having firm’s registration No. 000010 for conducting the Cost Audit of the cost records maintained by the Company for the Financial Year ending 31<sup>st</sup> March, 2023, be and is hereby ratified and confirmed.”

**By Order of the Board**

**Qaiser P. Ansari  
Company Secretary and  
Chief Legal Officer  
Membership No. ACS-8979**

Place: Mumbai  
Date: 29<sup>th</sup> August, 2022

## NOTES

### MEETING THROUGH VIDEO CONFERENCING("VC")/OTHER AUDIO VISUAL MEANS("OAVM")

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of Ordinary and Special Resolutions by Companies under the Companies Act, 2013 and the Rules made thereunder on account of the threat posed by Covid -19", General Circular No. 20/2020 dated May 5, 2020, General Circular Nos. 02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021 respectively in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM.

Accordingly, the Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, the 29<sup>th</sup> September, 2022 at 4.30 p.m.(IST) through Video Conferencing("VC")/Other Audio Visual Means("OAVM"), and the Voting for items to be transacted in the Notice to this AGM only through Remote Electronic Voting Process ("e-Voting").

2. The venue of the Meeting shall be deemed to be the Registered Office of the Company.
3. The Notice calling the AGM has been uploaded on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

### MEMBER'S ENTITLEMENT TO ATTEND MEETING AND APPOINT PROXY

1. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA/SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF, HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.
2. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, Representatives of the Members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.

### INSTITUTIONAL INVESTORS/CORPORATE MEMBER

Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM

facility. Corporate Members intending to appoint their Authorized Representatives to attend the AGM through VC or OAVM and to Vote thereat through Remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [shailashrib@gmail.com](mailto:shailashrib@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).

### ATTENDANCE

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

### JOINT HOLDERS

In case of Joint Holders attending the Meeting, only such Joint Holders who are higher in the order of the names will be entitled to vote.

### SPECIAL BUSINESS AND EXPLANATORY STATEMENT

1. As per the provisions of Clause 3.A.II. of the General Circular No. 20/ 2020 dated 5th May 2020, the matters of Special Business as appearing at Item Nos. 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
2. **The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting our material facts concerning the business under Item Nos. 5 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations) and Additional information, pursuant to applicable Regulations SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015(Listing Regulations) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (AGM) is furnished in this Notice.**

### JOINING THE AGM

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Members on the first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

### INFORMATION AND INSPECTION OF DOCUMENTS

1. Members desiring inspection of Statutory Registers during the AGM may send their request in writing to the Company at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com).
2. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) up to the date of the AGM.



## NOMINATION FACILITY

Individual shareholders can now take the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. Members holding shares in Demat form are requested to contact their DPs for registration of nominations. Members holding shares in physical form are and interested in availing the nomination facility are requested to contact the Company/Registrar and Transfer Agent of the Company Aarthi Consultants Private Limited.

## SHAREHOLDERS' OBLIGATIONS

1. Beneficial Owners holding shares in Electronic/ Demat form are requested to notify any change in their Addresses, Bank Account, Mandate, etc. to their respective Depository Participant. ECS Mandates has to be sent to the concerned Depository Participant directly.
2. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, Aarthi Consultants Private Limited.
3. The Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA') has mandated that existing Member of the Company who hold securities in physical form and intend to transfer their securities after 1<sup>st</sup> April, 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of Portfolio Management as well as for ease of transfer, if required, Shareholders can write to the Company at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) or contact the Company/Registrars and Transfer Agents, Aarthi Consultants Private Limited for assistance in this regard.
4. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
5. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their Demat Account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.
6. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of Duplicate Securities Certificate; claim from unclaimed

suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.ariesagro.com](http://www.ariesagro.com) and on the website of the Company's Registrar and Transfer Agents, Aarthi Consultants Private Limited at [www.aarthiconsultants.com](http://www.aarthiconsultants.com). It may be noted that any service request can be processed only after the folio is KYC Compliant.

7. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation,

Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Aarthi Consultants Private Limited, for assistance in this regard.

## BOOK CLOSURE AND CUT OFF DATE

In view of the discontinuation of the physical transfer of shares there will not be any Book Closure but the Company has fixed the Cut Off/Record Date as Thursday, 22<sup>nd</sup> September, 2022(close of the business hours) for determining the entitlement for Dividend and e-Voting.

## AGM NOTICE ALONG WITH THE ANNUAL REPORT FOR F.Y. 2021-2022 IN ELECTRONIC FORM

1. In terms of the Circulars, the Company is sending this AGM Notice along with the Annual Report for F.Y. 2021-2022 in electronic form only to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the AGM and the Annual Report for F.Y. 2021-2022 has been uploaded on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com) and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively. The AGM Notice is also available on the website of NSDL at [www.evotingindia.com](http://www.evotingindia.com).
2. This AGM Notice is being sent by e-mail only to those eligible Members who have already registered their e-mail address with the Depositories/the DP/the Company's RTA/the Company or who will register their e-mail address with Aarthi Consultants Private Limited, on or before 5:00 p.m. (IST) on Thursday, 22<sup>nd</sup> September, 2022.
3. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangement with Aarthi Consultants Private Limited for registration of e-mail addresses in terms of the MCA Circulars. Eligible Members who have not submitted their e-mail addresses to Aarthi Consultants Private Limited, are required to provide their e-mail address to the RTA on the email ID [info@arthiconsultants.com](mailto:info@arthiconsultants.com), on or before 5:00 p.m. (IST) on Thursday, 22<sup>nd</sup> September, 2022 pursuant to which, any Member may receive on the e-mail address provided by the Member the Annual Report for F.Y. 2021-2022 and the procedure for remote e-Voting along with the login ID and password for remote e-Voting.

4. After successful submission of the e-mail address, CDSL will e-mail a copy of the Annual Report for F.Y. 201-2022 along with the remote e-Voting user ID and password, within 48 hours of successful registration of the e-mail address by the Member. In case of any queries, Members may write to [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
5. For permanent registration of their e-mail address, Members are requested to register their e-mail address, in respect of electronic holdings, with their concerned DP and in respect of physical holdings, with the RTA.
6. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP/ Aarthi Consultants Private Limited to enable servicing of notices/documents/Annual Reports and other communications electronically to their e-mail address in future.
3. In compliance with Section 124(6) and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, have been transferred to IEPF and List of such transferred Shares has been posted on the web site of the Company i.e. [www.ariesagro.com](http://www.ariesagro.com).
4. As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF in terms of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.

#### GREEN INITIATIVE

1. To support the 'Green Initiative' the members who have not registered their email addresses are requested to register the same with the Registrars and Transfer Agents, M/s Aarthi Consultants Private Limited.
2. Section 20 of the Companies Act, 2013, as amended from time to time, permits service of documents on Members by a Company through electronic mode. Hence, in accordance with the Companies Act, 2013 read with the Rules framed thereunder, as amended, the Annual Report 2021-22 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant. Members may note that Annual Report 2021-22 will also be available on the Company's website at [www.ariesagro.com](http://www.ariesagro.com).

#### NON RESIDENT INDIAN MEMBERS

Non-Resident Indian Members are requested to inform Registrars and Transfer Agents M/S Aarthi Consultants Private Limited, immediately of:-

- a) Change in their residential status on return to India for permanent settlement.
- b) Particulars of their Bank Account maintained in India with complete Name, Branch, Account Type, Account Number and address of the Bank with Pin Code Number, if not furnished earlier.

#### UNCLAIMED DIVIDEND AND SHARES

1. The Company has submitted with the MCA the List of Un-Paid Dividends as on the date of the last AGM and the same is also displayed in the Investor Relations Section on our web-site at [www.ariesagro.com](http://www.ariesagro.com).
2. In compliance with Section 124 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, unclaimed Dividend for the year ended 31<sup>st</sup> March, 2014 has been transferred to the 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Unclaimed Dividends for all the subsequent years will be transferred to the IEPF according to the statutory stipulations. Members are requested to contact the Company's Registrar & Share Transfer Agents, in respect of their outstanding dividends for the succeeding years.

5. All the Share Holders are requested to claim the Unpaid/ Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 5<sup>th</sup> October, 2022. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Account. Kindly note that dividend for Financial Year 2013-14 has already been transferred to IEPF.
6. However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim.

#### DIVIDEND RELATED INFORMATION

Subject to approval of the Members at the AGM, the dividend will be paid on or before 20<sup>th</sup> October, 2022, to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. Thursday, 22<sup>nd</sup> September, 2022, and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be despatched to the registered address of the Members who have not updated their bank account details.

Pursuant to Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their PAN with the DP (if shares held in electronic form) and Company/ Aarthi Consultants Private Limited (if shares held in physical form).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G / 15H, to avail the benefit of non-deduction of tax at source by e-mail

to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)/ [aries@aarthiconsultants.com](mailto:aries@aarthiconsultants.com) by 11.59 p.m. IST on 15<sup>th</sup> September, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders [including Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors(FPIs)] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits. For this purpose the shareholder may submit the above documents (PDF / JPG Format) by e-mail to [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)/ [aries@aarthiconsultants.com](mailto:aries@aarthiconsultants.com). The aforesaid declarations and documents need to be submitted by the shareholders by 11.59 p.m. IST on 15<sup>th</sup> September, 2022.

#### INFORMATION TO THE SHAREHOLDERS

1. The Annual Report duly circulated to the Members of the Company, is available on the Company's Website at [www.ariesagro.com](http://www.ariesagro.com) and on the website of M/S. **Aarthi Consultants Private Limited** at [www.aarthiconsultants.com](http://www.aarthiconsultants.com).
2. Shareholders can register their complaints, if any, on an exclusive e-mail id [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) which has been designated for the said purpose.
3. The Company's Equity Shares are listed at (i) BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; and (ii) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai- 400051 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2022-2023.
4. Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting are given below:

| Particulars required   | Information                                |
|--|--|
| Name of the Director   | Mrs. Nitya Mirchandani                     |
| DIN  | 06882384                                   |
| Date of Birth  | 29 <sup>th</sup> January, 1978             |
| Date of Appointment  | 30 <sup>th</sup> May, 2014                 |
| Expertise in specific functional areas   | Administration and Management              |
| Qualifications   | B.A., Diploma in Human Resource Management |
| <b>Brief Resume:</b>   |  |
| Mrs. Nitya Mirchandani is a Bachelor of Arts in Psychology from Swami Vivekananda College of Commerce, Arts & Science, Mumbai and holds a Diploma in Human Resource Management from Narsee Monjee Institute of Management Studies, Mumbai. She has completed a diploma in Advertising from the British Council, Mumbai and has interest in Children's Education and Counseling Psychology. |  |

| Particulars required  | Information  |
|---|--|
| Relationship between Directors inter-se                                     | Wife of Chairman and Managing Director, Dr. Rahul Mirchandani and Sister-in-Law of Non-Executive-Non-Independent Director, Dr. Jimmy Mirchandani |
| Chairman/Member of the Committees of the Board of Directors of the Company. | Member of the Audit Committee, Stake Holders Relationship Committee, Corporate Social Responsibility(CSR) Committee and Treasury Committee.      |
| Directorship in other Companies   | NIL  |
| Membership of Audit Committee of other Public Limited Companies             | NIL  |
| Membership of any other Committee of other Public Limited Companies.        | NIL  |
| Number of Shares held in the Company  | 3,000  |

5. The Registrar and Share Transfer Agent of the Company (RTA).

#### AARTHI CONSULTANTS PRIVATE LIMITED

1-2-285, Domalguda, Hyderabad – 500 029, Telangana, India  
 Tel : +91-40-27634445 / 27642217, Fax: +91-40-27632184  
 E-mail: [aries@aarthiconsultants.com](mailto:aries@aarthiconsultants.com)  
 Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)

#### VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.

#### THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:-

- The voting period begins on Sunday, 25<sup>th</sup> September, 2022 at 10.00 a.m. and ends on Wednesday, 28<sup>th</sup> September, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date Thursday, 22<sup>nd</sup> September, 2022, may cast their vote electronically. The remote e-Voting module shall be disabled by CDSL for voting thereafter.

- (ii) The facility for e-Voting shall also be made available during the AGM and the Members attending the AGM who have not already cast their votes through remote e-Voting and are otherwise not barred from doing so, shall be able to exercise their voting rights during the AGM.
- (iii) Members may follow the same procedure for e-Voting during the Fifty Second AGM as mentioned below in the instructions for remote e-Voting.
- (iv) The Scrutinizer shall close the e-Voting facility after the expiry of 15 minutes from the conclusion of the AGM.
- (v) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting.
- (vi) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it has been decided to enable e-Voting to **all the Demat Account Holders, by way of a single login credential, through their Demat Accounts/ Websites of Depositories/ Depository Participants**. Demat Account Holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.
- (vii) In terms of SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat Mode are allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their Mobile Number and email Id in their Demat Accounts in order to access e-Voting facility.

**Pursuant to abovesaid SEBI Circular, Login method FOR E-VOTING AND JOINING VIRTUAL MEETINGS FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE** is given below:

| Type of shareholders  | Login Method   |
|---|--|
| Individual Shareholders holding securities in Demat Mode with <b>CDSL</b> | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi. |

| Type of shareholders  | Login Method  |
|---|---|
|   | <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting Service Provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in Demat Mode with <b>NSDL</b> | 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting Service Provider name and you will be re-directed to e-Voting Service Provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.   |



| Type of shareholders  | Login Method  |
|---|---|
|   | <p>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDEAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a Mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting Service Provider name and you will be redirected to e-Voting Service Provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> |
| Individual Shareholders (holding securities in Demat Mode) login through their <b>Depository Participants</b> | You can also login using the login credentials of your Demat Account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting Service Provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.  |

**Important Note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in Demat Mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type  | Helpdesk details   |
|---|--|
| Individual Shareholders holding Securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800 22 55 33 |

| Login type  | Helpdesk details   |
|---|--|
| Individual Shareholders holding Securities in Demat mode with <b>NSDL</b> | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

**(viii) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING IN DEMAT FORM & PHYSICAL SHAREHOLDERS.**

- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.
- Now enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any Company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

|  | <b>FOR PHYSICAL SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT</b>  |
|--|--|
| PAN  | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>                 |
| Dividend Bank Details<br><b>OR</b> Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat Account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company, please enter the Member ID / Folio Number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul> |

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in Physical Form will then directly reach the Company selection screen. However, shareholders holding shares in Demat Form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other Company on which they

are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- 10) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- 11) Click on the EVSN for the relevant <ARIES AGRO LIMITED> on which you choose to vote.
- 12) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 13) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 14) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 15) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 16) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 17) If a Demat Account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 18) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to Scrutinizer for verification

#### **ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS –FOR REMOTE VOTING ONLY**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non Individual Shareholders are mandatorily required to send the relevant Board Resolution/ Authority

Letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com) (designated email address by Company), if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the Scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/ EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a SPEAKER by sending their request in advance atleast **5 days prior to meeting** mentioning their Name, Demat Account Number/Folio Number, email id, Mobile Number at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their Name, Demat Account Number/Folio Number, email id, Mobile Number at [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a SPEAKER will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

#### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & Mobile No. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email ID & Mobile No. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

#### QUERIES AND GRIEVANCES

1. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at Toll Free No. 1800 22 55 33.
2. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at Toll Free No. 1800 22 55 33.

#### GENERAL GUIDELINES FOR MEMBERS

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on [www.evotingindia.com](http://www.evotingindia.com) to reset the password.
2. You can also update your Mobile Number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
3. The voting rights of Members shall be in proportion to their shares of the Paid-Up Equity Share Capital of the Company as on the cut-off date of Thursday, 22<sup>nd</sup> September, 2022.
4. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the Cut-Off date i.e. Thursday, 22<sup>nd</sup> September, 2022, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or the Company/RTA.

5. A person whose name is registered in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-Off date only shall be entitled to avail the facility of remote e-Voting, as well as voting at the meeting.

#### SCRUTINIZER

Ms. Shailashri Bhaskar, Practicing Company Secretary (Membership No. FCS-5778 and CP No. 5092) or in her absence Mr. A. Sekar, Practicing Company Secretary (Membership No. ACS-8649 and CP No. 2450), has been appointed as the Scrutinizer to scrutinize e-Voting process(including the e-Voting at the AGM), in a fair and transparent manner.

#### VOTING AND RESULT

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-Voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The e-Voting module during the AGM shall be disabled by CDSL for voting 15 minutes after the conclusion of the Meeting.

The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast during the AGM and, thereafter, unblock the votes cast through remote e-Voting and shall make, not later than 2 working days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared, alongwith the Scrutinizer's Report, shall be placed on the Company's website [www.ariesagro.com](http://www.ariesagro.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com), immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's Equity Shares are listed viz. BSE and NSE and be made available on their respective websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**By Order of the Board**

**Qaiser P. Ansari**  
**Company Secretary and Senior V.P.(Legal)**  
**Membership No. ACS-8979**

Place: Mumbai  
 Date: 29<sup>th</sup> August, 2022

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

### Item No. 4

This Explanatory Statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the Forty Seventh Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 had approved the appointment of M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai, (Membership No. 101903 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), as the Statutory Auditors of the Company for a period of 5(five) years to hold office till the conclusion of the Fifty Second Annual General Meeting and their term ends at the ensuing Annual General Meeting. The Company needs to appoint Statutory Auditors in their place.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 10<sup>th</sup> August, 2022, proposed to appoint M/s Kirti D. Shah & Associates, Chartered Accountants, Mumbai (Firm Registration No. 115133W, Membership No. 32371) and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), as the Statutory Auditors of the Company, for a term of 5(Five) consecutive years from the conclusion of Fifty Second Annual General Meeting till the conclusion of Fifty Seventh Annual General Meeting of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

M/s Kirti D. Shah & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. M/s Kirti D. Shah & Associates were associated with the Company for a long time prior to the enactment of the Companies Act, 2013 and their term had ended at the conclusion of the Forty Seventh Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 in accordance with the Companies Act, 2013. M/S M/s Kirti D. Shah & Associates also audits various Companies.

The proposed remuneration to be paid to M/S M/s Kirti D. Shah & Associates, for FY 2022-23 is Rs. 30,00,000/- (Rupees Thirty Lakhs Only) (plus applicable taxes and reimbursement of out-of-pocket expenses). The Audit Committee and the Board is of the view that Rs. 30,00,000/- (Rupees Thirty Lakhs Only) is reasonable Audit Fee considering the size and scale of the Company,

The remuneration to be paid to Statutory Auditors for the remaining term i.e. from FY 2023-24 through FY 2026-27 (till the conclusion of the 57<sup>th</sup> AGM of the Company to be held in the year 2027), shall be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

### Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment of and payment of remuneration to the Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2023 for an audit fee of Rs. 2,90,400/- (Rupees Two Lakh Ninety Thousands Four Hundred Only) p.a. plus GST and reimbursement of Out of Pocket Expenses at actual based on the recommendation made by the Audit Committee after evaluating the performance of the Cost Auditor.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the **Ordinary Resolution** set out at Item No. 5 of the Notice for approval by the shareholders.

**By Order of the Board**

**Qaiser P. Ansari**  
**Company Secretary and Senior V.P.(Legal)**  
**Membership No. ACS-8979**

Place: Mumbai  
 Date: 29<sup>th</sup> August, 2022



## BOARD'S REPORT

To  
The Members,  
Aries Agro Limited

Your Directors have pleasure in presenting their 52<sup>nd</sup> Annual Report on the operations of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022.

### Financial Performance

( Rupees in Lakhs unless stated otherwise )

| Particulars   | Standalone                     |                                | Consolidated                   |                                |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
| Revenue from Operations   | 54,752.45                      | 47,449.83                      | 54,808.76                      | 47,451.15                      |
| Less :- Discount / Rebates                                      | 10,805.45                      | 9,304.18                       | 10,805.45                      | 9,304.18                       |
|   | 43,947.00                      | 38,145.65                      | 44,003.31                      | 38,146.97                      |
| Other Income  | 882.72                         | 523.04                         | 391.06                         | 27.00                          |
| <b>Total Revenue (including Other Income)</b>                   | <b>44,829.72</b>               | <b>38,668.68</b>               | <b>44,394.37</b>               | <b>38,173.96</b>               |
| Profit Before Tax, Interest & Depreciation                      | 5,650.82                       | 6,239.55                       | 5,053.74                       | 5,702.15                       |
| Less :- Finance Costs   | 2,430.44                       | 2,593.22                       | 2,447.34                       | 2,596.35                       |
| Depreciation & Amortisation Expense                             | 565.35                         | 638.15                         | 578.27                         | 644.36                         |
|   | 2,995.80                       | 3,231.37                       | 3,025.62                       | 3,240.72                       |
| <b>Profit Before Tax</b>  | <b>2,655.02</b>                | <b>3,008.19</b>                | <b>2,028.12</b>                | <b>2,461.44</b>                |
| Less :- Current Tax   | 732.00                         | 640.00                         | 732.00                         | 640.00                         |
| Adjustment of Tax relating to earlier periods                   | (40.75)                        | 6.45                           | (40.75)                        | 6.45                           |
| Deferred Tax  | 61.39                          | 97.83                          | 42.53                          | 97.83                          |
|   | 752.64                         | 744.27                         | 733.78                         | 744.27                         |
| <b>Profit After Tax</b>   | <b>1,902.38</b>                | <b>2,263.91</b>                | <b>1,294.34</b>                | <b>1,717.16</b>                |
| Add / (Less) :- Share of Profit / (Loss) of Associates          | -                              | -                              | (133.87)                       | (77.48)                        |
| <b>Profit for the year</b>                                      | <b>1,902.38</b>                | <b>2,263.91</b>                | <b>1,160.48</b>                | <b>1,639.68</b>                |
| Less :- Non-Controlling Interest                                | -                              | -                              | (168.56)                       | (156.03)                       |
| <b>Profit for the year attributable to Owners of the Parent</b> | <b>1,902.38</b>                | <b>2,263.91</b>                | <b>1,329.03</b>                | <b>1,795.71</b>                |
| Balance brought forward   | 12,050.94                      | 9,787.03                       | 12,695.34                      | 10,958.78                      |
| Add / (Less) :- Adjustment on Account of IFRS 16                | -                              | -                              | -                              | 0.27                           |
| Foreign Currency Translation Reserve                            | -                              | -                              | 28.50                          | (59.41)                        |
| <b>Amount available for Appropriation</b>                       | <b>13,953.32</b>               | <b>12,050.94</b>               | <b>14,052.87</b>               | <b>12,695.34</b>               |
| Less :- Dividend Proposed / Paid                                | 104.04                         | -                              | 104.04                         | -                              |
| Tax on Dividend Proposed  | -                              | -                              | -                              | -                              |
| Provision for Doubtful Debts                                    | -                              | -                              | -                              | -                              |
|   | 104.04                         | -                              | 104.04                         | -                              |
| <b>Surplus carried forward to Balance Sheet</b>                 | <b>13,849.28</b>               | <b>12,050.94</b>               | <b>13,948.83</b>               | <b>12,695.34</b>               |

| Particulars   | PERCENTAGE TO GROSS SALES      |              |                                |              |                                |              |                                |              |
|---|--------------------------------|--------------|--------------------------------|--------------|--------------------------------|--------------|--------------------------------|--------------|
|   | Standalone                     |              |                                |              | Consolidated                   |              |                                |              |
|   | Year Ended<br>31st March, 2022 |              | Year Ended<br>31st March, 2021 |              | Year Ended<br>31st March, 2022 |              | Year Ended<br>31st March, 2021 |              |
| Revenue from Operations   |                                | 100.00       |                                | 100.00       |                                | 100.00       |                                | 100.00       |
| Less :- Discount / Rebates                                      |                                | 19.74        |                                | 19.61        |                                | 19.71        |                                | 19.61        |
|   |                                | 80.26        |                                | 80.39        |                                | 80.29        |                                | 80.39        |
| Other Income  |                                | 1.61         |                                | 1.10         |                                | 0.71         |                                | 0.06         |
| <b>Total Revenue (including Other Income)</b>                   |                                | <b>81.88</b> |                                | <b>81.49</b> |                                | <b>81.00</b> |                                | <b>80.45</b> |
| Profit Before Tax, Interest & Depreciation                      |                                | 10.32        |                                | 13.15        |                                | 9.22         |                                | 12.02        |
| Less :- Finance Costs   | 4.44                           |              | 5.47                           |              | 4.47                           |              | 5.47                           |              |
| Depreciation & Amortisation Expense                             | 1.03                           |              | 1.34                           |              | 1.06                           |              | 1.36                           |              |
|   |                                | 5.47         |                                | 6.81         |                                | 5.52         |                                | 6.83         |
| <b>Profit Before Tax</b>  |                                | <b>4.85</b>  |                                | <b>6.34</b>  |                                | <b>3.70</b>  |                                | <b>5.19</b>  |
| Less :- Current Tax   | 1.34                           |              | 1.35                           |              | 1.34                           |              | 1.35                           |              |
| Adjustment of Tax relating to earlier periods                   | (0.07)                         |              | 0.01                           |              | (0.07)                         |              | 0.01                           |              |
| Deferred Tax  | 0.11                           |              | 0.21                           |              | 0.08                           |              | 0.21                           |              |
|   |                                | 1.37         |                                | 1.57         |                                | 1.34         |                                | 1.57         |
| <b>Profit After Tax</b>   |                                | <b>3.47</b>  |                                | <b>4.77</b>  |                                | <b>2.36</b>  |                                | <b>3.62</b>  |
| Add / (Less) :- Share of Profit / (Loss) of Associates          |                                | -            |                                | -            |                                | (0.24)       |                                | (0.16)       |
| <b>Profit for the year</b>                                      |                                | <b>3.47</b>  |                                | <b>4.77</b>  |                                | <b>2.12</b>  |                                | <b>3.46</b>  |
| Less :- Non-Controlling Interest                                |                                | -            |                                | -            |                                | (0.31)       |                                | (0.33)       |
| <b>Profit for the year attributable to Owners of the Parent</b> |                                | <b>3.47</b>  |                                | <b>4.77</b>  |                                | <b>2.42</b>  |                                | <b>3.78</b>  |
| Balance brought forward   |                                | 22.01        |                                | 20.63        |                                | 23.16        |                                | 23.09        |
| Add / (Less) :- Adjustment on Account of IFRS 16                |                                | -            |                                | -            |                                | -            |                                | 0.00         |
| Foreign Currency Translation Reserve                            |                                | -            |                                | -            |                                | 0.05         |                                | (0.13)       |
| <b>Amount available for Appropriation</b>                       |                                | <b>25.48</b> |                                | <b>25.40</b> |                                | <b>25.64</b> |                                | <b>26.75</b> |
| Less :- Dividend Paid   | 0.19                           |              | -                              |              | 0.19                           |              | -                              |              |
| Tax on Dividend Proposed  | -                              |              | -                              |              | -                              |              | -                              |              |
| Provision for Doubtful Debts                                    | -                              |              | -                              |              | -                              |              | -                              |              |
|   |                                | 0.19         |                                | -            |                                | 0.19         |                                | -            |
| <b>Surplus carried forward to Balance Sheet</b>                 |                                | <b>25.29</b> |                                | <b>25.40</b> |                                | <b>25.45</b> |                                | <b>26.75</b> |

## OPERATIONS STANDALONE

During the year under review, the Earnings Before Interest, Depreciation and Tax was 12.86% compared to 16.36% in the previous year. The Total Revenue (excluding Other Income) for the year net of discount / rebates was Rs. 43,947.00 Lakhs as against Rs. 38,145.65 Lakhs in the previous year. Profit after tax for the year was 4.33% compared to 5.93% in the previous year.

## CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Indian Accounting Standard (Ind-AS) 110 on Consolidated Financial Statements, the Audited Consolidated Financial Statement is provided in the Annual Report.

The Consolidated Profit Before Interest, Depreciation, Exceptional Items and Taxes (EBITDA) of the Group was Rs. 5,053.74 Lakhs in the Financial Year 2021-22 compared to Rs. 5,702.15 Lakhs in the previous year. Consequently, the Consolidated Profit Before Exceptional Items and Taxes (PBT) was Rs. 2,028.12 Lakhs in the Financial Year 2021-22 compared to Rs. 2,461.44 Lakhs in the previous year.

## FINANCIAL REVIEW

With the collective support of Staff and Aries Customers the Company was able to improve its revenue from Indian operations by 15.39% from Rs. 474.49 Crores to Rs. 547.52 Crores..

The total Capacity Utilization currently stands at 69.42% of the total Installed Capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE began operations in the month of September 2021 and has started manufacturing four value added Sulphur based pastillized products for sale in India. The supply chain constraints however led to availability shortages for imported raw materials, especially those sourced from China. The Indian manufacturing base was expanded with commencement of manufacturing and repacking operations at Vijayawada and Raipur.

## DIVIDEND

After considering earnings, requirement for funds and with the objective of rewarding the Shareholders, the Directors have / recommended Final Dividend of 8% being Rs. 0.80 per Equity Share

of Rs. 10/- each which is 5.47% of Net Profit for the year ended 31<sup>st</sup> March, 2022 (previous year 8% being Rs. 0.80 per Equity Share of Rs. 10/- each which is 4.60% of Net Profit) subject to your approval at the ensuing Annual General Meeting. The Dividend, if approved, will result in an outflow of Rs. 104.03 Lakhs.

## TRANSFER TO RESERVES

Your Directors propose to transfer Rs. NIL to the General Reserve out of the current year's profit and the balance aggregating to Rs. 13,849.28 Lakhs is proposed to be retained in the Profit and Loss Account.

## FUTURE PROSPECTS:

The year 2022-23 is the 53<sup>rd</sup> year of operations and the Company has planned to strengthen its range of products by finding domestic sources of raw materials to reduce the impact of import supply chain disruption and high costs as well as intensive campaigning to establish products launched in the recent two years. During 2022-23, only variants of few products will be introduced primarily with the aim of reducing cost of application to the farmers and to keep fixed costs under control. No major new product concepts will be introduced. The astronomical increase in certain essential raw material prices has necessitated alternative formulations, reducing pack sizes and providing combination packs coupled with multiple products sale during a sales call. Substitutes for certain products like EDTA Chelates and water soluble NPKs, which are facing high cost escalation have been identified within the Aries range itself and demand creation for these substitutes will ensure demand is met with cost effective alternatives. 2022-23 annual booking was conducted online with 1258 Dealers from 26 States using our Booking App. This is expected to achieve Gross Revenue of Rs. 625 Crores in FY 2022-23

The Company is also exploring B2B and bulk international opportunities using its existing and Subsidiary network. These efforts will ensure that the revenue growth in the current financial year is satisfactory.

## CREDIT RATING

The Credit Rating of the Company was issued by CRISIL Ratings on 11<sup>th</sup> January, 2022 as under:

| Facilities                                     | By BRICKWORK RATINGS<br>(CURRENT) |   | By CRISIL RATINGS<br>(REVISED) |                                  |  |
|--|-----------------------------------|---|--------------------------------|----------------------------------|--|
| Facilities                                     | Amount (Rs)                       | Rating Action                                   | Amount (Rs)                    | Rating Action                    | Indication/Significance  |
| Long Term Bank Facilities<br>(Fund Based)      | 136.16 Cr                         | Revised<br>As BWR<br>BBB (Stable)<br>Reaffirmed | 150.00 Cr                      | CRISIL BBB+/<br>Stable(Assigned) | Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk |
| Short Term Bank Facilities<br>(Non Fund Based) | 27.20 Cr                          | Revised as<br>BWR A3+<br>Reaffirmed             |                                | CRISIL<br>A2(Assigned)           | Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligation. Such instruments carry low credit risk           |
| <b>Total</b>                                   | <b>163.36 Cr</b>                  |   | <b>150.00 Cr</b>               |                                  |  |

The rating reflect moderate degree of safety regarding timely servicing of financial obligations.

### **CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT**

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

### **SAFETY AND HEALTH**

The health and safety of the employees across its operations remains the highest priority for the Company. All endeavours are being made to enhance safety standards and processes towards minimising safety risks in all operations in the Company. There was no accident or mishap in any of its four factories.

#### **Safety measures for dealing with Covid-19**

1. Strict travel of all employees only by private vehicle/own bike or by bus provided by the company.
2. Every employee to record body temperature before leaving the house using a simple home thermometer and submission of the readings daily on Aries App.
3. The temperature is recorded at entry point of office/depot/branches during arrival and departure of all employees and every person who enters the office/depot/branches.
4. Every person entering the Company premises to compulsorily pass through the sanitizer tunnel and also get UV screened before entering.
5. Social distancing at all times for all employees while in the Company premises.
6. Mandatory wearing of mask for all employees while in the Company premises.
7. Sanitization of workspace at least three times a day.
8. Touch free sanitizers installed all the over the office/depot/branch premises.
9. All meetings are conducted using digital platforms to minimize face to face proximity.
10. Travel history of all employees has been collected. They are advised to report any travel done outside city limits immediately to HR.
11. Instructions given to employees to order a Swab Test immediately, if anyone at home is having COVID-19 symptoms and not to report for duty. Any person staying at home or quarantined due to symptoms is instructed to submit Negative Covid-19 Report while resuming duty.
12. Employees are advised to take immunity boosting medication or home remedies and eat balanced meals, home cooked food.
13. All Aries staff and workers are covered under COVID-19 group insurance to take care of some of the expenses in case of any eventuality
14. Visitors entry are completely banned into the Company premises and in case of anyone visiting, have to compulsorily fill the visitor declaration form in line with the Covid 19 SOP issued by the MOH at least 24 hours prior to the arrival into the Company's premises.

15. Using digital remote working & collaboration platform to ensure full preparedness for sudden lockdowns, if any, in future.

16. It was essential for all our teams to be fully vaccinated for safety purposes. We organized vaccination camps for the employees and their family members as well

### **PUBLIC DEPOSITS**

The Company has not accepted any deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 and Members (other than Directors) during the year under review and as such, no amount on account of Principal or Interest on Deposits from Public and Members (other than Directors) was outstanding as on 31<sup>st</sup> March, 2022.

### **SUBSIDIARIES & ASSOCIATE COMPANIES**

Your Company has four Subsidiaries out of which three are Non-Material Indian Subsidiaries viz Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Mirabelle Agro Manufacturing Private Limited and one foreign subsidiary namely Golden Harvest Middle East FZC.

The operations of Aries Agro Care Pvt. Ltd. commenced in the Financial Year 2008-09 but discontinued the activity in the financial year 2012-13 due to extremely volatile nature of seeds business and had no business activity in the financial year 2021-2022. The Company incurred expenses to the tune of Rs. 15.46 Lakhs for the Financial Year.

The business operations of Aries Agro Equipments Pvt. Ltd. commenced in the year 2009-10 in agricultural sprayers but discontinued the activity in the financial year 2013-14 due to lack of appropriate distribution network for Farm Equipments and had no business activity in the financial year 2021-2022. The Company incurred expenses to the tune of Rs. 0.57 Lakhs for the Financial Year.

Mirabelle Agro Manufacturing Private Limited was incorporated on 26<sup>th</sup> December, 2019. The Company started its full operations during the Financial Year 2021-22 and had a Turnover of Rs. 667.79 Lakhs as compared to Rs. 13.22 Lakhs in the Previous Year. The Company has incurred a Loss of Rs. 72.66 Lakhs during the Financial Year 2021-22 as compared to a Profit of Rs. 0.09 Lakhs in the Previous Year.

The above three Companies are Wholly Owned Subsidiaries of the Company.

As regards the overseas subsidiary M/S. Golden Harvest Middle East FZC a Trading Entity, in their Thirteenth Year of operation, has not generated any sale and has incurred Loss of AED 26.64 Lakhs (INR 550 Lakhs) for the year 2021-2022, since trading revenue did not materialize for licensing reasons.

As required under Section 129(3) of the Companies Act, 2013, annexed hereto are the Audited Financial Statements for the Year ended 31<sup>st</sup> March, 2022 of Golden Harvest Middle East FZC., Aries Agro Care Private Limited, Aries Agro Equipments Private Limited and Mirabelle Agro Manufacturing Private Limited.

A Statement in Form AOC-1 of Subsidiary Companies as prescribed under Section 129(3) of The Companies Act, 2013 read with Rule 5 of Companies(Accounts) Rules, 2014, is annexed and is forming part of the Annual Report.

Apart from the above statement a list of Subsidiary & Group Companies is given in Note No. 37 of the Notes to Accounts, and is forming part of the Annual Report.

All the above Indian Subsidiary and Group Companies are Un-listed and Non-Material Companies as defined under Listing Regulations. M/S Amarak Chemicals FZC, Fujairah, UAE is an Associate of the Subsidiary M/S. Golden Harvest Middle East FZC.

There is no Associate or Joint Venture Companies other than as listed above.

## **INSURANCE**

All properties and assets of your Company are adequately insured covering all conceivable risks.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **DIRECTORS**

Mr. Bhumitra Vinodchandra Dholakia (DIN 01871816), an Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee and CSR Committee expired on 20<sup>th</sup> January, 2022.

The Board expresses its deep sorrow over the sad demise of Mr. Bhumitra Vinodchandra Dholakia, and places on record its appreciation and gratitude for the valuable guidance and counselling rendered by Mr. Bhumitra Vinodchandra Dholakia, during his tenure/ association with the Company.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their Meeting held on 15<sup>th</sup> March, 2022, appointed Mr. Nrupang Bhumitra Dholakia (DIN: 06522711) as an Additional Director with effect from 15<sup>th</sup> March, 2022, to hold office till the date of the ensuing Annual General Meeting of the Company. The Company received a notice in writing from a Member under the provisions of Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director.

Mr. Nrupang Bhumitra Dholakia is son of late Mr. Bhumitra Vinodchandra Dholakia.

Pursuant to the recommendation of the Nomination and Remuneration Committee of the Company, Mr. Nrupang Bhumitra Dholakia was appointed as an Independent Director of the Company, not liable to retire by rotation, by the Board of Directors at their Meeting held on 15<sup>th</sup> March, 2022 for a term of 5 (five) consecutive years with effect from 15<sup>th</sup> March, 2022 up to 14<sup>th</sup> March, 2027, subject to the approval of the Members by way of Special Resolution.

The Members through Postal Ballot conducted during the period from Monday, 21<sup>st</sup> March, 2022 at 9:00 a.m. (IST) to Tuesday, 19<sup>th</sup> April, 2022 at 5:00 p.m. (IST), the results of which was declared on Wednesday, 20<sup>th</sup> April, 2022, approved the appointment of Mr. Nrupang Bhumitra Dholakia as an Independent Director w.e.f. 15<sup>th</sup> March, 2022 for a term of 5 (five) consecutive years with effect from 15<sup>th</sup> March, 2022 up to 14<sup>th</sup> March, 2027, by passing a Special Resolution.

In the opinion of the Board, Mr. Nrupang Bhumitra Dholakia is a person of integrity, possesses the expertise in the area of Corporate Laws and Compliance and has over a decade of experience and is proficient in his role and fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations, each as amended, and is independent of the Management of the Company.

Apart from the above, there is no change in the Composition of the Board of Directors during the year under review.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Nitya Mirchandani (DIN 06882384) Director retires by rotation and being eligible, offers herself for re-appointment. Accordingly, her re-appointment forms part of the Notice of ensuing Annual General Meeting.

All the Independent Directors have submitted declarations to the effect that each of them meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

Section 149(10) of the Act provides that an Independent Director shall hold office for a term of five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the Company and disclosure of such appointment shall be made in its Board's Report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

Familiarisation Programme for Independent Directors---- Though there is no formal Policy for familiarization but the Company in order to familiarize the Independent Directors with the business of the Company, makes presentation by the Functional Heads covering Operations of the Company at every Quarterly board meeting and nature and scope of business, nature of industry in which Company operates, profitability and future plans. Regularly at meetings updates are given to the Board. House Journal as and when published is also sent to all the Directors and their feedback are considered. Action Taken Report and Legal Updates are also being placed at every meeting of the Board and Audit Committee just to keep the Directors updated with the latest amendments and Action Taken by the Management.

### **KEY MANAGERIAL PERSONNEL**

Mr. Vivek K. Joshi, Chief Financial Officer resigned from the Company with effect from 1<sup>st</sup> July, 2021.

Mrs. Chhaya Ashok Warriar, Vice President (Accounts) was assigned the functions and responsibilities of the Chief Financial Officer of the Company with effect from 1<sup>st</sup> December, 2021 and has been designated as Vice President (Finance) reporting to the Chairman and Managing Director.

The Board of Directors in their Meeting held on 11<sup>th</sup> August, 2021, pursuant to the recommendation of the Nomination and Remuneration Committee, re-appointed Dr. Rahul Mirchandani for a period of 5(Five) years from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2027 and fixed remuneration, which was approved by the Members in the 51<sup>st</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2021 by passing a Special Resolution.

Apart from the above there were no other change in the Key Managerial Personnel during the year under review. All the Key Managerial Personnel have submitted disclosures and declaration required under the Companies Act, 2013 and Listing Regulations.

### **MEETINGS OF BOARD**

Six(6) Meetings of the Board of Directors were held during the year on 29.06.2021, 11.08.2021, 21.09.2021, 12.11.2021, 09.02.2022



and 15.03.2022. For further details, please refer Report on Corporate Governance of this Annual Report.

#### AUDIT COMMITTEE

Due to the sad demise of Mr. Bhumitra Vinodchandra Dholakia, the Audit Committee was re-constituted w.e.f. 23<sup>rd</sup> March, 2022. The Committee comprises of Mr. C. B. Chhaya, Chairman, Prof. R. S. S. Mani, Mrs. Nitya Mirchandani and Mr. Nrupang Bhumitra Dholakia, Members. For further details, please refer Report on Corporate Governance of this Annual Report.

All the recommendations made by the Audit Committee were accepted by the Board during the year under review.

#### NOMINATION AND REMUNERATION COMMITTEE

Due to the sad demise of Mr. Bhumitra Vinodchandra Dholakia, the Nomination and Remuneration Committee was re-constituted w.e.f. 23<sup>rd</sup> March, 2022. The Committee comprises of Prof. R. S. S. Mani, Chairman, Mr. C. B. Chhaya, and Mr. Nrupang Bhumitra Dholakia, Members. For further details, please refer Report on Corporate Governance of this Annual Report.

#### STAKE HOLDERS RELATIONSHIP COMMITTEE

There was no change in the Stake Holders Relationship Committee during the year. The Committee comprises of Mr. C. B. Chhaya(Chairman), Dr. Rahul Mirchandani and Mrs. Nitya Mirchandani. For further details, please refer Report on Corporate Governance of this Annual Report.

#### CSR COMMITTEE

Due to the sad demise of Mr. Bhumitra Vinodchandra Dholakia, the CSR Committee was re-constituted w.e.f. 23<sup>rd</sup> March, 2022. The Committee comprises of Dr. Rahul Mirchandani(Chairman), Mrs. Nitya Mirchandani and Mr. Nrupang Bhumitra Dholakia, Members. For further details, please refer Report on Corporate Governance of this Annual Report.

#### BOARD EVALUATION

The Board of Directors have carried out an Annual Evaluation of its own performance and individual Directors themselves pursuant to the provisions of the Act and Corporate Governance requirements as prescribed by Regulation 17(10) of the SEBI(LODR) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and Structure, Effectiveness of Board Process, Information and Functioning etc.

In a separate Meeting of the Independent Directors, performance of Non-Independent Directors, Performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

#### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Policy on Directors Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of Director and also Remuneration for Key Managerial Personnel and other Employees are contained in the Nomination and Remuneration Policy which is hosted at the web site of the Company [www.ariesagro.com](http://www.ariesagro.com) and the same is re-produced in the Report on Corporate Governance.

#### DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures;
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the profit of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis;
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;**

| Non-Executive Directors            | Ratio to median Remunerations | Directors Remuneration / Sitting Fees Rs. Lakhs |
|------------------------------------|-------------------------------|---|
| Dr. Jimmy Mirchandani              | 0.56                          | 2.00  |
| Mrs. Nitya Mirchandani             | 1.17                          | 4.20  |
| Prof R. S. S. Mani                 | 1.17                          | 4.20  |
| Mr. Chakradhar Bharat Chhaya       | 1.34                          | 4.80  |
| Mr. Bhumitra Vinodchandra Dholakia | 0.67                          | 2.40  |
| <b>Executive Directors</b>         |                               |   |
| Dr. Rahul Mirchandani              | 59.22                         | 211.90  |

2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;**

| Directors, Chief Financial Officer, Company Secretary                                   | % Increase in Remuneration in the Financial Year |
|---|--|
| Dr. Rahul Mirchandani, CMD  | 0.35   |
| Mr. Qaiser P. Ansari, Company Secretary & Sr. VP (Legal)                                | 18.31  |
| Mrs. Chhaya A. Warriar, V.P. Finance (Discharging the Duties & Responsibilities of CFO) | --   |

3. The percentage increase in the median remuneration of employees in the financial year; 10.24 %
4. The number of permanent employees on the rolls of Company; 1002
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average annual increase was around 18.19% after accounting for promotions and other event based compensation revision.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company.

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

The Statement containing Particular of Employees as required under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, drawing remuneration in excess of the limits set out in the said Rules are provided in the Annual Report.

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 ("Act") read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

| TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2021-22 |                             |  |                       |                      |                          |   |                            |                      |     |  |   |  |
|---|-----------------------------|--|-----------------------|----------------------|--------------------------|---|----------------------------|----------------------|-----|--|---|--|
| Sr. No.   | NAME                        | DESIGNATION  | REMUNERATION RECEIVED | NATURE OF EMPLOYMENT | OTHER TERMS & CONDITIONS | NATURE OF DUTY  | QUALIFICATION & EXPERIENCE | DATE OF COMMENCEMENT | AGE | Last Employment held   | % of Equity Shares held as on 31.03. 2022 | Whether relative of any Director or Manager and the name of such Director or Manager |
| 1   | DR. RAHUL MIRCHANDANI       | CHAIRMAN & MANAGING DIRECTOR                           | 21,189,600            | CONTRACTUAL          | N.A.                     | MANAGING THE AFFAIRS OF THE COMPANY                               | B. Com; CFA; MBA; Ph.D     | 02.02.1994           | 46  | N.A.   | 23.94                                     | Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani                 |
| 2   | MR. KAISER PARVEZ ANSARI    | COMPANY SECRETARY & SENIOR VICE PRESIDENT (LEGAL)      | 3,990,665             | FULL TIME EMPLOYEE   | N.A.                     | COMPANY SECRETARY   | B. Com. LLB ACS            | 02.06.2008           | 59  | M/s Sabero Organics Gujarat Ltd., Desgn - CS & Dy. Gen. Manager (Legal & Taxation) | 0.00                                      | N.A.   |
| 3   | MR. JAYAPRADEEP SUBRAMANIAN | VICE PRESIDENT (MARKETING) SOUTHERN REGION             | 11,704,846            | FULL TIME EMPLOYEE   | N.A.                     | MARKETING & EXTENSION ACTIVITIES FOR SOUTHERN REGION              | M.Sc. MBA                  | 15.11.2013           | 40  | M/s Tata Consultancy Services, Desgn - IT Analyst                                  | 0.06                                      | N.A.   |
| 4   | MR. ARUN K. TIWARI          | HEAD MARKETING OPERATIONS (NORTHERN REGION)            | 5,180,087             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES OF NORTHERN REGION              | B. Sc                      | 01.12.1992           | 54  | N.A.   | 0.00                                      | N.A.   |
| 5   | MR. SANTOSH KUMAR PANDEY    | HEAD MARKETING OPERATIONS (MAHARASHTRA AND NIPANI DIV) | 2,624,027             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES OF MAHARASHTRA, NIPANI DIVISION | M. Sc (Ag)                 | 26.05.2004           | 48  | N.A.   | 0.00                                      | N.A.   |
| 6   | MR. BIPLOB CHATTERJEE       | CHIEF PRODUCTION CONTROLLER                            | 3,245,069             | FULL TIME EMPLOYEE   | N.A.                     | OVER ALL PRODUCTION   | B.Sc.                      | 08.12.2009           | 53  | M/s Jaysynth Dye Chem, Desgn - Production Officer                                  | 0.00                                      | N.A.   |
| 7   | MR. RAJESH GUPTA            | REGIONAL CONTROLLER                                    | 2,813,609             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES OF WESTERN REGION               | B.A.                       | 06.07.2001           | 43  | N.A.   | 0.00                                      | N.A.   |
| 8   | MR. PREMRAJ CHAUHAN         | REGIONAL CONTROLLER                                    | 3,274,403             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES                                 | B.Sc.                      | 10.08.1997           | 48  | N.A.   | 0.00                                      | N.A.   |
| 9   | MR. DEVENDRA TIWARI         | HEAD MARKETING OPERATION (CENTRAL REGION)              | 2,593,764             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES OF THE CENTRAL REGION           | M.Sc                       | 02.01.2002           | 46  | M/s Valace Agrochemical Ltd  | 0.00                                      | N.A.   |
| 10  | MR. BHAGWADAS GANGWAR       | REGIONAL CONTROLLER                                    | 2,643,360             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES                                 | Graduate                   | 01.04.2003           | 46  | N.A.   | 0.00                                      | N.A.   |
| 11  | MR. J. L. JAISWAL           | REGIONAL CONTROLLER                                    | 2,574,425             | FULL TIME EMPLOYEE   | N.A.                     | MANAGING THE MARKETING ACTIVITIES                                 | B. Sc.                     | 19.04.2004           | 58  | Tata Finance Ltd   | 0.00                                      | N.A.   |

| TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2021-22(EMPLOYED FOR THE PART OF FINANCIAL YEAR |                    |                         |                       |                      |                          |                                     |                            |                      |     |                                   |  |  |
|---|--------------------|-------------------------|-----------------------|----------------------|--------------------------|-------------------------------------|----------------------------|----------------------|-----|-----------------------------------|--|--|
| Sr. No.   | NAME               | DESIGNATION             | REMUNERATION RECEIVED | NATURE OF EMPLOYMENT | OTHER TERMS & CONDITIONS | NATURE OF DUTY                      | QUALIFICATION & EXPERIENCE | DATE OF COMMENCEMENT | AGE | Last Employment held              | % of Equity Shares held as on 31.03.2022 | Whether relative of any Director or Manager and the name of such Director or Manager |
| 1   | MR. VIVEK K. JOSHI | CHIEF FINANCIAL OFFICER | 5 140,570             | FULL TIME EMPLOYEE   | N.A.                     | FINANCIAL MANAGEMENT OF THE COMPANY | B. Com., LL.B., FCA        | 09.09.2019           | 50  | M/s Excel Telesonic (I) Pvt. Ltd. | 0.00                                     | N.A.   |

• Mr. Vivek K. Joshi resigned w.e.f. 01.07.2021.

| PARTICULARS OF EMPLOYEES IN TERMS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 DRAWING REMUNERATION NOT LESS THAN Rs. 1.02 Crores p.a./Rs. Eight Lakhs Fifty Thousand p.m. DURING THE YEAR 2021-22 |                       |                              |                       |                      |                          |                                     |                            |                      |     |                      |  |  |
|--|-----------------------|------------------------------|-----------------------|----------------------|--------------------------|-------------------------------------|----------------------------|----------------------|-----|----------------------|--|--|
| SR. No.  | NAME                  | DESIGNATION                  | REMUNERATION RECEIVED | NATURE OF EMPLOYMENT | OTHER TERMS & CONDITIONS | NATURE OF DUTY                      | QUALIFICATION & EXPERIENCE | DATE OF COMMENCEMENT | AGE | Last Employment held | % of Equity Shares held as on 31.03.2022 | Whether relative of any Director or Manager and the name of such Director or Manager |
| 1  | DR. RAHUL MIRCHANDANI | CHAIRMAN & MANAGING DIRECTOR | 21,189,600            | CONTRACTUAL          | N.A.                     | MANAGING THE AFFAIRS OF THE COMPANY | B. Com; CFA; MBA; Ph.D     | 02.02.1994           | 46  | N.A.                 | 23.94                                    | Brother of Dr. Jimmy Mirchandani & Husband of Mrs. Nitya Mirchandani                 |

## ESOPS

The Company has not offered any ESOPS scheme to its Employees or Directors.

## RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROLS

Your Company has elaborate Risk Management Procedure which is based on three Pillars. Business Risk Assessment, Operational Controls Assessment and Policy Compliance processes. Major Risks identified by the Business and Functions are systematically addressed through mitigating actions on continuing basis. The Key risks are also discussed at the Audit Committee.

The Company's Internal Financial Control System is commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by the Statutory as well as Internal Auditors covering all Offices, Factories and Key Business areas. Significant Audit Observations and Follow Up Actions thereon are reported to Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's Internal Control environment and monitors the implementation of the audit recommendations.

Based on the framework of Internal Financial Controls and Compliance System established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and review performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2021-22.

## GREEN INITIATIVES

Pursuant to Sections 101 and 136 of the Companies Act, 2013 the Company will be sending Annual Report through electronic mode(email) to all the shareholders who have registered their email addresses with the Company or with the Depository to receive the Annual Report through electronic mode and initiated steps to reduce consumption of paper.

## HUMAN RESOURCES

Humans are considered as one of the most critical resources in the business which can be continuously smoothened to maximize the effectiveness of the Organization. Human resources build the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company.

## LISTING

The Equity Shares of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited(NSE).

The Company has made all the compliances of Listing Regulations including payment of Annual Listing Fees upto 31<sup>st</sup> March, 2023 to both the Stock Exchanges.

## CORPORATE GOVERNANCE

The Company has complied with the various requirements under the Corporate Governance reporting system. A detailed Compliance Report on Corporate Governance is annexed to this Report as required by the Listing Regulations. The Auditors' Certificate on Compliance with the conditions of Corporate Governance is also annexed to this report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations with the Stock Exchanges, is also annexed to this report.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014 and forming a part of the Directors Report are as under: -

## I. CONSERVATION OF ENERGY

The Company accords great importance to conservation of energy. The main focus of the Company during the year was:

### a. Energy Conservation measures taken:-

- Close monitoring of consumption of electricity, LPG, Diesel and water.
- Creating awareness among Workmen to conserve energy.
- Aries continues power generation through its Solar Power Generation System at its manufacturing unit at Pashamylaram, Distt: Medak.
- Conversion of boilers in Hyderabad Unit from diesel to solid briquette based fuel.
- Exclusive use of CNG for manufacturing at Chhatral Unit
- Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required

Impact of measures taken for reduction of energy consumption and consequent impact on the cost of production of goods

### b. Total energy consumption and energy consumption per unit of production

#### Form –A

Form for disclosure of Particulars with respect to Conservation of Energy.

| Sr. No. | Particulars                                |  | Current Year   | Previous Year  |
|---------|--|--|----------------|----------------|
|         |  |  | 2021-2022      | 2020-2021      |
| (a)     | <b>Purchased:-</b>                         |  |                |                |
|         | <b>I. Electricity</b>                      |  |                |                |
|         | (i) Unit (KWH)                             |  | 1,288,790      | 934,025        |
|         | (ii) Total Amount (Rs)                     |  | 11,373,238     | 9,138,833      |
|         | (iii) Rate/Unit (Rs.)                      |  | 8.82           | 9.78           |
|         |  |  |                |                |
|         | <b>II Piped Gas</b>                        |  |                |                |
|         | (i) Unit(M3)                               |  | 169,174        | 198,669        |
|         | (ii) Total Amount (Rs)                     |  | 9,055,502      | 8,947,723      |
|         | (iii) Rate/Unit (Rs.)                      |  | 53.53          | 45.04          |
|         |  |  |                |                |
| (b)     | <b>Own Generation</b>                      |  |                |                |
|         | (i) Coal                                   |  | Not Applicable | Not Applicable |
|         | (ii) Furnace Oil - KI                      |  | -              | -              |
|         | (iii) Internal Generation Units(Generator) |  | 263            | 617            |
|         | (iv) Solar System Units                    |  | 41,801         | 75,852         |

## II. Form for disclosure of particulars with respect to Technology Absorption, Research and Development

### (A) RESEARCH AND DEVELOPMENT:

#### 1. Specific Areas in which Research and Development was carried out by the Company.

- The Company has received in house R & D recognition from DSIR and is continuously striving to launch / introduce innovative products / technologies in the field.
- The Company's Quality Management System at Mumbai is ISO 9001:2015 certified and works on new product development and continuous quality checks.
- The manufacturing unit at Hyderabad, Chhatral and Lucknow has been equipped with a state of art laboratory to keep pace with the Company's expansion in that region.
- In the last few years, the Company has been focusing on Crop specific formulations, hydroponic nutrient formulations and specific formulations for international markets and new technologies in agriculture like drones, apps and digitization.
- Baseline R&D work has been initiated on new agri-input products like nano fertilizers, organic fertilizers, different form of fertilizer formulations, farm machineries and environment friendly product packaging options.
- Emphasis is also given on standardizing the QC procedures for the new products launched.
- 18 new products introduced have been organically certified by UK Cert.
- Factory procedures are being modified to increase the shelf life and quality of various products. Self manufacturing of some raw materials is also being done.
- The Company is the first in India to receive permission from DGCA for the use of drones for nutrient spraying.
- Other important devices for pest management and water filtering are under field trials.
- New apps / softwares are being developed keeping in line with the digitisation policy of the company
- Our team of extension officers conducts continuous field demonstrations and field trials alongwith large scale soil sampling, dealer / farmer meetings, field days, etc which provides constant updates on market demand and technical requirements across all states in India in the agri sector
- To supplement the extension activities a dedicated in house research farm has been set up at Raipur and the rooftop greenhouse installed at the head office in Mumbai is used to carry out research in soilless cultivation
- Efforts are put in setting up and promoting Good Agricultural Practices for individual crops across the country. Work on India GAP has been initiated on soybean and tomatoes
- There is a continuous focus on co development projects with Educational and Research Institutions in relevant areas, which continues across India alongwith publications in various reputed agri journals.

## 2. Objectives

- Innovate and develop products/ technologies ideally suited for sustainable and precision agriculture
- Design and Develop new manufacturing processes to improve the cost effectiveness of the products as well as their agronomical efficiency.
- Develop production processes that utilize renewable energy and are pollution free.
- Ensure continuous updation of in house knowledge required to develop products and services for the company.
- Source worldwide information related to product development and agriculture best practices
- Develop new age environmental friendly crop management techniques

## 3. Benefits derived as a result of the above efforts.

- Improvement in productivity/quality and reduction in cost of production of Company's Plants and at Customer's end.
- Cost reduction, import substitution, safer environment and strategic resource management.
- Meeting the statutory requirements.
- Demonstration of a Sustainable urban farm set up to address the issue of residue free healthy food.
- Market Expansion
- Increase in number of products

## 4. Future Plan of Action :

- Conducting scientific research and studies, pilot scale development, trial and testing for development of new products, new process development, improvement in the existing production process, etc
- Customized micronutrient fertilizers for export
- Modification of manufacturing process to make it pollution free
- To develop new markets in the Protected Cultivation and Precision Agriculture sector.
- Continued efforts to develop India GAP on commercial crops and try establishing a linkage between farmers and the industry

## 5. Expenditure on R & D

| Sr. No. | Description                     | For the Year ended<br>31 <sup>st</sup> March 2022<br>(Amt. in Rs.) | For the Year ended<br>31 <sup>st</sup> March 2021<br>(Amt. in Rs.) |
|---------|---------------------------------|--|--|
| I)      | Capital                         | 1,896,994  | 3,31,473   |
| II)     | Recurring                       | 21,198,042   | 1,75,32,648  |
|         | Total                           | 23,095,035   | 1,78,64,121  |
|         | Total R&D expenditure as a % of |  |  |
| a)      | Gross Turnover                  | 0.42   | 0.38   |
| b)      | Net Turnover                    | 0.53   | 0.47   |

## B1. Technology Absorption, Adaptation and Innovation

The Management has focused on productivity and Total Quality Management [TQM] in order to optimize manufacturing costs. The Company continues to be ISO 9001:2015 certified.

## B2. Benefits

This has helped in achieving optimum manufacturing costs, improved quality of products and consequently, enhanced customer satisfaction. The Company uses indigenous technology.

B3. The Company has not imported any technology during the year under review.

## C. Foreign Exchange Earnings and Outgo

- Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

International clients are located in Kenya, Nepal, UAE and Taiwan. Sales were booked for Kenya, Nepal, UAE and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. The total exports and global sales constituted 0.25% of our group revenue during the Financial Year 2021-22.

## 2. Total Foreign Exchange used and earned:

Used : Rs. 59,89,52,437/-

Earned: Rs. 5,02,898/-

## SPECIAL BUSINESS

As regard to the items of the Notice of the AGM relating to Special Business, the resolutions incorporated in the Notice and the Explanatory Statement relating thereto, fully indicate the reasons for seeking the approvals of Members to those proposals. Your attention is drawn to these items and Explanatory Statement annexed to the Notice.

## VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a Whistle Blower Policy in terms of the Listing Regulations is in place. Protected disclosures can be made by a Whistle Blower in writing or through an e-mail, to the Chairman/Member of the Audit Committee.

The Policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website [www.ariesagro.com](http://www.ariesagro.com).

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN & SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and Securities provided along with the purpose for which the Loan or Guarantee or Security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

None of the transactions with Related Parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with Related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rule, 2014 are given in **Annexure-I** in Form AOC-2 and the same forms part of this Report.



## CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-II** of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy is available on the Web-Site of the Company at [www.ariesagro.com](http://www.ariesagro.com).

Your Company continues to demonstrate a strong commitment towards providing products which do not hamper the soil and crop eco systems.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website on [www.ariesagro.com](http://www.ariesagro.com).

## COST RECORDS

The Company is required to maintain Cost Records as specified by the Central Government under sub-section(1) of Section 148 of the Companies Act, 2013 and the Company has made such accounts and maintained such records.

## AUDITORS & AUDITORS REPORTS

### Statutory Auditors

M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai, (Membership No. 101903 and having Peer Review Certificate issued by the Institute of Chartered Accountants of India), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the Forty Seventh Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 and their term ends at the ensuing Annual General Meeting.

The Board expresses its appreciation to M/s. Sandeep Sheth & Associates for their devotion and timely completion of the Audit and their guidance during their term.

The Board has recommended the appointment of M/s Kirti D. Shah & Associates, Chartered Accountants, Mumbai (Firm Registration No. 115133W, Membership No. 32371), and having Peer Review Certificate issued by the Institute of Chartered Accountants of India) as the Statutory Auditors of the Company in place of M/s. Sandeep Sheth & Associates, Chartered Accountants, Mumbai, for a term of 5(Five) consecutive years, from conclusion of the 52<sup>nd</sup> Annual General Meeting of the Company scheduled to be held in the year on 29<sup>th</sup> September, 2022 till the conclusion of the 57<sup>th</sup> Annual General Meeting to be held in the year 2027, for approval of Share Holders of the Company, based on the recommendation of the Audit Committee.

Accordingly, appointment of Statutory Auditor and the proposed Resolution is set out at item No. 4 of the Notice.

The Statutory Auditors' Report both with respect to the Standalone and Consolidated Financial Statements do not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

### Cost Auditors

The Company has appointed M/s. R. Nanabhoy & Co., Cost Accountants, to conduct the Audit of Cost Accounting Records of its products for the financial year 2020-2021.

The due date for filing the Cost Audit Reports in XBRL mode for the financial year ended March 31, 2021 was 30<sup>th</sup> November, 2021. The Cost Audit Reports were filed by the Cost Auditor on 11<sup>th</sup> October, 2021 within the due date.

Further M/s. R. Nanabhoy & Co., Cost Auditors were re-appointed as the Cost Auditor of the Company for the year ending 31<sup>st</sup> March, 2022 by the Board of Directors at their meeting held on 11<sup>th</sup> August, 2021 after ensuring their eligibility and obtaining the letter of eligibility from them.

The Company's Cost Audit for the Financial Year 2021-2022 is under process and the Company will have the Audit completed within 180 days of the end of the Financial Year-2021-2022 i.e. on or before 27<sup>th</sup> September, 2022 and file the Report within stipulated time.

### Secretarial Auditors

The Board appointed Mr. A. Sekar, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2021-2022. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith and marked as **Annexure-III** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## SECRETARIAL STANDARDS

The Company has in place proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

## ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company obtained the Annual Secretarial Compliance Report for the Financial Year 2021-2022 from Mr. A. Sekar, Practising Company Secretary, the Secretarial Auditor of the Company and the same has been filed with the BSE Limited and the National Stock Exchange of India Limited on 26<sup>th</sup> May, 2022 well within the time. The Secretarial Auditor has not reported any non-compliance.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company has zero tolerance towards sexual harassment at the workplace. The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee as per the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal) Act, 2013.

There was no complaint received during the year under review.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

**MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authority in respect of any matters with regard to the business of the Company during the Financial Year.

Referring to the Previous Year's Board's Report, classification of Micronutrients relating to the Sanand Unit in the state of Gujarat is pending before Customs, Excise and Service Tax Appellate Tribunal(CESTAT) at Ahmedabad and the matter is yet to be heard.

The Commissioner of Central GST & Central Excise had passed an order against the Company for Mumbai facilities. However, the Company successfully defended these Orders before CESTAT, Mumbai and the Apex Court dismissed the Appeal filed by the Department against the Order passed by CESTAT, Mumbai. Since the matters before CESTAT Ahmedabad are identical i.e. Classification, the Company is confident of obtaining favourable Orders in these matters too and does not foresee any material impact. The matter is yet to be heard.

**DISCLOSURE REGARDING ANY APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016.**

The Company, during the Financial Year, has neither made any application nor any proceeding are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**DISCLOSURE REGARDING ANY DIFFERENCE IN VALUATION**

The Company during the Financial Year, did not do any one time settlement and hence, did not carry out any Valuation for one time settlement.

**GENERAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.

2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
4. Buy Back of shares of the Company during the year under review.
5. The Managing Director of the Company does not receive any remuneration or commission from any of its Subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
8. The Company is not required to submit Business Responsibility Report in pursuance of Regulation 34(2)(f) SEBI(LODR) Regulations, 2015.

**STATUTORY DISCLOSURES**

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary Disclosures, as required under various provisions of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ACKNOWLEDGEMENT**

We would like to acknowledge with gratitude, the support and co-operation extended by Shareholders, Vendors, Media, Registrar and Share Transfer Agent, and Banks and look forward to their continued support. We appreciate continued co-operation received from various regulatory authorities including Department of Agriculture, Department of Corporate Affairs, Registrar of Companies, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, Depositories, Central Government and respective State Governments. We also recognize and appreciate the sincere hard work, loyalty and efforts of the employees and look forward to their continued support.

For and on behalf of the Board,

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN-00239057

Place: Mumbai  
Date: 10<sup>th</sup> August, 2022

**Form No. AOC-2**

(Pursuant to clause(h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

**Form for disclosure of Particulars of Contracts/Arrangements entered into by the Company with Related parties referred to in sub-section(1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third provision thereto:**

- Details of Contracts or Arrangements or Transactions not at arm's length basis:** Aries Agro Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2021-2022.
- Details of Contracts or Arrangements or Transactions at arm's length basis** during the Financial Year 2021-2022:

| Sr. No. | Particulars   |   |   |  |   |                       |                 |                   |                   |                        |                        |                      |                         |
|---------|---|---|---|--|---|-----------------------|-----------------|-------------------|-------------------|------------------------|------------------------|----------------------|-------------------------|
| 1       | Name(s) of the Related Party and nature of Relationship                           | Golden Harvest Middle East FZC - 75% Subsidiary   | Mirabelle Agro Manufacturing Pvt Ltd - Wholly Owned Subsidiary  | Dr. Jimmy Mirchandani  | Amarak Chemicals FZC - Associate of Golden Harvest Middle East FZC  | Dr. Rahul Mirchandani | Mr. Vivek Joshi | Mr. Kaiser Ansari | Mrs. Chhaya Ashok | Mrs. Nitya Mirchandani | Mr. Akshay Mirchandani | Mr. Amol Mirchandani | Mrs. Aparna Mirchandani |
| 2       | Nature of contracts / Arrangements / Transactions                                 | Order based contracts   | Order based contracts   | Appointment as a Consultant  | Order based contracts   |                       |                 |                   |                   |                        |                        |                      |                         |
| 3       | Duration of Contracts / Arrangements / Transactions                               | Order based contracts   | Order based contracts   | 5 Years from 31 <sup>st</sup> 4th April, 2017 to 31 <sup>st</sup> March,, 2022.  | Order based contracts   |                       |                 |                   |                   |                        |                        |                      |                         |
| 4       | Salients terms of contracts / Arrangements / Transactions including value, if any | As per the Orders from time to time   | As per the Orders from time to time   | As a Consultant upto 31 <sup>st</sup> March, 2022 at a Fee of Rs. 4,00,000/- p.m. and Annual Performance Bonus, the aggregate of total remuneration payable to Dr. Jimmy Mirchandani in any financial year not to exceed Rs. 85,00,000/- (Rupees Eighty Five Lacs only) per annum and on such other terms and conditions as stated in the Consultancy Agreement dated 30th May, 2017 | As per the Orders from time to time   |                       |                 |                   |                   |                        |                        |                      |                         |
| 5       | Date of Approval by the Board , if any  | Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis | Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis | 3rd April, 2017.   | Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis |                       |                 |                   |                   |                        |                        |                      |                         |
| 6       | Amount received as advances , if any  | 248.11 Lakhs  | -   | -  | -   | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |
| 7       | Sales   | -   | 100.16 Lakhs  | -  | 4.20 Lakhs  | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |
| 8       | Purchases   | -   | 511.33 Lakhs  | -  | 254.13 Lakhs  | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |
| 9       | Rent received   | -   | 2.48 Lakhs  | -  | -   | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |
| 10      | Rent paid   | -   | -   | -  | -   | 9.00 Lakhs            | -               | -                 | -                 | 9.00 Lakhs             | 2.38 Lakhs             | -                    | 0.62 Lakhs              |

| Sr. No. | Particulars   |   |  |                       |  |                       |                 |                   |                   |                        |                        |                      |                         |
|---------|---|---|--|-----------------------|--|-----------------------|-----------------|-------------------|-------------------|------------------------|------------------------|----------------------|-------------------------|
| 1       | Name(s) of the Related Party and nature of Relationship | Golden Harvest Middle East FZC - 75% Subsidiary | Mirabelle Agro Manufacturing Pvt Ltd - Wholly Owned Subsidiary | Dr. Jimmy Mirchandani | Amarak Chemicals FZC - Associate of Golden Harvest Middle East FZC | Dr. Rahul Mirchandani | Mr. Vivek Joshi | Mr. Kaiser Ansari | Mrs. Chhaya Ashok | Mrs. Nitya Mirchandani | Mr. Akshay Mirchandani | Mr. Amol Mirchandani | Mrs. Aparna Mirchandani |
| 11      | Interest Income on Loan                                 | 492.83 Lakhs                                    | -  | -                     | -  | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |
| 12      | Sitting Fees  | -   | -  | 2.00 Lakhs            | -  | -                     | -               | -                 | -                 | 4.20 Lakhs             | -                      | -                    | -                       |
| 13      | Salary paid   | -   | -  | -                     | -  | 211.90 Lakhs          | 51.41 Lakhs     | 39.91 Lakhs       | 4.89 Lakhs        | -                      | 21.26 Lakhs            | 19.50 Lakhs          | -                       |
| 14      | Legal & Professional Fees paid                          | -   | -  | 85.15 Lakhs           | -  | -                     | -               | -                 | -                 | -                      | -                      | -                    | -                       |

For and on behalf of the Board,

Place: Mumbai  
Date: 10<sup>th</sup> August, 2022

**Dr. Rahul Mirchandani**  
**Chairman & Managing Director**  
**DIN-00239057**

**ANNUAL REPORT ON CSR ACTIVITIES  
FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**

**1. A brief outline of the Company's CSR Policy.**

Policy on Corporate Social Responsibility of the Company is broadly framed taking into account the following parameters: -

- a) Welfare measures for the community at large, so as to ensure the disadvantaged sections of the Society obtain maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the farming sector for their development and augmenting of farmers' income.
- c) Protection and safeguarding of the environment and maintaining ecological balance through a range of ecologically sustainable and cost effective products.
- d) Priority is being given on the welfare of the farmers and most importantly on their education and information dissemination for effective crop management.

Subject to overall superintendence of the Board, the Managing Director of the Company has been authorized to exercise powers for according approval for the project within the ceiling limit of said 100% budget. CSR should be broadly implemented by the Company in the areas in which its operating units are located. CSR committee has framed the CSR Policy and modifies from time to time and the Board to implement and monitor CSR activities.

The CSR Policy is hosted at [www.ariesagro.com](http://www.ariesagro.com) in the Investor Relations Section.

**2. Composition of CSR Committee:**

| Sr. No. | Name of Director               | Designation                   | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|--------------------------------|-------------------------------|--|--|
| 1.      | Dr. Rahul Mirchandani,         | Chairman/ Managing Director   | 1  | 1  |
| 2.      | Mrs. Nitya Mirchandani         | Member/Non-Executive Director | 1  | 1  |
| 3.      | Mr. Nrupang Bhumitra Dholakia* | Member/Independent Director   | NA   | NA   |
| 4.      | Shri Bhumitra V. Dholakia**    | Member/Independent Director   | 1  | 1  |

\*w.e.f. 23.03.2022

\*\*Upto 20.01.2022

\*\*Expired on 20.01.2022

**3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.**

<https://ariesagro.com/wp-content/uploads/2021/02/CSR-Policy-For-Amendment-BM-09-02-2021-Final.pdf>

**4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not Applicable to the Company.

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

There is no surplus amount available required to be set off for any of three preceding financial years.

**6. Average net profit of the Company as per section 135(5) for three Financial Year:-**

| Financial Year  | Net Profit as per Section 198 of the Companies Act, 2013 (in `) |
|---|---|
| 2018-2019   | 22,91,45,828  |
| 2019-2020   | 24,05,70,904  |
| 2020-2021   | 30,05,96,989  |
| Total Profit  | 77,03,13,721  |
| Average Net Profit  | 25,67,71,240  |
| 2% of Average Net Profit—amount to be spent during financial year 2020-2021 | 51,35,425   |
| Total amount unspent upto Financial Year 2020-2021                          | NIL   |
| Total amount to be spent for CSR Activities in Financial Year 2021-22       | 51,35,425   |



7. a) Two percent of average net profit of the company as per section 135(5)- Rs. 51,35,425/-.
- b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. Nil
- c) Amount required to be set off for the financial year, if any- Nil
- d) Total CSR obligation for the financial year (7a+7b-7c)- Rs. 51,35,425/-.
8. (a) CSR amount spent or unspent for the financial year 2021-2022

| Total Amount Spent for the Financial Year. (In Rs.) | Amount Unspent (in Rs.)  |                  |  |                |                  |
|---|--|------------------|--|----------------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per Section 135(6). |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |                |                  |
|   | Amount   | Date of Transfer | Name of the Fund   | Amount         | Date of Transfer |
| 51,65,804/-   | NIL  | Not Applicable   | Not Applicable   | Not Applicable | Not Applicable   |

(b) Details of CSR amount spent against ongoing projects for the financial year:

| (1)            | (2)                  | (3)  | (4)                  | (5)                     |          | (6)              | (7)                                       | (8)   | (9)  | (10)                                     | (11)   |                         |
|----------------|----------------------|--|----------------------|-------------------------|----------|------------------|---|---|--|--|--|-------------------------|
| Sr. No.        | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/ No) | Location of the project |          | Project Duration | Amount allocated for the project (In Rs.) | Amount spent in the current financial Year (In Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (In Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|                |                      |  |                      | State                   | District |                  |   |   |  |  | Name   | CSR Registration Number |
| NOT APPLICABLE |                      |  |                      |                         |          |                  |   |   |  |  |  |                         |
| Total          |                      |  |                      |                         |          |                  |   |   |  |  |  |                         |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| (1)     | (2)                         | (3)  | (4)                  | (5)  |          | (6)                                    | (7)                                      | (8)   |                         |
|---------|-----------------------------|--|----------------------|--|----------|--|--|---|-------------------------|
| Sr. No. | Name of the Project         | Item from the list of activities in schedule VII to the Act. | Local areas (Yes/No) | Location of the project.   |          | Amount spent for the project (In Rs.). | Mode of implementation- Direct (Yes/No). | Mode of implementation - Through implementing Agency. |                         |
|         |                             |  |                      | State  | District |  |  | Name  | CSR Registration Number |
| 1.      | Education including Farmers | (ii)   | Yes                  | Around the Areas where Company's Factories and Depots are located. |          | 4,78,795                               | Yes                                      | Not Applicable  | Not Applicable          |
| 2.      | Farmers Call Centre         | (x)  | Yes                  | -do-   |          | 9,98,628                               | -do-                                     | Not Applicable  | Not Applicable          |
| 3.      | Infrastructure Support      | (x)  | Yes                  | -do-   |          | 3,35,784                               | -do-                                     | Not Applicable  | Not Applicable          |
| 4.      | Health Care                 | (i)  | Yes                  | -do-   |          | 33,52,597                              | -do-                                     | Not Applicable  | Not Applicable          |
| Total   |                             | -  | -                    | -  |          | 51,65,804                              | -  | -   | -                       |

- (d) Amount spent in Administrative Overhead – Nil
- (e) Amount spent on Impact Assessment, if applicable – Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 51,65,804/-

(g) Excess amount for set off, if any

| Sr. No. | Particular  | Amount (In Rs.) |
|---------|---|-----------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | Nil             |
| (ii)    | Total amount spent for the Financial Year   | Nil             |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | Nil             |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil             |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | Nil             |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sr. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (In Rs.) | Amount spent in the reporting Financial Year (In Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if |                       |                       | Amount remaining to be spent in succeeding financial years (In Rs.) |
|---------|---------------------------|--|---|---|-----------------------|-----------------------|---|
|         |                           |  |   | Name of the Fund  | Amount (In Rs)        | Date of transfer.     |   |
| 1.      | 2021-2022                 | Nil  | Nil   | Not Applicable  | Not Applicable        | Not Applicable        | NIL   |
| 2.      | 2020-2021                 | Nil  | Nil   | Not Applicable  | Not Applicable        | Not Applicable        | NIL   |
| 3.      | 2019-2020                 | Nil  | Nil   | Not Applicable  | Not Applicable        | Not Applicable        | NIL   |
|         | <b>Total</b>              | <b>Nil</b>   | <b>Nil</b>  | <b>Not Applicable</b>   | <b>Not Applicable</b> | <b>Not Applicable</b> | <b>NIL</b>  |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| (1)     | (2)          | (3)                  | (4)   | (5)              | (6)  | (7)  | (8)  | (9)   |
|---------|--------------|----------------------|---|------------------|--|--|--|---|
| Sr. No. | Project ID   | Name of the Project. | Financial Year in which the project was commenced | Project Duration | Total amount allocated for the project (In Rs.). | Amount spent on the project in the reporting Financial Year (In Rs). | Cumulative amount spent at the end of reporting Financial Year.(In Rs) | Status of the project - Completed /Ongoing. |
| 1.      | NONE         |                      |   |                  |  |  |  |   |
|         | <b>Total</b> |                      |   |                  |  |  |  |   |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s) – NONE

(b) Amount of CSR spent for creation or acquisition of capital asset – Rs. NIL.

(c) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – NOT APPLICABLE

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – The Company has spent more than 2% .

I hereby declare that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.”

For and on behalf of the Board,

**Chairman and Managing Director & Chairman of CSR Committee**  
**Dr. Rahul Mirchandani**  
**Chairman & Managing Director**  
**DIN-00239057**

**SECRETARIAL AUDIT REPORT  
FOR THE YEAR ENDED MARCH 31, 2022**

To  
The Members  
Aries Agro Limited  
Aries House, Plot No. 24  
Deonar, Govandi(E)  
Mumbai - 400 043

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by Aries Agro Limited, (hereinafter called the Company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representative during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has during the year ended 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year under review, according to the provision of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent they are applicable to the company
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client;
  - (d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the company
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vii) Other laws specifically applicable to the company namely: -
  - The Insecticides Act, 1968 and
  - The Fertilizer Control Order, 2011

**I have also examined compliance with the applicable clauses of the following:**

- (i) Applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that the company has formulated a Compliance Management System to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, which is ongoing and subject of continuous review. Further, based on the compliance mechanism established by the Company and on the basis of compliance certificates issued by the Compliance Officer and taken on record by the Board of Directors, prima facie, it is opined that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Also, as informed, the Company has responded appropriately to notices received from various statutory authorities / regulatory authorities including initiating actions for corrective measures, where found necessary.

**I further report that** during the audit period, the company has not undertaken any action having a major bearing on the company's affairs in pursuance of the above referred laws

**PLACE: MUMBAI**  
**DATE: 25.05.2022**

**A SEKAR**  
**COMPANY SECRETARY**  
**ACS 8649 CP 2450**  
**UDIN: A008649D000390901**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

*'Annexure A'*

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records, Books of Accounts and records pertaining to direct and indirect taxation of the company, which I believe are the domain of other professionals on whom the responsibility is entrusted by the provisions of the Companies Act, 2013 and other statutes.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**PLACE: MUMBAI**  
**DATE: 25.05.2022**

**A SEKAR**  
**COMPANY SECRETARY**  
**ACS 8649 CP 2450**  
**UDIN: A008649D000390901**

## REPORT ON CORPORATE GOVERNANCE

### 1. CORPORATE GOVERNANCE PHILOSOPHY

The Company's Corporate Governance is aimed at ensuring Business Sustainability by striking a balance between Economic and Social goals and between Individual and Corporate goals. The Corporate Governance framework is to encourage the efficient use of resources, maintain an accountability and compliance of applicable Laws with a view to enhance value of all the Stakeholders. The Company follows principles governing disclosures and obligations as enshrined in the Regulation 4 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company is fully compliant with the Regulatory Guidelines relating to the Corporate Governance under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the Companies Act, 2013.

In compliance with the disclosure requirements of Schedule V to the Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the details are set out below:-

### 2. BOARD OF DIRECTORS

#### (A) Board Composition {2(a) and (c) of Part C of Schedule V}

The Board of Directors of the Company ('the Board') consists of 6 Directors, headed by an Executive Chairman and out of which Five (5) are Non Executive Directors of which Three(3) are Independent Directors, two Non-Executive-Non Independent Directors out of which one is Woman Director. The Independent Directors are eminent professionals, with experience in, Management and Strategy, Human Resources, Banking, Corporate Laws, Legal, Cost Accountancy etc. Composition of the Board and category of Directors are as follows:

| Name of the Director and (Category)   | Directorship in other Companies (Public/Private)* | Membership/Chairmanship of the Committees in other Companies** |        | Directorship in other Listed Entity (Category of Directorship) |
|---|---|--|--------|--|
|   |   | Chairperson  | Member |  |
| Dr. Rahul Mirchandani<br>Chairman & Managing Director<br>(Promoter- Executive Director)   | 7(3/4)  | --   | --     | --   |
| Dr. Jimmy Mirchandani<br>Director<br>(Promoter- Non-Executive Director)   | 5(2/3)  | --   | --     | --   |
| Mrs. Nitya Mirchandani<br>Director(Woman Director)<br>(Promoter- Non-Executive Director)  | 5(2/3)  | --   | --     | --   |
| Prof. R.S.S. Mani<br>Director<br>(Independent- Non-Executive Director)  | 0(0/0)  | --   | --     | --   |
| Mr. Chakradhar Bharat Chhaya<br>Director<br>(Independent- Non-Executive Director)   | 1(0/1)  | --   | --     | --   |
| Mr. Bhumitra Vinodchandra Dholakia *<br>Director<br>(Independent- Non-Executive Director)<br>*Upto 20.01.2022<br>*Expired on 20.01.2022 | 2(1/1)  | --   | --     | --   |
| Mr. Nrupang Bhumitra Dholakia **<br>Director<br>(Independent- Non-Executive Director)<br>**w.e.f. 15.03.2022                            | 1(1/0)  | --   | --     | --   |

1. \*Directorships in Indian Public/Private Companies (Listed and Unlisted).
2. None of the Directors hold office in more than Eight Listed Entities. None of the Directors serve as an Independent Director in more than Seven Listed Entities. Managing Director does not serve as an Independent Director in any Listed entity.
3. \*\*As required under Regulation 26(1)(b) of the Listing Regulations, the disclosure includes Chairmanship/Membership of the Audit Committee and Stake Holders Relationship Committee in India Public Companies(Listed and Unlisted).
4. During the year none of our Directors acted as Member in more than Ten Committees or as Chairperson in more than Five Committees across all Indian Public Companies(Listed and Unlisted) where he/she is a Director. For this purpose, Committee will include only Audit Committee and Stake Holders Relationship Committee.



**(B) Attendance and Other Directorships {2(b), (d) and (e) of Part C of Schedule V}**

The Board of Directors met 6(Six) times during the year on 29.06.2021, 11.08.2021, 21.09.2021, 12.11.2021, 09.02.2022 and 15.03.2022. There was a gap of more than four months between the Meetings held on 9<sup>th</sup> February, 2021 and 29<sup>th</sup> June, 2021(postponed from originally scheduled on 28<sup>th</sup> May, 2021 due to the **STATUTORY AUDITOR OF THE COMPANY BEING DIAGNOSED AS COVID POSITIVE**). BSE/NSE were intimated about the postponement on 24<sup>th</sup> May, 2021. Between other Meetings not more than four months had elapsed. Every Quarter there was a Board Meeting as required under the Articles of Association of the Company. The necessary quorum was present at all the Meetings.

Attendance of Directors at Board Meetings, last Annual General Meeting and number of Directorships and Chairmanships/ Memberships of Committees of each Director in various Companies as on 31<sup>st</sup> March, 2022 is as follows:-

| Name of the Director & Designation and category  | Attendance of Meetings during 2021-22 |                                | Inter Se Relationship                 |
|--|---------------------------------------|--------------------------------|---------------------------------------|
|  | Board Meetings Attended               | Last AGM held on 23-09-2021    |                                       |
| Dr. Rahul Mirchandani<br>Chairman & Managing Director<br>(Promoter)(CMD)   | 6                                     | Yes                            | Brother of NED-1 and Husband of NED-2 |
| Dr. Jimmy Mirchandani<br>Director<br>(Promoter)(NED-1)   | 5                                     | Yes                            | Brother of CMD                        |
| Prof. R. S. S. Mani<br>Director<br>Non Executive<br>(Independent)  | 6                                     | Yes                            | N.A.                                  |
| Mr. Chakradhar Bharat Chhaya<br>Director<br>Non Executive<br>(Independent)   | 6                                     | Yes                            | N.A.                                  |
| Mr. Bhumitra Vinodchandra Dholakia *<br>Director<br>Non Executive<br>(Independent)<br>*Upto 20.01.2022<br>*Expired on 20.01.2022 | 3                                     | No<br>(Due to Medical Reasons) | N.A.                                  |
| Mrs. Nitya Mirchandani<br>Director<br>Non-Executive<br>(Promoter)(NED-2)   | 6                                     | Yes                            | Wife of CMD                           |
| Mr. Nrupang Bhumitra Dholakia **<br>Director<br>Non Executive<br>(Independent)<br>**w.e.f. 15.03.2022                            | N.A.                                  | N. A.                          | N.A.                                  |

**(C) Details of Equity Shares of the Company held by the Directors as on 31<sup>st</sup> March, 2022 are given below: {2(f) of Part C of Schedule V}**

| Name of the Directors   | Number of Equity Shares |
|---|-------------------------|
| <b><u>Executive Directors</u></b>                                       |                         |
| Dr. Rahul Mirchandani   | 31,13,021               |
| <b><u>Non-Executive Directors</u></b>                                   |                         |
| Dr. Jimmy Mirchandani   | 30,74,830               |
| Prof. R. S. S. Mani   | NIL                     |
| Mr. C. B. Chhaya  | NIL                     |
| Mr. Bhumitra V. Dholakia*<br>*Upto 20.01.2022<br>*Expired on 20.01.2022 | NIL                     |
| Mrs. Nitya Mirchandani  | 3,000                   |
| Mr. Nrupang Bhumitra Dholakia**<br>**w.e.f. 15.03.2022                  | NIL                     |

The Company has not issued any Convertible Instruments.

**(D) Web link where details of familiarization Program to Independent Director{2(g) of Part C of Schedule V}**

The web link for details of familiarization program to Independent Director is <https://ariesagro.com/independent-directors>.

**(E) Selection of New Directors and Board Membership Criteria**

The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. The updated Policy for appointment and removal of Directors and determining Directors' independence is available on our website at [www.ariesagro.com](http://www.ariesagro.com).

**Key Board Qualifications, Expertise and Attributes**

The Directors are committed to ensuring that the Board is in compliance with the highest standards of Corporate Governance. The table below summarizes the key qualifications, skills and attributes which are taken into consideration by the NRC while recommending appointment of Directors to the Board

**Director qualifications, skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions{2(h) of Part C of Schedule V}**

| Skills and Attributes                                  | Description  |
|--|--|
| <b>Alignment with Company culture and value system</b> | Exhibit high levels of integrity and be appreciative of the core values of the Company   |
| <b>Experience in Managing Medium Size Corporations</b> | Experience in leading and Managing Medium Size Corporations and have an understanding of the business environment, complex business processes, strategic planning, risk management, etc. Also, possess experience in driving growth with the ability to evaluate opportunities that are in line with the Company's strategy. |
| <b>Understanding of Industry and Operations</b>        | Experience and knowledge of the functioning, operations, growth drivers, business environment and changing trends in the Fertilizer Industries as well as experience in overseeing large supply chain operations.  |
| <b>Understanding of finance and related aspects</b>    | Experience in Financial Management of Medium Size Corporations with understanding of capital allocation & funding and financial reporting processes.   |
| <b>Knowledge of technology and innovation</b>          | Understanding of emerging trends in technology and innovation that may have an impact on the business and have the ability to guide necessary interventions that can be utilised in making the business more competitive and sustainable   |
| <b>Knowledge of Governance and Law</b>                 | Understanding of the legal ecosystem within which the Company operates and possess knowledge on matters of regulatory compliance, governance, internal controls. Experience in policy advocacy at national and international level.  |
| <b>Knowledge of Cost Accountancy</b>                   | Experience and knowledge as a Cost Accountant and handling cost accountancy.   |
| <b>Knowledge of Human Resources</b>                    | Experience and Knowledge of human resources and people skills.   |

**[2(h) of Part C of Schedule V**



\*Upto 20.01.2022 (Expired on 20.01.2022)  
\*\*w.e.f. 15.03.2022

(F) All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations. It is hereby confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in Listing Regulations and are Independent of the Management. **{2(i) of Part C of Schedule V}**

(G) During the year under review none of the Independent Directors has resigned before the expiry of his tenure. **{2(j) of Part C of Schedule V}**

**(H) Board Meetings**

The Agenda and Background notes with supporting are circulated to the Directors well in advance of the Board Meetings and Committee Meetings ("Meetings") and additional items with Agenda Notes, if any, are tabled during the course of the Meetings. During the year information as mentioned in Regulation 17(7) of Listing Regulations has been placed before the Board for its consideration. The Minutes of all the Committees of the Directors are placed before the Board and noted by them.

The terms and conditions of the appointment of Independent Directors are disclosed on the Web Site of the Company.

During the year a separate Meeting of the Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole. The Meeting was held without the presence of Management of the Company.

The Board periodically reviews compliance reports of all laws applicable to the Company.

**(I) Code of Conduct**

The Company has adopted a Code of Conduct for the Members of the Board and the Senior Executives including Duties of the Independent Directors in compliance with the provision of Regulation 17(5) of the Listing Regulations. All the Members of the Board, Key Managerial Personnel and the Senior Management Personnel have affirmed compliance to the Code of Conduct as on 31-03-2022, and a declaration to that effect signed by the Chairman & Managing Director is attached and forms a part of this Report.

**BOARD COMMITTEES**

**3. AUDIT COMMITTEE**

All the Members of the Committee are Non-Executive and Independent Directors and they are professionals and financially literate within the meaning of Regulation 18 (1) (c) of the Listing Regulations.

**(i) The terms of reference of the Audit Committee :**

The terms of reference of the Audit Committee are in accordance with Part C of Schedule II to the Regulation 18 (3) of the Listing Regulations and Section 177 of the Companies Act, 2013. The Committee acts as a link between the Management, Auditors and Board of Directors of the Company and has full access to financial information.

Recommendations of the Audit Committee, if any, are considered and implemented by the Board from time to time.

**(ii) Composition, Name of Members and Chairperson**

The Audit Committee comprises of the following Directors:

|                           |   |   |
|---------------------------|---|---|
| Mr. C. B. Chhaya          | : | Chairman (Independent Director)<br>w.e.f. 23.03.2022                          |
| Prof. R. S. S. Mani       | : | Member (Independent Director)   |
| Mrs. Nitya Mirchandani    | : | Member (Non-Independent Director)   |
| Mr. Bhumitra V. Dholakia* | : | Chairman (Independent Director)<br>*Upto 20.01.2022<br>*Expired on 20.01.2022 |
| Mr. Nrupang B. Dholakia** | : | Member (Independent Director)<br>**w.e.f. 23.03.2022                          |

The then Chairman of the Audit Committee, Mr. Bhumitra V. Dholakia could not attend the Annual General Meeting held on 23<sup>rd</sup> September, 2021 due to Medical Reasons, but all other Audit Committee Members attended the same.

**(iii) Meetings and Attendance during the year**

The Audit Committee met 5(Five) times during the year on 29.06.2021, 11.08.2021, 21.09.2021, 12.11.2021 and 09.02.2022.

There was a gap of more than four months between the Meetings held on 9<sup>th</sup> February, 2021 and 29<sup>th</sup> June, 2021 (postponed from originally scheduled on 28<sup>th</sup> May, 2021 due to the **STATUTORY AUDITOR OF THE COMPANY BEING DIAGNOSED AS COVID POSITIVE**). Between other Meetings not more than four months had elapsed. The necessary quorum was present at all the Meetings.

Details of Meetings attended by its Members are given below:

| Name & Position  | Category                       | Number of Meetings during the Financial Year 2021-22 |          |
|--|--------------------------------|--|----------|
|  |                                | Held   | Attended |
| Mr. C. B. Chhaya<br>Chairman   | Independent, Non-Executive     | 5  | 5        |
| Prof. R. S. S. Mani<br>Member  | Independent, Non-Executive     | 5  | 5        |
| Mrs. Nitya Mirchandani<br>Member   | Non-Independent, Non Executive | 5  | 5        |
| Mr. Nrupang B. Dholakia*<br>*w.e.f. 23.03.2022                             | Independent, Non-Executive     | N.A.   | N.A.     |
| Mr. Bhumitra V. Dholakia**<br>**Upto 20.01.2022<br>**Expired on 20.01.2022 | Independent, Non-Executive     | 5  | 3        |

The Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and Chief Financial Officer are permanent invitees to the Meetings of the Committee and they all endeavour to attend most of the Meetings. The Company Secretary is the Secretary of the Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee of Directors. The scope of the Nomination and Remuneration Committee is as per the provisions of the Listing Regulations.

**(i) The Terms of Reference of the Nomination and Remuneration Committee which are in line with the provisions of the Companies Act, 2013 and Listing Regulations are as under:**

- To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- To formulate criteria for evaluation of Independent Directors and the Board;
- to devise a policy on Board diversity;
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director.
- recommend to the board, all remuneration, in whatever form, payable to Senior Management.

**(ii) & (iii) Composition, Name of Members, Chairperson & Attendance during the year**

The Nomination and Remuneration Committee comprises of the following Directors:

|                           |   |   |
|---------------------------|---|---|
| Prof. R. S. S. Mani       | : | Chairman(Independent Director)<br>w.e.f. 23.03.2022                         |
| Mr. C. B. Chhaya          | : | Member (Independent Director)   |
| Mr. Bhumitra V. Dholakia* | : | Member(Independent Director)<br>*Upto 20.01.2022<br>**Expired on 20.01.2022 |
| Mr. Nrupang B. Dholakia** | : | Member(Independent Director)<br>**w.e.f. 23.03.2022                         |

The Nomination and Remuneration Committee met 3(Three) times during the year on 11.08.2021, 12.11.2021 and 15.03.2022.

Details of Meetings attended by its Members are given below:

| Name & Position  | Category                   | Number of Meetings during the Financial Year 2021-22 |          |
|--|----------------------------|--|----------|
|  |                            | Held   | Attended |
| Prof. R. S. S. Mani<br>Chairman  | Independent, Non-Executive | 3  | 3        |
| Mr. C. B. Chhaya<br>Member   | Independent, Non-Executive | 3  | 3        |
| Mr. Nrupang B. Dholakia*<br>*w.e.f. 23.03.2022                             | Independent, Non-Executive | N.A.   | N.A.     |
| Mr. Bhumitra V. Dholakia**<br>**Upto 20.01.2022<br>**Expired on 20.01.2022 | Independent, Non-Executive | 3  | 2        |

((iv) The Company does not have any Employee Stock Option Scheme.

(v) **Remuneration Policy**

The Remuneration Policy for Working Directors is in line with the other peer Companies and reviewed periodically. The payment of remuneration is duly approved by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee and subsequently confirmed by the Shareholders.

The Nomination and Remuneration Policy of the Company is displayed on Company's web-site i.e. [www.ariesagro.com](http://www.ariesagro.com). and the same is re-produced as under:

**ARIES AGRO LIMITED**  
**NOMINATION AND REMUNERATION POLICY FOR DIRECTORS AND**  
**KEY MANAGERIAL PERSONNEL (KMP)**

**1. Introduction**

*The Company considers human resources inclusive of its Senior Management Team Members as its invaluable Asset. This policy on Nomination and Remuneration of Directors, Key Manager Personnel (KMPs) and Senior Management has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement in order to attract and retain high-performing and motivated Executives in a competitive corporate world. This will lead to good corporate governance as well as sustained and long-term value creation for Stakeholders.*

**2. Objective and purpose of the Policy**

*The objective and purpose of this policy are:*

- 2.1 *To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other Employees.*
- 2.2 *\*To formulate the criteria for evaluation of performance of all the Directors on the Board and to specify the manner for effective evaluation of performance of Board, its Committees and individual Directors to be carried out by the Nomination and Remuneration Committee and review its implementation and compliance.*
- 2.3 *To devise a policy on Board diversity; and*
- 2.4 *To lay out remuneration principles for working Directors, Key Managerial Personnel and Senior Management Team Members linked to their effort, performance and achievement in relation to the Company's goals*
- 2.5 *\*Developing a succession plan for the Board and Senior Management and reviewing the plan at regular intervals (yearly);*

**3. Definitions**

*'Board' means Board of Directors of the Company.*

*'Directors' means Directors of the Company.*

*'Committee' means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Agreements and/or Regulations.*

*'Company' means Aries Agro Limited*

*'Independent Director' means a Director referred to in Section 149(6) of the Companies Act, 2013 and Rules.*

*'Key Managerial Personnel (KMP)' means*

- i) *Managing Director or the Manager;*
- ii) *Whole-time Director;*
- iii) *Company Secretary; and*
- iv) *Chief Financial Officer*

'Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Director, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### **General**

This Policy is divided in three parts:-

**Part – A** Scope and Applicability

**Part--B** Responsibilities and Powers of the Committee and recommended by the Committee to the Board.

**Part – C** covers the appointment and nomination; and

**Part – D** covers remuneration and perquisites etc.

This policy shall become effective from the date of its adoption by the Board and shall be included in the Report of the Board of Directors.

#### **Part – A**

##### **SCOPE AND APPLICABILITY**

- a) Remuneration structures and other terms of employment of Key Managerial Personnel and Senior Management. Personnel.
- b) Remuneration of Non-Executive Directors
- c) Selection of the Independent Directors
- d) Selection of Key Managerial Personnel.

#### **Part – B**

##### **RESPONSIBILITIES AND POWERS OF THE NOMINATION AND REMUNERATION COMMITTEE**

The following matters shall be dealt with by the Committee in consonance with the principles and requirements enshrined under the Companies Act and the Listing Agreement particularly clause relating to Corporate Governance: ;

##### **(a) Size and composition of the Board**

Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;

##### **(b) Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;

##### **(c) Succession plans:**

\*Developing, Establishing, and reviewing Board, Key Managerial Personnel Senior Management Personnel succession plans in order to ensure and maintain an appropriate balance of skills, experience and expertise on the Board and Senior Management;

##### **(d) Evaluation of performance:**

- i. Make recommendations to the Board on appropriate performance criteria for the Directors.
- ii. \*Formulate the criteria and framework for evaluation and carry out the Evaluation of performance of every Director on the Board of the Company, KMP and Senior Management Personnel of the Company at regular intervals (yearly) in line with the Guidelines or Guidance Note issued by the Securities and Exchange Board of India and/or Institute of Company Secretaries of India.
- iii. Identify ongoing training and education programmes for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

##### **(e) Board diversity:**

The Committee is to assist the Board in ensuring Board nomination process with the diversity of gender, thought, experience, knowledge and perspective in the Board, in accordance with the Board Diversity Policy.

##### **(f) Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board on;

- (a) The remuneration of the Managing Director, Whole-time Directors and other KMPs
- (b) The level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board committees;



- (c) *The remuneration policies for all employees including KMPs, Senior Management and other Employees including base pay, incentive payments, equity awards, retirement rights and service contracts having regard to the need to*
  - (i) *Attract and motivate talent to pursue the Company's long term growth;*
  - (ii) *Demonstrate a clear relationship between executive compensation and performance; and*
  - (iii) *Be reasonable and fair, having regard to best governance practices and legal requirements.*
- (d) *The Company's equity based incentive schemes including a consideration of performance thresholds and regulatory and market requirements;*
- (e) *The Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and*
- (f) *The Company's remuneration reporting in the financial statements and remuneration report.*
- (g) *However, the Managing Director or Executive Director jointly or severally shall have right to fix total pay package (remuneration, allowances and perquisites) of all the Key Managerial and Senior Management Personnel (other than Director level) within the frame work of this Policy and periodically report to the Committee which will evaluate the same and if need be recommend variation in the pay package.*

## **Part – C**

### **Policy for appointment and removal of Director, KMPs and Senior Management**

#### *Appointment criteria and qualifications*

1. *The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management level and recommend to the Board his / her appointment.*
2. *A person to be appointed as Director, KMP or Senior Management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.*
3. *A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.*
4. *The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director who has attained the age of seventy years and shall not appoint Independent Directors who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the Explanatory Statement annexed to the Notice for such motion indicating the justification for extension of appointment beyond seventy years as the case may be.*
5. *A Whole-Time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a Whole-Time KMP can be appointed as a Director in any Company, with the permission of the Board of Directors of the Company.*

#### **Term / Tenure**

1. *Managing Director / Whole-time Director*

*The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry term.*

2. *Independent Director*

*An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.*

*No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.*

*At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed Company.*

#### Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other Applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

#### Retirement

The Whole-time Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing Policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and Senior Management Personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

### PART – D

#### Policy relating to the remuneration for Directors, KMPs and other Employees

##### Managing Director, Executive Director or Whole Time Director

1. The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration and commission to be paid to the Managing Director and/or Executive Directors (Whole Time Directors) shall be as permissible under the provisions of the Companies Act, 2013 and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director Or Executive Director(Whole Time Director) Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

##### Remuneration to KMPs (other than Directors) and Senior Management Personnel (referred to as Executives)

The policy on remuneration for KMPs and Senior Management Personnel is as below:

#### 1. Fixed Pay

The remuneration and reward structure for Executives comprises three broad components – Annual Remuneration, Variable Pay (Performance Incentive) and Long-Term rewards. The Committee would determine the remuneration of the Directors and formulate guidelines for remuneration payable to the Employees.

These guidelines are as under:

##### a) Annual Remuneration

Annual Remuneration refers to the annual compensation payable to the employees of the Company. This comprises of two parts – a fixed component, and a performance-linked variable component based on the extent of achievement of the individual's objectives and performance of the business unit. Every employee is required to sign off and accept a target which clearly articulates the key performance measures for the particular defined role. The performance-linked variable pay will be directly linked to the performance on individual components of the performance contract and the overall performance of the business. An employee's variable pay would, therefore, be directly dependent on key performance measures that represent the best interests of shareholders.

The objective is to set the total remuneration at levels to attract, motivate, and retain high-caliber and high potential personnel in a competitive global market. The total remuneration level is to be reset annually based on a compensation with the relevant peer group globally, established through independent compensation surveys from time to time.

##### b) Long-term rewards

Long term rewards may include Long Term Incentive Plans (LTIP) under which incentives would be granted to eligible Executives based on their contribution to the performance of the Company, relative position in the organization and length of service under the supervision and approval of the Committee. The Company could implement various long term awards schemes that could include Long Term Incentive Programme (LTIP) spread over several years with payouts in multiple tranches linked to the Company's performance. Another form of long term awards could be in the nature of Stock Options of the Company. Stock Options may be granted to key employees and high performers in the organization who would be selected by the Committee based on their criticality, past performance and potential. The grant, vesting and other scheme details would be formulated from time to time.

These long term reward schemes are implemented to attract and retain key talent in the industry.

## Remuneration to Non-Executive / Independent Directors

### 1. Remuneration

*The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder and the Listing Agreement..*

*The remuneration to the Non-Executive Directors (including Independent Directors) may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.*

*Remuneration structure for Independent Directors – Sitting fees as per the norms of the Company.*

*Incase of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.*

*This Policy shall be reviewed by the Board on its own or upon the suggestion of the Nomination and Remuneration Committee as and when any changes are to be incorporated in the Policy. Any change or modification in the Policy as recommended by the Committee would be tabled for approval of the Board.*

*This Policy is updated on 13<sup>th</sup> August, 2020.*

### vi) Performance Evaluation of Directors

Pursuant to applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors including Managing Director and Non-Executive Directors and Chairperson of the Board.

#### Criteria for Appointment of Directors

Appropriate to the Business of the Company and enhancing the effectiveness of the Board are the basis for the NRC to select a candidate for appointment to the Board. When recommending a candidate for appointment, the NRC will have regard to:

- industry experience, background, and other qualities required to the Office of the Director with due regard to the benefits of diversity of the Board;
- ability and inclination to contribute to the overall effectiveness of the Board and work constructively with the existing directors;
- the skills and experience the individual brings to the role and how these will enhance the skill sets and experience of the Board as a whole;
- the past positions held by the individual including directorships or other relationships and ability to exercise independent judgment;
- the time commitment required from a Director to actively discharge his duties to the Company

### vii) Meeting of Independent Directors

1(One) separate Meeting of the Independent Directors were held on 09.02.2022, inter-alia, to discuss evaluation of the performance of Non- Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### viii) Tenure of Independent Directors:

All three Independent Directors were appointed for a term of 5(five) years in the Forty Fourth Annual General Meeting held on 26<sup>th</sup> September, 2014 to hold office upto 25<sup>th</sup> September, 2019. Mr. C.B. Chhaya who attained age of 75 years on 9<sup>th</sup> November, 2019 was re-appointed for second term of 5(five) years w.e.f. 01.04.2019 in the 48<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2018. Prof. R. S. S. Mani and Mr. B. V. Dholakia were re-appointed for second term of 5(five) years w.e.f. 26<sup>th</sup> September, 2019 in the 49<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2019.

Mr. B. V. Dholakia expired on 20.01.2022.

Mr. Nrupang Bhumitra Dholakia was appointed as an Independent Directors w.e.f. 15.03.2022 by the Board at their Meeting held on 15.03.2022 which was approved by the Members of the Company by way of a Special Resolution passed through Postal Ballot on 19.04.2022 the result of which was declared on 20.04.2022.

## 5. DETAILS OF REMUNERATION PAID TO THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022.

### i) Managing Director

The Agreement with the Chairman & Managing Director was for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31<sup>st</sup> March, 2020.

The Board of Directors at their Meeting held on 11<sup>th</sup> February, 2020, pursuant to the recommendation of the Nomination and Remuneration Committee, revised the Remuneration of Dr. Rahul Mirchandani with effect from 1<sup>st</sup> April, 2020 for remainder of his tenure of 2(two) years upto 31<sup>st</sup> March, 2022. The remuneration was revised for the remaining period of 2(Two) Years i.e. upto 31<sup>st</sup> March, 2022 by the Members at the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020.

The Chairman & Managing Director was re-appointed for a term of 5(Five) Years from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2027 by the Board of Directors at their Meeting held on 11<sup>th</sup> August, 2021 which was approved by the Members at the 51<sup>st</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2021 by way of a Special Resolution.

The total remuneration paid to the Managing Director during the year 2021-22 was as under:

(Rupees)

| Name  | Salary      | Commission | Contribution to Provident Fund/ Gratuity | Total       |
|---|-------------|------------|--|-------------|
| Dr. Rahul Mirchandani<br>Chairman & Managing Director | 1,94,40,000 | --         | 17,49,600                                | 2,11,89,600 |

Notes:

The Agreement with the Managing Director was for a period of 5(Five) Years from 04.04.2017 to 31.03.2022 at a remuneration sanctioned for a period of 3(Three) Years i.e. upto 31<sup>st</sup> March, 2020. The remuneration was revised for the remaining period of 2(Two) Years i.e. upto 31<sup>st</sup> March, 2022 by the Members at the 50<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2020. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.

The new Agreement with the Managing Director is for a period of 5(Five) Years from 01.04.2022 to 31.03.2027 at a remuneration sanctioned for that period, which was approved by the Members at the 51<sup>st</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2021 by way of a Special Resolution. Either party to the Agreement was entitled to terminate by giving the other party a notice of 3 months.

- The Managing Director is entitled to compensation for loss of office in accordance with and subject to restrictions laid down under Sections 197 and 202 of the Companies Act 2013.
  - Presently, the Company does not have a scheme for grant of Stock Options to its Working Directors
- c) The Managing Director is entitled to Commission within the overall limit prescribed under Section 197 of the Companies Act, 2013.

ii) **The Non Executive Directors** are not entitled to any Remuneration except payment of Sitting Fees for attending the Meetings of Board of Directors and Committees thereof. During the year 2021-22, the Company has paid total Sitting Fee of Rs. 17,60,000/- to Non Executive Directors as under:

|                        |                 |
|------------------------|-----------------|
| Dr. Jimmy Mirchandani  | Rs. 2,00,000.00 |
| Prof. R. S. S. Mani    | Rs. 4,20,000.00 |
| Mr. C. B. Chhaya       | Rs. 4,80,000.00 |
| Mrs. Nitya Mirchandani | Rs. 4,20,000.00 |
| Mr. B. V. Dholakia*    | Rs. 2,40,000.00 |

\*Upto 20.01.2022

\*Expired on 20.01.2022

|                           |      |
|---------------------------|------|
| Mr. Nrupang B. Dholakia** | N.A. |
|---------------------------|------|

\*\*w.e.f. 15.03.2022

Since there is a payment of only Sitting Fees either the disclosure of the criteria of making other payments to Non-Executive Directors or dissemination of the information on the website has not been made.

- All Pecuniary Relationship or Transactions of the Non-Executive Directors vis-à-vis the Listed Entity is disclosed in the Notes to the Financial Statements and forms part of the Annual Report under the Heading "Related Party Transactions."

## 6. Stake Holders Relationship Committee

- The Company has a Stake Holders Relationship Committee pursuant to the provisions of Section 178(5) of the Companies Act, 2013 and Listing Regulations.
- The Stake Holders Relationship Committee--has been constituted to specifically look into redressing the Shareholders and Investors' Complaints or Grievances.
- The Committee met once during the year on 9<sup>th</sup> February, 2022.

- iv) The Composition of the Stake Holders Relationship Committee and details of Meetings attended by its Members are given below:

| Name & Position                  | Category                       | Number of Meetings during the Financial Year 2021-22 |          |
|----------------------------------|--------------------------------|--|----------|
|                                  |                                | Held   | Attended |
| Mr. C. B. Chhaya<br>Chairman     | Independent, Non-Executive     | 1  | 1        |
| Mrs. Nitya Mirchandani<br>Member | Non-Independent, Non Executive | 1  | 1        |
| Dr. Rahul Mirchandani<br>Member  | Non-Independent, Executive     | 1  | 1        |

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the exclusive E-mail id of the Investor Grievance Department of the Company is investorrelations@ariesagro.com.

- v) The Company has always valued Customer relationship. This philosophy has been extended to Stakeholder Relationship also.

- vi) **Name & Designation and Address of Compliance Officer:**

Mr. Qaiser Parvez Ansari, Company Secretary is designated as Compliance Officer of the Company.

Aries House, Plot No. 24, Deonar Govandi(E), Mumbai-400 043  
Phone No. 022 2552 9000/2556 4052/53/62580505

- vii) A statement of various Complaints received and cleared by the Company during the year ended on 31<sup>st</sup> March, 2022 is given below:

|    | Nature of Request/Complaint  | Opening  | No. of Requests/Complaints | Redressed | Pending  |
|----|--|----------|----------------------------|-----------|----------|
|    | <b>A: REQUESTS</b>   |          |                            |           |          |
| 1. | Change/Correction of address   | 0        | 1                          | 1         | 0        |
| 1. | Receipt of D/W for Revalidation/Correction of Bank Mandate                       | 0        | 4                          | 4         | 0        |
| 2. | Receipt of Indemnity Bond and Affidavit for issue of Duplicate Share Certificate | 0        |                            |           | 0        |
|    | <b>TOTAL</b>   | <b>0</b> | <b>5</b>                   | <b>5</b>  | <b>0</b> |
|    | <b>B: COMPLAINTS</b>   |          |                            |           |          |
| 1. | Non receipt of Dividend Warrant  | 0        | 5                          | 5         | 0        |
|    | <b>TOTAL</b>   | <b>0</b> | <b>5</b>                   | <b>5</b>  | <b>0</b> |
|    | <b>GRAND TOTAL</b>   | <b>0</b> | <b>10</b>                  | <b>10</b> | <b>0</b> |

All the Complaints were solved to the satisfaction of the Share Holders.

- viii) The "SCORES" website of SEBI for redressing of Grievances of the investors is being visited at regular intervals by the Company Secretary and any Complaint received, is promptly resolved and Action Taken Report filed on SCORES.

- ix) The Web Site address of the Company is www.ariesagro.com.

## 7. OTHER COMMITTEES (VOLUNTARY DISCLOSURE AND COMPLIANCE)

### a) Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility(CSR) Committee of Directors as required under Section 135 of the Companies Act, 2013 is comprising of the following Directors:

- |      |                           |   |                                |
|------|---------------------------|---|--------------------------------|
| i)   | Dr. Rahul Mirchandani,    | : | Non-Independent, Executive     |
| ii)  | Mrs. Nitya Mirchandani    | : | Non-Independent, Non Executive |
| iii) | Mr. Nrupang B. Dholakia** | : | Member(Independent Director)   |
|      | **w.e.f. 23.03.2022       |   |                                |
| iv)  | Mr. Bhumitra V. Dholakia* | : | Member(Independent Director)   |
|      | *Upto 20.01.2022          |   |                                |
|      | **Expired on 20.01.2022   |   |                                |

The broad terms of reference of CSR Committee is as follows:

- (a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- (b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

During the year 1(One) Meeting of the CSR Committee was held on 11<sup>th</sup> August, 2021.

The Composition of the CSR Committee and details of the Meetings attended by its Members are given below:

| Name & Position   | Category                       | Number of Meetings during the Financial Year 2021-22 |          |
|---|--------------------------------|--|----------|
|   |                                | Held   | Attended |
| Dr. Rahul Mirchandani, Chairman   | Non-Independent, Executive     | 1  | 1        |
| Mrs. Nitya Mirchandani, Member  | Non-Independent, Non Executive | 1  | 1        |
| Mr. Bhumitra V. Dholakia, Member<br>*Upto 20.01.2022<br>**Expired on 20.01.2022 | Independent, Non-Executive     | 1  | 1        |
| Mr. Nrupang Bhumitra Dholakia, Member<br>**w.e.f. 23.03.2022                    | Independent, Non-Executive     | N.A.   | N.A.     |

#### b) Treasury Committee

##### Composition of the Committee

The Treasury Committee was constituted by the Board of Directors of the Company at their meeting held on 28<sup>th</sup> January, 2010 to consider and approve financial needs (borrowings of the Company from time to time and negotiate the Terms and Conditions with the Banks/Financial Institutions, avail the Credit Facilities and finalize and sign Agreements, Deeds, Documents etc with the Banks/Financial Institutions.

The Committee consists of the following members:

|                        |   |          |
|------------------------|---|----------|
| Dr. Rahul Mirchandani  | : | Chairman |
| Mr. C. B. Chhaya       | : | Member   |
| Mrs. Nitya Mirchandani | : | Member   |

During the year 2(two) Meetings of the Treasury Committee were held on 07.10.2021 and 08.01.2022.

The Composition of the Treasury Committee and details of the Meetings attended by its Members are given below:

| Name & Position                   | Category                       | Number of Meetings during the Financial Year 2021-22 |          |
|-----------------------------------|--------------------------------|--|----------|
|                                   |                                | Held   | Attended |
| Dr. Rahul Mirchandani<br>Chairman | Non-Independent, Executive     | 2  | 2        |
| Mr. C. B. Chhaya                  | Independent, Non-Executive     | 2  | 2        |
| Mrs. Nitya Mirchandani            | Non-Independent, Non-Executive | 2  | 2        |

#### 8 RISK MANAGEMENT COMMITTEE

The Company is not required to have the Risk Management Committee as it does not fall under the Top 1,000 Companies and is also not a high value debt listed entity, as required by the Listing Regulations.

## 9. GENERAL BODY MEETINGS

(a) and (b) The date, time and venue of the last 3 General Body Meetings of the Company is given below:

| Financial Year ended         | Date       | Time       | Venue  | Details of Special Resolutions  |
|------------------------------|------------|------------|--|---|
| 31 <sup>st</sup> March, 2019 | 30.09.2019 | 10.30 a.m. | The Huddle, Stellar Towers, 12 <sup>th</sup> Floor, Opp: K. Star Mall, Diamond Garden, Chembur, Mumbai-400 071 | <ol style="list-style-type: none"> <li>1. Re-appointment of Prof. R. S. S. Mani as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from 26<sup>th</sup> September, 2019."</li> <li>2. Re-appointment of Shri. B. V. Dholakia as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company with effect from 26<sup>th</sup> September, 2019."</li> <li>3. Approval of the amendment in the terms of the deployment of funds referred to in the Prospectus dated 26<sup>th</sup> December, 2007 issued by the Company.</li> </ol> |
| 31 <sup>st</sup> March, 2020 | 24.09.2020 | 4.30 p.m.  | Through Conferencing("VC")/Other Video Audio Visual Means("OAVM")  | Approval of Remuneration payable to Dr. Rahul Mirchandani, the Managing Director, for the remainder of his term from 1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2022.   |
| 31 <sup>st</sup> March, 2021 | 23.09.2021 | 4.30 p.m.  | Through Conferencing("VC")/Other Video Audio Visual Means("OAVM")  | Re-Appointment of Dr. Rahul Mirchandani as the Managing Director of the Company for a term of 5(Five) Years from 1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2027 at a remuneration and on the terms and conditions as broadly specified therein and more specifically set out in the draft Agreement.   |

(c) to (d) Postal Ballot, by remote e-Voting system ('remote e-Voting'/'e-voting') only, was initiated {for the e-Voting to commence on Monday, 21<sup>st</sup> March, 2022, 9:00 a.m. (IST) and to end on Tuesday, 19<sup>th</sup> April, 2022, 5:00 p.m. (IST)}, pursuant to the Resolution of the Board of Directors passed in their Meeting held on 15<sup>th</sup> March, 2022 for the followings:

### ORDINARY RESOLUTION:

1. To appoint Mr. Nrupang Bhumitra Dholakia (DIN: 06522711) as a Director of the Company.

### SPECIAL RESOLUTION:

2. To appoint Mr. Nrupang Bhumitra Dholakia (DIN: 06522711), as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company with effect from 15<sup>th</sup> March, 2022 up to 14<sup>th</sup> March, 2027.

Ms. Shailashri Bhaskar, Practicing Company Secretary (Membership No. FCS-5778 and CP No. 5092) or in her absence Mr. A. Sekar, Practicing Company Secretary (Membership No. ACS-8649 and CP No. 2450) was appointed as the Scrutinizer for the aforesaid Postal Ballot.

The results of the resolutions proposed to be passed by Postal Ballot was declared on Wednesday, 20<sup>th</sup> April, 2022 and the Voting Pattern was as under:

### Resolution No. 1

#### ORDINARY RESOLUTION

**To appoint Mr. Nrupang Bhumitra Dholakia (DIN: 06522711) as a Director of the Company.**

|  |                     |                                     |
|--|---------------------|-------------------------------------|
| <b>TOTAL PAID UP SHARES</b>                    | <b>1,30,04,339</b>  |                                     |
|  | <b>No. of Votes</b> | <b>%tages on Votes cast/pollled</b> |
| <b>Total Votes Polled(eVoting and Poll)</b>    | <b>68,89,499</b>    | <b>100%</b>                         |
| No. of Votes polled in Favour and %age thereof | 68,88,825           | 99.99%                              |
| No. of Votes polled Against and %age thereof   | 674                 | 0.01%                               |
| No. of Invalid Votes                           | 0                   |                                     |



## Resolution No. 2

### SPECIAL RESOLUTION

*To appoint Mr. Nrupang Bhumitra Dholakia (DIN: 06522711), as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company with effect from 15<sup>th</sup> March, 2022 up to 14<sup>th</sup> March, 2027.*

|  |                     |                                 |
|--|---------------------|---------------------------------|
| <b>TOTAL PAID UP SHARES</b>                    | <b>1,30,04,339</b>  |                                 |
|  | <b>No. of Votes</b> | <b>%ages on Votes cast/poll</b> |
| <b>Total Votes Polled(eVoting and Poll)</b>    | <b>68,89,499</b>    | <b>100%</b>                     |
| No. of Votes polled in Favour and %age thereof | 68,88,750           | 99.99%                          |
| No. of Votes polled Against and %age thereof   | 749                 | 0.01%                           |
| No. of Invalid Votes                           | 0                   |                                 |

**No Extra Ordinary General Meeting was held during the Financial Year 2021-22.**

- (e) and (f) At the forthcoming Annual General Meeting there is no Item on the Agenda requiring to be passed by Postal Ballot. Hence, no need to specify the procedure for Postal Ballot.

## 10. MEANS OF COMMUNICATION

### Means of Communication:

#### (i) Quarterly/Half-yearly and Yearly Financial Results

The Quarterly/Half-Yearly and Annual results of the Company are published in the Newspapers and posted on the website of the Company at [www.ariesagro.com](http://www.ariesagro.com). The Company's Financial Results are sent in time to Stock Exchanges so that they may be posted on the Stock Exchanges' website.

#### (ii) Newspaper where results are published

The Company usually publishes its financial results in following newspaper

1. The Business Standard
2. Mumbai Laksdeep

#### (iii) Company's Corporate Website

The Company's website is a comprehensive reference on Aries Agro Management, Products, Investor Relations, Clients, etc. The section on "Investors' Relations" serves to inform the Stakeholders, by giving complete Financial Details, Corporate Governance, Composition of Board, Contact Information relating to our Registrar and Transfer Agents, etc.

Quarterly Report on Corporate Governance Listing Regulations have been submitted to Stock Exchange(s) as follows

| Quarterly Report for the quarter ended | Submitted to BSE Ltd. Through their portal | Submitted to National Stock Exchange of India Ltd through NEAPS |
|--|--|---|
| 30 <sup>th</sup> June, 2021            | 7 <sup>th</sup> July, 2021                 | 7 <sup>th</sup> July, 2021                                      |
| 30 <sup>th</sup> September, 2021       | 19 <sup>th</sup> October, 2021             | 19 <sup>th</sup> October, 2021                                  |
| 31 <sup>st</sup> December, 2021        | 4 <sup>th</sup> January, 2022              | 4 <sup>th</sup> January, 2022                                   |
| 31 <sup>st</sup> March, 2022           | 20 <sup>th</sup> April, 2022               | 20 <sup>th</sup> April, 2022                                    |

#### (iv) Release of Official News

The Company intimates to the Stock Exchange all Official News and places on its websites also.

#### (v) Presentation to Institutional Investors or to analysts

There is no Official News release displayed on the website. The Company's presentations to Institutional Investors/Equity Analyst is posted on the website of the Company.

#### (vi) BSE and NSE Online filing System –

In accordance with Listing Regulations, all disclosures and communications to BSE Limited are done electronically through BSE's Online portal and to the National Stock Exchange of India Limited are done electronically through NSE's Online portal.

## 11. GENERAL SHAREHOLDERS INFORMATION

### (i) Annual General Meeting

The 52<sup>nd</sup> Annual General Meeting of the Shareholders will be held on Thursday, 29<sup>th</sup> September, 2022 at 4.30 p.m.(IST) through Video Conferencing("VC")/Other Audio Visual Means("OAVM").

(ii) **Financial Calendar:-**

For the year ending 31<sup>st</sup> March, 2023 the Financial Results will be announced on:

|               |   |  |
|---------------|---|--|
| First Quarter | : | On or before 14 <sup>th</sup> August, 2022   |
| Half year     | : | On or before 14 <sup>th</sup> November, 2022 |
| Third Quarter | : | On or before 14 <sup>th</sup> February, 2023 |
| Yearly        | : | On or before 30 <sup>th</sup> May, 2023      |

(iii) **Date of Book Closure:** - None. Book Closure was required in view of the transfer of shares in Physical Form. Since Physical Transfer is not allowed the Company has not declared any Book Closure. Only transmission is allowed in Physical Form for which no Book Closure is required.

(iv) **Dividend**, if any, declared by the Members in the ensuing Annual General Meeting will be paid on or before 20<sup>th</sup> October, 2022.

(v) **Listing:** The Equity Shares of the Company are listed on BSE Ltd and National Stock Exchange of India Ltd.

ISIN NO. : INE298I01015

(vi) **Listing Fee:** The Listing Fee for the financial year 2021-2022 has been paid to the above Stock Exchanges.

**The Listing Fee for the financial year 2022-2023 have also been paid to the above Stock Exchanges.**

(vii) **Scrp Code** : **BSE - 532935**  
**NSE - ARIES**

(viii) **Market Price Data: high, low during each month in the last Financial Year.**

Monthly Share Price Data of the Company's shares on BSE for the year ended 31<sup>st</sup> March, 2022

| Month           | Highest    |            | Lowest     |            |
|-----------------|------------|------------|------------|------------|
|                 | Rate (Rs.) | Date       | Rate (Rs.) | Date       |
| April, 2021     | 93.30      | 29.04.2021 | 78.05      | 01.04.2021 |
| May, 2021       | 119.15     | 18.05.2021 | 86.70      | 03.05.2021 |
| June, 2021      | 156.00     | 28.06.2021 | 111.05     | 02.06.2021 |
| July, 2021      | 193.75     | 15.07.2021 | 129.50     | 02.07.2021 |
| August, 2021    | 183.25     | 02.08.2021 | 131.00     | 24.08.2021 |
| September, 2021 | 158.30     | 15.09.2021 | 140.70     | 21.09.2021 |
| October, 2021   | 155.00     | 14.10.2021 | 133.15     | 25.10.2021 |
| November, 2021  | 164.90     | 08.11.2021 | 130.00     | 30.11.2021 |
| December, 2021  | 149.90     | 30.12.2021 | 124.10     | 21.12.2021 |
| January, 2022   | 177.05     | 17.01.2022 | 140.00     | 24.01.2022 |
| February, 2022  | 169.90     | 02.02.2022 | 119.00     | 24.02.2022 |
| March, 2022     | 157.80     | 23.03.2022 | 121.40     | 07.03.2022 |

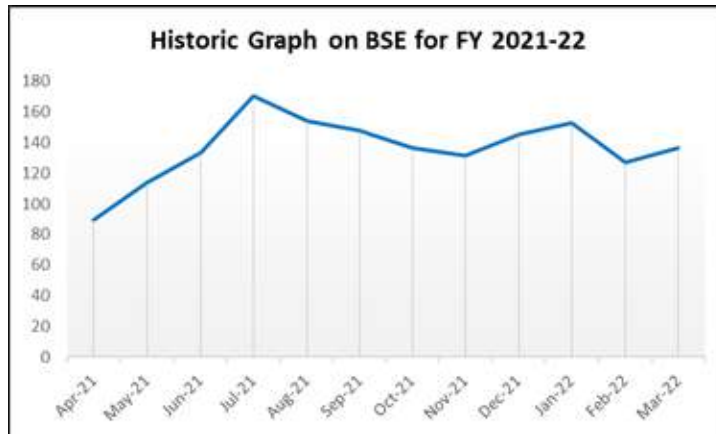
Monthly Share Price Data of the Company's shares on NSE for the year ended 31<sup>st</sup> March, 2022

| Month           | Highest    |                            | Lowest     |            |
|-----------------|------------|----------------------------|------------|------------|
|                 | Rate (Rs.) | Date                       | Rate (Rs.) | Date       |
| April, 2021     | 93.75      | 29.04.2021                 | 77.00      | 19.04.2021 |
| May, 2021       | 119.00     | 17.05.2021 &<br>18.05.2021 | 86.40      | 03.05.2021 |
| June, 2021      | 156.00     | 28.06.2021                 | 111.15     | 01.06.2021 |
| July, 2021      | 193.90     | 15.07.2021                 | 129.20     | 02.07.2021 |
| August, 2021    | 183.40     | 02.08.2021                 | 130.45     | 24.08.2021 |
| September, 2021 | 158.70     | 15.09.2021                 | 141.55     | 21.09.2021 |
| October, 2021   | 155.50     | 14.10.2021                 | 133.00     | 25.10.2021 |
| November, 2021  | 165.00     | 08.11.2021                 | 130.05     | 30.11.2021 |
| December, 2021  | 156.00     | 27.12.2021                 | 127.80     | 20.12.2021 |
| January, 2022   | 177.20     | 17.01.2022                 | 139.35     | 24.01.2022 |
| February, 2022  | 169.95     | 02.02.2022                 | 116.30     | 28.02.2022 |
| March, 2022     | 156.00     | 22.03.2022                 | 121.35     | 07.03.2022 |

(xv) Performance in comparison to BSE & NSE Sensex

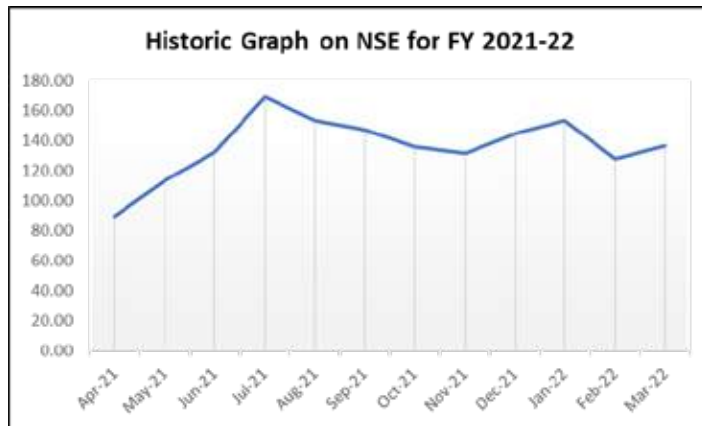
**BSE**

**Historic Graph of Aries Agro on BSE**



**NSE**

**Historic Graph of Aries Agro on NSE**



(ix) During the year under review the listed securities of the Company have not been suspended from trading by any of the Stock Exchanges.

(x) **Name and Address of the Registrar and Share Transfer Agents**

**AARTHI CONSULTANTS PVT LTD**

**Regd. Office**

1-2-285 Domalguda, Hyderabad – 500029

Tel: 040 27638111 / 27634445 / 27642217 / 66611921

Fax: 040 27632184

Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

(xi) **Share Transfer System**

Requests for dematerialisation and re-materialisation should be sent to the Aarthi Consultants Private Limited,

The Company's Shares are traded on the Stock Exchanges in the compulsory dematerialised form. Shareholders are requested to ensure that their Depository Participants ("DPs") promptly send physical documents, i.e. Dematerialization Request Form ("DRF"), Share Certificates, etc. to the ISD by providing the Dematerialization Request Number ("DRN").

**Dematerialization** As on 31<sup>st</sup> March 2022, 1,29,09,968 Shares of the Company (representing 99.27% of the total shares) were held in the dematerialised form and 94,371 Shares (representing 0.73 % of the total shares) were held in the physical form. As on 31<sup>st</sup> March 2022, the total number of Shareholders were 19,492 out of which 19,338(99.21%) were holding shares in a dematerialised form. The balance 154 (0.79%) shareholders continued to hold shares in the physical form.

The requests for dematerialisation of shares are processed by the Registrar and Share Transfer Agents and if all the documents are found to be in order, the same are approved by them within a period of 15 days.

**No Physical Transfer of Shares have been effected after 1<sup>st</sup> April, 2019, in terms of the mandates of the Securities and Exchange Board of India('SEBI') and Ministry of Corporate Affairs('MCA').**

(xii) (1) **Distribution of Share Holding as on 31<sup>st</sup> March 2022**

| SL NO | CATEGORY       | HOLDERS | HOLDERS PERCENTAGE | SHARES   | AMOUNT    | AMOUNT PERCENTAGE |
|-------|----------------|---------|--------------------|----------|-----------|-------------------|
| 1     | 1 - 5000       | 17198   | 89.59              | 1736195  | 17361950  | 13.35             |
| 2     | 5001 - 10000   | 1100    | 5.73               | 871979   | 8719790   | 6.71              |
| 3     | 10001 - 20000  | 491     | 2.56               | 740119   | 7401190   | 5.69              |
| 4     | 20001 - 30000  | 145     | 0.76               | 366909   | 3669090   | 2.82              |
| 5     | 30001 - 40000  | 79      | 0.41               | 276201   | 2762010   | 2.12              |
| 6     | 40001 - 50000  | 62      | 0.32               | 291768   | 2917680   | 2.24              |
| 7     | 50001 - 100000 | 70      | 0.36               | 505538   | 5055380   | 3.89              |
| 8     | 100001 & Above | 52      | 0.27               | 8215630  | 82156300  | 63.18             |
|       | Total:         | 19197   | 100                | 13004339 | 130043390 | 100               |

**\*Prepared based on the PAN**

(2) **Distribution of shareholding according to categories of shareholders as on 31<sup>st</sup> March, 2022**

| Categories                    | No. of Shares   | Amt. in Rs.      | % to Total    |
|-------------------------------|-----------------|------------------|---------------|
| Promoters                     | 6847926         | 68479260         | 52.66         |
| Directors (Independent)       | 0               | 0                | 0.00          |
| Foreign Portfolio Investor    | 25812           | 258120           | 0.20          |
| Financial Institutions/ Banks | 0               | 0                | 0.00          |
| Mutual Funds / UTI            | 0               | 0                | 0.00          |
| NRIs / OCBs/FIIs              | 182884          | 1828840          | 1.40          |
| Other Bodies Corporate        | 284724          | 2847240          | 2.19          |
| Public                        | 5662993         | 56629930         | 43.55         |
| <b>Total</b>                  | <b>13004339</b> | <b>130043390</b> | <b>100.00</b> |

(xii) **Details of Demat Shares as on 31<sup>st</sup> March, 2023**

| Name of Depository | No. of Shareholders | No. of Shares      | % of Capital  |
|--------------------|---------------------|--------------------|---------------|
| NSDL               | 7,708               | 1,00,26,051        | 77.10         |
| CDSL               | 11,630              | 28,83,917          | 22.18         |
| <b>Sub-Total</b>   | <b>19,338</b>       | <b>1,29,09,968</b> | <b>99.28</b>  |
| Physical Mode      | 154                 | 94,371             | 0.72          |
| <b>Grand Total</b> | <b>19,492*</b>      | <b>13004339</b>    | <b>100.00</b> |

**\*Actual Count**

(xiii) **The Company has not issued any GDR's/ ADR's, Warrants or any other Convertible Instruments.**

(xiv) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

Not Applicable

(xv) **Plant Location: -**

| Location                 | Address   |
|--------------------------|---|
| Mumbai, Maharashtra      | • ARIES House, Plot No. 24, Deonar, Govandi(E), Mumbai-400 043, Maharashtra   |
| Hyderabad, Telangana     | • 244-246, 250-252, IDA Phase-II, Pashamylaram, Patancheru Mandal, Medak Dist;502 307, Telangana  |
| Chhatral, Gujarat        | • 1202/1 & 1202/2, Village: Rajpur, Taluka: Kadi, Distt: Mehsana, 382 740, Gujarat  |
| Lucknow Uttar Pradesh    | • Plot No. 836, Banthara, Lucknow-Kanpur Highway, Sikandarpur, Tehsil & Distt. Lucknow, U. P., 227 101  |
| Vijaywada Andhra Pradesh | • Survey No.69/1C, Opp to CIPET College Road, Vijayawada To Nuzuvid Road, Surampalli Village, Gannavaram Mandal, Krishna District, Andhra Pradesh:- 521 212.                          |
| Raipur Chhattisgarh      | • Plot No. 865/2, Kusmi <i>Anandgaon Main Road, Village-Kusmi, Tehsil-Berla, Distt: Bemetara-Chhattisgarh-491332</i>  |
| Fujairah, UAE            | • Amarak Chemicals FZC( An Associate Company of the Subsidiary M/S Golden Harvest Middle East FZC) Al Hayl Industrial Area, P. O. Box 5283, Fujairah Free Zone(FFZ), Fujairah, UAE??? |

(xvi) **Address for Correspondence:**

- i) Any query relating to the shares of the Company for Shares held in Physical Form and Shares held in Demat Form should be addressed to:

M/s. Aarthi Consultants Pvt. Ltd.  
1-2-285 Domalguda, Hyderabad – 500029  
Tel: 040 27638111 / 27634445 / 27642217 / 66611921  
Fax: 040 27632184  
Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

- ii) For grievance redressal and any query

Mr. Qaiser P. Ansari, Company Secretary & Compliance Officer at the following address

Aries Agro Limited

Aries House, Plot No. 24, Deonar, Govandi (E)  
Mumbai – 400043  
Tel: 022 25529000/22564052 / 53  
Email: [investorrelations@ariesagro.com](mailto:investorrelations@ariesagro.com)  
Web Site: [www.ariesagro.com](http://www.ariesagro.com)

- (iii) SEBI toll-free helpline service for investors: 1800 266 7575/1800 22 7575 (available on all days from 9.00 a.m. to 6.00 p.m.)

(xvii) **Credit Ratings**

The Credit Rating of the Company was issued by CRISIL Ratings on 11<sup>th</sup> January, 2022 as under:

| Facilities                                 | By BRICKWORK RATINGS<br>(CURRENT) |   | By CRISIL RATINGS<br>(REVISED) |  |  |
|--|-----------------------------------|---|--------------------------------|--|--|
| Facilities                                 | Amount<br>(Rs)                    | Rating Action                                   | Amount<br>(Rs)                 | Rating Action                            | Indication/Significance  |
| Long Term Bank Facilities(Fund Based)      | 136.16 Cr                         | Revised<br>As<br>BWR BBB (Stable)<br>Reaffirmed | 150.00 Cr                      | <b>CRISIL BBB+/<br/>Stable(Assigned)</b> | Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk |
| Short Term Bank Facilities(Non Fund Based) | 27.20 Cr                          | Revised as<br>BWR A3+<br>Reaffirmed             |                                | <b>CRISIL A2(Assigned)</b>               | Instruments with this rating are considered to have strong degree of safety regarding timely payment of financial obligation. Such instruments carry low credit risk           |
| <b>Total</b>                               | <b>163.36 Cr</b>                  |   | <b>150.00 Cr</b>               |  |  |

The rating reflect moderate degree of safety regarding timely servicing of financial obligations.

## 12. DISCLOSURES

### (i) Related Party Transactions

During the year under review, besides the transactions reported in Notes to the Accounts of the Annual Report, there were no other Related Party Transactions with the Promoters, Directors and Management that had a potential conflict with the interest of the Company at large.

The Board has approved a Policy for Related Party Transactions.

All the transactions with Related Parties are periodically approved by the Audit Committee. The Register of Contracts detailing transactions in which Directors are interested is placed before the Board at every Meeting for its approval. Transactions with Related Parties, as per requirements of Ind AS 24 are disclosed in Note No. 37 to the Accounts in the Annual Report and they are not in conflict with the interest of the Company at large.

### (ii) Compliances by the Company

There have been no instances of Non-Compliance on any matter with the Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other Statutory Authority relating to the Capital Markets during the last three years.

### (iii) Whistle Blower Policy: (Vigil Mechanism)

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism for Employees and Directors to report concerns about un-ethical behavior. No person has been denied access to the Chairman/Member of the Audit Committee. The said Policy has been put up on the web site of the Company. There is one of the item at every Audit Committee Meeting to review any complaint received under Vigil Mechanism.

### (iv) Compliance with Mandatory and Non-Mandatory Items

The Company has complied with the Mandatory requirements regarding the Board of Directors, Audit Committees and other Board Committees and other disclosures as required under the provisions of the Listing Regulations. The status of compliance in respect of Non-Mandatory requirements of Listing Regulations is as follows:

**(a) Maintenance of the Chairman's Office:** The Company has an Executive Chairman and the office provided to him for performing his executive functions is also utilized by him for discharging his duties as Chairman. No separate office is maintained for the Non-Executive Chairman of the Audit Committee but Secretarial and other assistance is provided to him, whenever needed, in performance of his duties.

**(b) Shareholders' rights:** Quarterly Financial Results and Summary of Significant Events are posted on the website of the Company.

**(c) Audit Qualification:** The Auditors remarks if any are explained in the Board's Report and necessary actions are also taken by the Company when required. The Company shall endeavor to have unqualified Financial Statements. There is no qualification in the Auditors Report in the current year.

There have been no qualifications by the Auditors in their report on the Accounts of the Company for the last 12(Twelve) years. The Company shall endeavor to continue to have unqualified Financial Statements.

**(d) Separate posts of Chairman and CEO -** The Article No. 179 of the Articles of Association permits the Managing Director to hold the office of the Chairman.

**(e) Reporting of Internal Auditor** Partner of the firm of Internal Auditor attends the Meetings of the Audit Committee regularly and directly interacts with the Audit Committee.

### (v) Web link where Policy for determining Material Subsidiaries is disclosed

The Company has not formulated the Policy as its three Indian Subsidiaries are not Material.

### (vi) Web link where Policy on dealing with Related Party Transactions:

The web link for Policy dealing with Related Party Transactions is at [www.ariesagro.com](http://www.ariesagro.com).

### (vii) Disclosure of Commodity Price Risks and Commodity Hedging Activities

Not Applicable

(viii) No funds were raised, during the year under review, through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations.

(ix) A certificate from a Company Secretary in Practice is annexed to this Report certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

- (x) Recommendations of all the Committees, if any, are considered and implemented by the Board from time to time.
- (xi) Total fees for all services paid by the Company and the Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part, is given under Note No. 35.1(a) of the Notes to Accounts of Consolidated Financial Statements.
- (xii) No complaints were received by the Internal Committee from any employee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. For other details kindly refer to the separate Para in the Board's Report.
- (xiii) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/Companies in which Directors are interested by name and amount is given under Note No. 38 of the Notes to Accounts of Consolidated Financial Statements.

### 13. Non Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) above

The Company has complied with all Mandatory items of the Listing Regulations. The Company has executed a Listing Agreement with BSE Ltd and the National Stock Exchange of India Ltd thus complying with requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 14. Adoption of Discretionary requirements as specified in part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Company has complied with all the discretionary requirements as specified in Part E of Schedule II of SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015.

15. As per para 13 of Part C of Schedule V to the Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 on the website of the Company – [www.ariesagro.com](http://www.ariesagro.com).

### 16. Declaration regarding Code of Conduct:

The Members of the Board and Senior Management Personnel have affirmed the Compliance with the Code of Conduct applicable to them during the year ended 31<sup>st</sup> March, 2022. The Annual Report of the Company contains a Certificate by the Chairman and Managing Director in terms of Listing Regulations based on compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management Personnel.

17. Compliance Certificate from the Auditors regarding compliance of conditions of Corporate Governance is annexed with this Report.

### 18. CMD/CFO Certification

Chairman & Managing Director/Chief Executive Officer and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Listing Regulations and the same is annexed and forms part of the Annual Report.

### 19. Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary has carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and Listed Equity Share Capital. The Audit Report confirms that the Total Issued/Paid-Up Capital is in agreement with the total number of shares in the Physical form and total number of Dematerialized shares held with NSDL and CDSL.

20. For the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 2011, the following Companies are to be considered as Group Companies belonging to Promoters Group.

| Sr. No. | Name of the Companies               | Shareholding of the Company as on 31.03.2022 |
|---------|-------------------------------------|--|
| 1.      | Sreeni Agro Chemicals Ltd.          | NIL  |
| 2.      | Aries Marketing Ltd.                | NIL  |
| 3.      | Blossoms International Ltd.         | NIL  |
| 4.      | Aries East-West Nutrients Pvt. Ltd. | NIL  |

### 21. SUBSIDIARY COMPANIES

A list of Subsidiary Companies is given in Note No. 37 of the Notes to Accounts forming part of the Annual Report.

All the Subsidiary Companies are Board managed. These are not material Subsidiaries as defined under Listing Regulations.

The Audit Committee reviews the Consolidated Financial Statements of the Company and the Investments made by its un-listed Subsidiary Companies. The Minutes of the Board Meetings along with Report on Significant developments of un-listed Subsidiary Companies are periodically placed before the Board of Directors of the Company.

### 22. Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

Not Applicable



### 23. UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year Unpaid/Unclaimed Amount of Rs. 5,12,818/- in respect of Unpaid/Unclaimed Dividend-2013-14 was transferred to Investor Education and Protection Fund (IEPF) on 7<sup>th</sup> November, 2021.

Pursuant to Section 124(5) of the Companies Act, 2013 dividend which remains Un-Paid/Un-Claimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

In accordance with the provisions of Companies Act, 2013 the Company has transferred 5,059 Equity Shares of 10/- each, to the credit of IEPF Authority, on 8<sup>th</sup> / 9<sup>th</sup> November, 2021, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 1<sup>st</sup> October, 2021. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2014-15.

The status of dividend remaining unclaimed is given hereunder:

| Unclaimed Dividend  | Status  | Whether it can be claimed  | Can be claimed from  | Action to be taken |
|---|---|--|--|--------------------|
| For the Financial Year 2007-08  | Transferred to Investor Education and Protection Fund Account | No<br>(As per Section 205C of the Companies Act, 1956, No claim shall lie against the Fund) N.A. | N.A.   | N.A.               |
| For the Financial Year 2009-10  | Transferred to Investor Education and Protection Fund Account | Yes  | (As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016. | As per the Rules   |
| For the Financial Year 2010-11 (Interim Dividend-2010-11) to Financial Year-2013-14 | Transferred to Investor Education and Protection Fund Account | Yes  | (As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016. | As per the Rules   |
| For the Financial Years 2014-15 to 2020-21  | Lying in respective Unpaid Dividend Accounts                  | Yes  | (As per Section 125(4) of the Companies Act, 2013 from the IEPF Authority by following the procedure prescribed under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016. | As per the Rules   |

Pursuant to the provision of the Investor Education and Protection Fund (Uploading of Information Regarding Un-Paid/Un-Claimed amounts lying with Companies), Rules, 2012, the Company has hosted on its website i.e. [www.ariesagro.com](http://www.ariesagro.com) and on the web site of the Ministry of Corporate Affairs the details of the Unclaimed Dividend as on the AGM dated 23.09.2021.

24. The date of declaration of dividend in respect of Financial Years 2014-15 to 2020-21 and the last date for claiming such dividend is given in the table below:

| Financial year  | Date of Declaration              | Rate | Last Date of Claiming payment from Aarthi Consultants Pvt. Ltd* | Due for Transfer to IEPF         |
|-----------------|----------------------------------|------|---|----------------------------------|
| 2014-15         | 30 <sup>th</sup> September, 2015 | 20%  | 5 <sup>th</sup> October, 2022                                   | 6 <sup>th</sup> October, 2022    |
| 2015-16         | 30 <sup>th</sup> September, 2016 | 15%  | 5 <sup>th</sup> October, 2023                                   | 6 <sup>th</sup> October, 2023    |
| 2016-17         | 28 <sup>th</sup> September, 2017 | 20%  | 3 <sup>rd</sup> October, 2024                                   | 4 <sup>th</sup> October, 2024    |
| 2017-18         | 28 <sup>th</sup> September, 2018 | 23%  | 3 <sup>rd</sup> October, 2025                                   | 4 <sup>th</sup> October, 2025    |
| 2018-19         | 30 <sup>th</sup> September, 2019 | 18%  | 5 <sup>rd</sup> October, 2026                                   | 6 <sup>th</sup> October, 2026    |
| 2019-20-Interim | 11 <sup>th</sup> March, 2020     | 5%   | 16 <sup>th</sup> April, 2027                                    | 17 <sup>th</sup> April, 2027     |
| 2020-21         | 23 <sup>rd</sup> September, 2021 | 8%   | 28 <sup>th</sup> September, 2028                                | 29 <sup>th</sup> September, 2028 |

\*Indicative dates. Actual dates may vary.

The Company's Registrars have already written to the Shareholders and Depositors informing them about the due dates for transfer to IEPF for unclaimed dividends. Attention of the stakeholders is again drawn to this matter through the Annual Report.

Shareholders are requested to get in touch with the Registrars for encashing the unclaimed dividend amount, if any, standing to the credit of their account.

As per, Section 124(6) of the Companies Act, 2013 all shares in respect of which unpaid or unclaimed dividend has been transferred to IEPF, shall also be transferred to IEPF. Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, in the name of IEPF Suspense Account.

All the Share Holders are requested to claim the Unpaid/Unclaimed Dividends due to them by making an application to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company or directly to the Company on or before 5<sup>th</sup> October, 2022. In case the Share Holders fail to claim the above dividend, all the concerned shares (whether held in physical or electronic form) will be transferred by the Company to IEPF Account. Kindly note that Dividend for Financial Year 2013-14 has already been transferred to IEPF.

However, the Share Holders can claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Account by making an application in Form IEPF-5 online and sending the physical copy of the same duly signed (as per registered specimen signature) along with requisite documents enumerated in the said Form IEPF-5 to the Company at its Registered Office or to M/S. Aarthi Consultants Pvt. Ltd., Registrar and Transfer Agents of the Company for verification of their claim. We shall send a Verification Report to IEPF Authority for refund of the unclaimed dividend amount and transfer of the shares back to the credit of the shareholder. As per the above mentioned rules, only one such request can be made in one year.

## **CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

### **AUDITORS' CERTIFICATE**

To the Members of Aries Agro Limited

We have examined the compliance of the conditions of Corporate Governance by Aries Agro Limited for the year ended 31<sup>st</sup> March, 2022, as stipulated in Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Sandeep Sheth & Associates**  
**Chartered Accountants**

Mumbai  
Date: 3<sup>rd</sup> August, 2022

**Sandeep Sheth**  
**Proprietor**  
**Membership No. 101903**  
**UDIN: 22101903AOEYL07414**

### **Declaration by the Chairman & Managing Director to the Compliance of Code of Conduct in pursuance of Regulation 26 of the Listing Regulations**

It is hereby declared that the Company has obtained from all the Members of the Board and Senior Management Personnel of the Company, affirmation to the effect that they have complied with the Code of Conduct of the Company during the Financial Year 2021-2022.

Date: 10<sup>th</sup> August, 2022

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
**DIN-00239057**

## MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION.

We, the undersigned, in our respective capacities as Managing Director and Vice President-Finance (discharging the duties and responsibilities of the Chief Financial Officer) of Aries Agro Limited ("The Company") to the best of our knowledge and belief certify that :

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the Year ended on 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief we state that :-
  - i. These Statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading.
  - ii. These statements together present a True and Fair view of the Company's affairs and are in compliance with existing Accounting Standards, Applicable Laws and Regulations.
- (b) We further state that to the best of our knowledge and belief there are no transactions entered into by the Company during the year, which are Fraudulent, Illegal or Violative of the Company's Code of Conduct. We hereby declare that all the Members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- (c) We are responsible for establishing and maintaining Internal Controls for Financial Reporting and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee that:
  - i. there have been no significant changes in the Internal Controls over Financial Reporting during the year.
  - ii. there have been no significant changes in the Accounting Policies made during the year and that the same has been disclosed in the Notes to the Financial Statements; and
  - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an Employee having significant role in the Company's Internal Control System over Financial Reporting.

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

Dr. Rahul Mirchandani  
Chairman & Managing Director  
**DIN-00239057**

Chhaya Ashok Warriar,  
Vice President-Finance  
(discharging the duties and responsibilities  
of the Chief Financial Officer)

## CERTIFICATE

*(Pursuant to Clause 10(i) of Part C of Schedule V of LODR)*

I have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of ARIES AGRO LIMITED (CIN L99999MH1969PLC014465), having Registered Office at Aries House, Plot No. 24, Deonar, Govandi East, Mumbai 400 043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that as on 31<sup>st</sup> March, 2022, none of the Directors on the Board of the Company, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai  
Date: 8<sup>th</sup> June, 2022

**A SEKAR**  
**COMPANY SECRETARY**  
**ACS 8649 CP 2450**  
**UDIN A008649C000476523**

## MANAGEMENT DISCUSSION AND ANALYSIS

### Forward Looking Statements

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, are forward looking statements. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the Directors and Management of the Company, about the business, industry and markets in which the Company operates. These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond Company's control and difficult to predict, that could alter actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation as to future performance or achievements of the Company. In particular, such statements should not be regarded as a projection of future performance of the Company. It should be noted that the actual performance or achievements of the Company may vary significantly from such statements.

### OVERVIEW

#### Overview of Industry:

The Company is part of the growing specialty plant nutrition industry, which is a niche sector within the crop nutrition segment of agricultural inputs. During the year under review the monsoon was at 103% of the LPA (Long Period Average). 3 out of the 4 Kharif season months received above normal rainfall viz June (110%), July (93%) and September (135%) while August recorded deficient rainfall.

The year under review was faced with disruptions due to supply chain constraints in the second half of the year and rising input costs. There was minimal disruption due to covid related issues and all teams across the country functioned efficiently. There was consistent demand for specialty nutrients during the year with almost normal crop and climatic conditions.

On a standalone basis, the Company's gross revenue increased by 15.39% from Rs. 474.49 Crores to Rs.547.52 Crores. International sales began towards end of the Financial Year with restart of manufacturing in UAE facility.

#### Manufacturing Base

The total capacity utilization currently stands at 69.42% of the total installed capacity of 95,400 MT p.a. in India. The manufacturing unit at Fujairah, UAE resumed operations in the month of September 2021 and has started manufacturing four value added Sulphur based pastillized products for sale in India and globally. The

supply chain constraints however led to availability shortages for imported raw materials, especially those sourced from China. The Indian manufacturing base was expanded with commencement of manufacturing and repacking operations at Vijayawada and Raipur.

### HIGHLIGHTS & KEY DEVELOPMENTS

#### HighLights

Financial Year 2021-22 was characterized by a very stable and robust demand scenario and the quarterly share of revenue was as under:

| Particulars | Percentage Share in Annual Revenue 2021-22 |
|-------------|--|
| Q 1         | 23.28                                      |
| Q 2         | 28.48                                      |
| H 1         | 51.77                                      |
| Q 3         | 28.61                                      |
| Q 4         | 19.62                                      |
| H 2         | 48.23                                      |
| Annual      | 100%                                       |

#### Cost Management:

There were increase in costs with every passing quarter and profitability remained under pressure since the entire cost increase could not be passed on to the consumers. Certain departments took additional efforts to control expenses especially the treasury and marketing where certain costs were minimized to offset increased costs of imports and logistics.

Despite stringent cost control measures, the overall profitability (PAT) reduced to 4.33% in FY 2021-22 from 5.93% in FY 2020-21

The annual booking bazaars led to orders worth Rs. 574 Crores and a conversion of 95% leading to total revenue of 547.52 crores during FY 2021-22, up by 15.39% compared to previous FY.

#### New Products:

The R&D processes and market requirements identified the need for certain new product lines which were introduced during FY 2021-22, which are as given below:

| Pesticide Range   | Organic                             | Bio Range                              | Crop Specific Nutrition Products | Fisheries                                | Micronutrient Complexes     |
|---|-------------------------------------|--|----------------------------------|--|-----------------------------|
| Nirbhay Caps (Lambda-Cyhalothrin 4.9% Capsule Suspension) | Rajat HD (Organic Bactericide)      | Humiblack (Bio Stimulant)              | Aries Majorsol-Maize             | Aquamix (Multi Micronutrient for fishes) | Anibor (Boron Ethanolamine) |
| Paramvir (Profenofos -40 +Cypermethrin 4)                 | Nemochek (Organic Nematode control) | Terrazinc (Zinc Solubilizing Bacteria) | Aries Majorsol-Cotton            |  | Supermax                    |

| Pesticide Range                            | Organic                          | Bio Range                                 | Crop Specific Nutrition Products | Fisheries | Micronutrient Complexes |
|--|----------------------------------|---|----------------------------------|-----------|-------------------------|
| Dhanush (Carbendazim 12% +Mancozeb 63% WP) | Orga Prom (Organic Fertilizer)   | Ariphos (Phosphate Solubilizing Bacteria) | Aries Majorsol-Groundnut         |           | Zinconite-S             |
| Jahaan (Hexaconazole 5 % EC)               | Orga Potash (Organic Fertilizer) | Nitrofix (Nitrogen Fixing Bacteria)       |                                  |           | Boronite-S              |
| Haasil (Imidacloprid 17.8 SL)              |                                  |   |                                  |           |                         |
| Trishool (Neem Oil -Azadirachtin 1%)       |                                  |   |                                  |           |                         |

### Occupational Health and Safety:

Key measures introduced for occupational Health and Safety during the pandemic continue to remain in force to ensure health and safety of all staff and workers. These included second dose vaccination, online attendance and reporting and use of AIMS App and digital processes.

### Successful Digitization:

The following processes are now completely digitized at Aries

- 1) AIMS – Aries Integrated Management System
- 2) Khazaana – Awarding reward points to customers and online redemptions
- 3) Sales force monitoring and reporting
- 4) 92% of payments from customers are now initiated using online banking and digital payment system.
- 5) Use of e-parivahaan system to automate logistics and track movement of goods across the country. It also serves as a bidding platform for manufacturing units to lower cost of material movement with a transparent bidding process

### KEY EVENTS:

#### Aries Family – Stronger together

All our units were 100% operational after serving millions of Aries customers throughout the 2020 Pandemic. We are now prepared and equipped for operations despite any and all constraints of the continued impact of Covid-19 in the current FY.

On 10<sup>th</sup> April, 2021, we distributed Immunity Kits, Face Shield, Masks, etc as an abundant caution to secure health of all staff. We moved on as an united team and always stayed connected with all stake holders and assured them of our services at all times.

All our staff and workers were fully vaccinated before 01<sup>st</sup> June, 2021

#### The All India Customer Annual Meet 2021

The All India Customer Annual Meet was conducted online region-wise on 19<sup>th</sup> April, 2021. We were constrained to have this meeting

online in order to ensure the health and safety of all Dealers/ Distributors and Staff. We connected with around 1124 Nos. of dealers/distributors on to a digital platform in two sessions.

#### IMMA National Crop Nutrition Summit

Was conducted in Delhi on 8<sup>th</sup> May 2021 under the leadership of Dr. Rahul Mirchandani, President – Indian Micro-fertilizers Manufacturers Association (IMMA)

#### International Organic Certification

On 20<sup>th</sup> May 2021, we received International Organic Certification from UK Cert – An International Certification Body having expertise in Quality Systems, Standardisation and Training. This global certification will be an edge to us and will also assist in exports and develop business in India's Organic states.

Initially received certification for the following products viz. Orgaprom, Orgafert, Orgapotash, Marino Gold, Endomyco, Orgabor, Trishool (Neem Cake), Humiblack and Nemocheck

The second set of 9 more products were added to the above on 19 June 2021 viz. Antox, Hydropro, Agripro, ProZinc, Calpro, Terrazinc, Ariphos, Nitrofix, Trishool (Neem Oil)

#### Drone Based Spraying of Micronutrients

On 20<sup>th</sup> May 2021, in the firsts of many, Aries received License from the Ministry of Civil Aviation, Govt. of India for drone-based spraying of micronutrients in agricultural fields at 25 locations across India.

Notably, Aries was also first company to do aerial sprays of micronutrients using Aircraft in Gujarat way back in the 1970s. 100 Days Aries Drone Yatra began on 24-Jul-2021 in a village near Bulandshahar, with our team spraying nutrients on Sugarcane and Rice fields. The farmers and dealers who witnessed the demos and were in awe of the time, labour and water saving technology.

#### Planning Meetings & Product Training Sessions:

Conducted product training and brain storming sessions were conducted throughout the year – for various products like Rajat HD, Bio Fertilizers, Humiblack, Major Sol (Cotton, Maize and Groundnut), Orgaprom, Orgapotash, Super max, Zinconite, Boronite, etc Crop based training sessions on Banana, Betelvine, Cabbage, Cauliflower,

Conducted Core Group Meetings for our Core team - Marketing and Operations in September 2021 and February 2022. The North and West Region heads visited Kartarpur, Pakistan

Conducted virtual meeting on 6<sup>th</sup> January, 2022 for protected cultivation. Also participated in the Kisan Exhibition at Pune from 2<sup>nd</sup> to 6<sup>th</sup> February, 2022.

#### First Bilateral Interaction between India and Sri Lanka on Organic Agriculture

The High Commission of India – Colombo, CII National Agriculture Council and Ceylon Chamber of Commerce had a first Bilateral Interaction between India and Sri Lanka on Organic Agriculture on 1<sup>st</sup> July 20221 and we were proud to deliver the lead address from Indian Industry and identify products and solutions that India can offer to the Island nation for safe and sustainable agriculture

### Launch of Aries Mascot – Jeevan – A National Campaign

Aries is known for Quality orientation, Innovation and Trustworthiness since more than five decades. Aries Mascot – Jeevan, a face that represents our identity to the world was launched on 19<sup>th</sup> July, 2021 across India. 'Jeevan' is a symbol of Strength, Knowledge and Wisdom, which are the core values of Aries. We celebrated the launch of Jeevan across India. Jeevan is a progressive farmer who not only uses our products but also spreads awareness to the farming community about the benefits of using Aries' products.

### Expansion of our Manufacturing Base:

|                                |   |
|--------------------------------|---|
| 20 <sup>th</sup> July 2021:    | Aries Hyderabad Factory Shed - Phase 3 was inaugurated  |
| 26 August 2021:                | Mirabelle Agro Manufacturing Pvt. Ltd. a subsidiary of Aries commenced operations at Chhatral, Gujarat. |
| 16 <sup>th</sup> Sept 2021:    | Ceremonial Ground Breaking Pooja for new land acquired at GIDC Saykha near Bharuch, Dahej Port, Gujarat |
| 27 <sup>th</sup> January 2022: | Inaugurated Phase 2 of Vijayawada factory and operations began in Feb' 2022                             |
| 6 <sup>th</sup> February 2022: | Aries Raipur Unit – Phase 1 started packing operations  |

### Aries Virtual Town Hall Meeting

Was conducted on 27<sup>th</sup> August 2021 to commemorate the Aries Spirit that ensured business continuity during 500 unprecedented days of the pandemic. The whole country was witnessing Cost Emergency and this meeting was to discuss and share views to firm up Cost Management Steps. Also discussed in detail New Products Campaign and Organic Products Movement.

### 52<sup>nd</sup> Foundation Day

On 27<sup>th</sup> November 2021 we celebrated yet another Foundation Day with hard work, passion and purpose. We trained farmers at over 300 farmer meetings, fed over 12000 people at Annadaanam activities across the country and carried out successfully 'Aries Supermax Launch' and also had bumper Shubham Sales and collection on that auspicious day.

### International Buyer Seller Meet:

On 10<sup>th</sup> February 2022, Confederation of Indian Industry (CII) in partnership with the Indian Micro-fertilizers Manufacturers Association (IMMA) organized the first edition of the International Buyer- Seller Meet with almost 100 agricultural input companies in attendance from India, Sri Lanka, Nepal, Brunei, Mexico, United Kingdom and United Arab Emirates. The event had distinguished speakers from partner countries including, Mr. P. K. Swain, Additional Secretary, Ministry of Agriculture, Govt. of India, Mr. Rohit Vadhwa, First Secretary (Economic), High Commission of India, London, Mr. Varatharaja Kumaraguru, CEO / Country Manager, YBSL (Sri Lanka), Mr. Raunak Goyal, National Vice Chairman, Young Indians (India), Ms. Puan Hajah Siti Juhaidah Binti Haji Mohd Junaidi, Head Unit of International Affairs and Public Relation, Dept. of Agriculture and Agri Food, Ministry of Primary Resources (Brunei) amongst many others

### Social Media Presence

Covid fast tracked the digitization at all levels. The Aries social media channels are active throughout due to the rapid digitization. Agromax – our You Tube Channel, Twitter, Instagram and Facebook feeds were continuously updated with stories of 'real people' within the Aries Network who had created excellence. Most of the farmers' meetings were conducted online with group of farmers being trained by the Aries team for a series of online trainings, branded Aries Fasal Sabha. Farmers provided testimonials, Aries Fasal Sabhas built a weekly knowledge sharing dialogue on select crops. Whatsapp groups with staff, farmers and distributors were active with updates on everything relevant to Aries Business. Technical aspects of the Company's products were communicated digitally through a series of 15 Fasal Sabha sessions on various crops. An average reach of 20,000 audience per session was recorded on Facebook application.

### Social Media Campaigns

**Urban product launch:** - Aries introduced a range of Products for Urban Farming, ready to nourish Urban Gardens. These products are designed especially keeping in mind the need of Urban farming market

**Enabled Missed Call Service:** We conducted a nationwide social media campaign in June 2021 to encourage and solicit farmers with ready information. They need to just give a missed call and they will receive a link with a simple form. Once they fill the form with requisite details, our representative called them and gave readymade solutions for their crop nutrition related queries.

**Ecommerce Presence:** Continued listing our products on third party portals viz. Amazon and Flipkart which helped us to expansion of urban markets.

### Outcomes & Recognition :

With a series of tough and timely choices, Aries evolved – stronger, versatile, spirited and vibrant.

For **Seventeen consecutive years Aries Quality Management System** was audited and certified as **ISO 9001:2015** with zero non-compliance report showing complete adherence to international quality standards

Listed among **CNN News 18 – The Most Influential Leader of New India 2021** - Brave Leadership for a bold new era

**National Award for Excellence in Manufacturing** under the category – **Best Operational Excellence – 2021** by CMO Asia & World Manufacturing Congress & Awards

Aries Agro featured in **Fortune India Magazine** – “Aries Agro – Staying Unique in the Pursuit of Excellence”

**Dare to Dream Awards 2021 – Company of the Year – Agriculture** presented by TV9 Network – this award is a testament to the resilience of the India agricultural sector and has brought us closer to the “Atmanirbhar Bharat”.

Our CMD nominated to have a **seat on the Bureau of Indian Standards' Soil Quality and Fertilizers Sectional Committee'** in the capacity as President of IMMA.



### Global Sourcing

Aries has sourced 27 % of its total raw materials from overseas suppliers from China, USA, Turkey and UAE. Most of the purchases are based on contractual buying.

### Man Power

The total Man Power of the Company increased from 946 to 1002 during the year under review.

### Ensuring Job Security:

While most organizations were laying off hundreds and thousands of staff in FY 2021-22 due to the lockdown, Aries ensured that since our business continuity was ensured by all teams, it was essential to support every member of the Aries family with job security and stability. Salaries and wages were released earlier than usual, not a single person was laid off due to the pandemic, incentives for sales and cost control were paid well before time, annual increments and promotions post appraisals were announced as scheduled and provision was also made to adjust any available paid leave (no matter under what category) against quarantine and sick days.

In the Financial Year 2021-22, 208 new employees joined Aries.

| Particulars                               | FY 2021-22 |
|---|------------|
| New joiners FY – 2021-22                  | 208        |
| % of staff receiving increment FY 2021-22 | 42%        |
| % of staff receiving promotion FY 2021-22 | 38%        |
| No. of employees on roll as on March 2022 | 1002       |

### Training and Upskilling

In line with the Company Policy all staff members undergo 100 hrs of training sessions were conducted online and physical mode on the following major topics:

Crop based training sessions on Banana, Betelvine, Cabbage, Cauliflower,

Product based training session on Bio Fertilizers, Humiblack, Rajat HD, Major Sol (Cotton, Maize and Groundnut), Orgaprom, Orgapotash, Super max, Zinconite, Boronite, etc

### Global Distribution:

Carried out activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans. International clients are located in Kenya, Nepal, UAE and Taiwan. Sales were booked for Kenya, Nepal, UAE and Taiwan. Registration process started in Nigeria and Bangladesh. Distributors in Nepal have put up their own manufacturing unit to support and increase sales and distribution network throughout Nepal. The total exports and global sales constituted 0.25% of our group revenue during the Financial Year 2021-22.

### Outlook:

The year 2022-23 is the 53<sup>rd</sup> year of operations and the Company has planned to strengthen its range of products by finding domestic sources of raw materials to reduce the impact of import supply chain disruption and high costs as well as intensive campaigning to establish products launched in the recent two years. During 2022-23 only variants of few products will be introduced primarily with the aim of reducing cost of application to the farmers and to

keep fixed costs under control. No major new product concepts will be introduced. The astronomical increase in certain essential raw material prices has necessitated alternative formulations, reducing pack sizes and providing combination packs coupled with multiple products sale during a sales call. Substitutes for certain products like EDTA Chelates and water soluble NPKs, which are facing high cost escalation have been identified within the Aries range itself and demand creation for these substitutes will ensure demand is met with cost effective alternatives. 2022-23 annual booking was conducted online with 1258 dealers from 26 states using our Booking App. This is expected to achieve gross revenue of Rs. 625 Crores in FY 2022-23

### Segmentwise / Productwise Performance

As the Company's business activity falls within a single primary business segment, the disclosure requirements of Accounting Standard (Ind AS-108) "Operating Segments", are not applicable.

### RISK MANAGEMENT & INTERNAL CONTROLS

#### Risk Management

The Company has a Risk Management Policy.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviour together form the Aries Risk Management Systems (ARMS) that governs how the Company conducts its business and manages associated risks.

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. During the year, such controls were tested and no reportable material weakness were observed.

#### Internal Control System

The Company has an extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly.

#### Threats and Opportunities

The external factors, which could serve as possible threat to the business would include erratic spread of the rainfall and water availability in the reservoirs, fluctuations in oil and gas prices, foreign exchange rate fluctuations, shortages of key raw materials, pricing pressure, indirect and direct substitutes, etc.

Risk of weakening rupee leading to increase in import costs, high logistic costs due to increase in fuel costs and high cost of raw materials remained threats to profitability.

Opportunities to be captured include creating demand for cheaper substitutes of higher cost products, expanding into bulk and institutional business, reducing costs through technology integration with raw materials being purchased inhouse through our subsidiaries. The opportunity of increasing distribution network in few states where Aries is not present including Goa, Nagaland, etc will also be carried out in the current Financial Year.

Opportunities would also include growth in product range as well as expansion into unserved markets in India and abroad. Increasing awareness levels amongst existing customers on balanced crop nutrition will increase number of products the farmers purchase from the Aries range.

#### **COST MANAGEMENT (STANDALONE)**

As trade schemes as a percentage of sales marginally increased by 0.13% overall PAT decreased by (15.97)% compared to the previous Financial Year. Gross Operating margins (EBIDTA) reduced from 16.36% in FY 2020-21 to 12.86% in FY 2021-22, largely due to increase in cost of raw materials.

#### **FINANCIAL PERFORMANCE (STANDALONE)**

The Company's Sales Turnover for the financial year ended March 31, 2022 increased to Rs. 54,752.45 Lakhs from Rs. 47,449.83 Lakhs in the previous year, reflecting an increase of 15.39%.

Total expenses for the year was Rs.42,174.71 Lakhs as against Rs. 35,660.49 Lakhs in the previous year.

Profit Before Tax reduced to Rs. 2,655.02 Lakhs during the year as against Rs. 3,008.19 Lakhs in the previous year.

Tax provision for the year was Rs. 752.64 Lakhs as against Rs. 744.27 Lakhs in the previous year which translates 1.71 % on FY 21-22 Net Sales.

Profit After Tax for the year was Rs. 1,902.32 Lakhs as against Rs. 2,263.91 Lakhs in the previous year which is 4.33% of FY 21-22 Net Sales.

Debtors Turnover (on Net Sales) for the year was 88 days as against 104 days in the previous year.

Inventory Turnover (on Net Sales) for the year was 122 days as against 135 days in the previous year.

Operating Profit Margin (on Net Sales) for the year was 12.86 % as against 16.36 % in the previous year.

Net Profit Margin (on Net Sales) for the year was 4.33 % as against 5.93 % in the previous year.( Due to the possible impact of Covid 19 the purchase cost of raw material and traded products has increased).

#### **RESOURCES & LIQUIDITY (STANDALONE)**

As on March 31, 2022, the Net Worth of the Company stood at Rs. 20,864.92 Lakhs as against Rs. 19,052.57 Lakhs.

As on March 31, 2022, the Company had a Debt / Equity ratio of 0.53 as against 0.75 in the previous year. The Company has not raised any Deposits from the public. (Revenue growth alongwith higher efficiency on working capital improvement has resulted in an improvement of ratio).

As on March 31, 2022, Interest Coverage Ratio was 2.33 as against 2.41 in the previous year.

As on March 31, 2022, Current Ratio was 1.60 as against 1.49 in the previous year.

#### **DISCLOSURE OF ACCOUNTING TREATMENT**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

#### **Human Resources:**

At the end of the financial year there were 1002 employees under the permanent rolls and NIL under contract. We have an ongoing arrangement with few labour supplier organizations for our various locations.

We have 175 workers in our permanent employment and sizeable numbers on contract, working in our factories. The detailed breakup of the same is as under:

| Sr. No. | Particular        | Employees 2021-22 |
|---------|-------------------|-------------------|
| 1.      | Skilled           | 56                |
| 2.      | Semi-Skilled      | 22                |
| 3.      | Unskilled         | 97                |
|         | <b>Sub- Total</b> | <b>175</b>        |
| 4.      | Contract Labour   | 290               |
|         | <b>TOTAL</b>      | <b>465</b>        |

The Department wise breakup of our manpower is as under:

| Sr. No | Name of the Department                                       | No. of Staff 2021-22 |
|--------|--|----------------------|
| 1.     | Directors  | 01                   |
| 2.     | Accounts, Personnel & Administration, Legal & Secretarial    | 165                  |
| 3.     | Production(Staff and Workers), R&D and Spray Dryer Operators | 188                  |
| 4.     | Sales  | 648                  |
|        | <b>TOTAL</b>   | <b>1002</b>          |

#### **Health/ safety/Environment Sensitivity**

##### **Health through nutrition:**

- The Company promotes "Balanced Nutrition as a National Imperative", building resistance of crops to pests and diseases and hence lowering the usage of harmful and expensive pesticides

##### **Environment Sensitivity:**

- The Solar Power Generation System at its manufacturing unit in Hyderabad has generated 47,974 units of power during the Financial Year 2021-22, of which 41,801 units were consumed by the facility and the balance 6,173 units were sold to the grid.
- All Aries products are based on the philosophy of "Use less chemicals and use safe chemicals" – low doses of chemically inert and cost effective nutrient complexes
- The entire range of Aries Chelates are environmentally safe
- All our packaging for powders and liquids have been converted into 100% recyclable forms.
- Eighteen number of Aries products are organic certified by UK Cert.

##### **Non Polluting:**

- All Aries factories have zero effluents and produce no harmful emissions

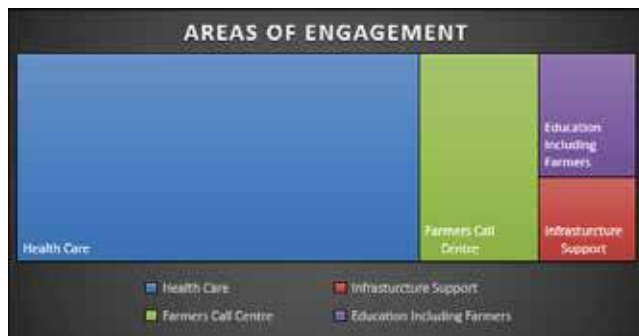
## REPORT ON CORPORATE SOCIAL RESPONSIBILITY

### CSR AT ARIES AGRO LIMITED

Aries continues its tradition of carrying out a range of activities that spread knowledge and adoption of farming best practices in the markets that Aries functions in. The Company has carried out a range of activities during the financial year 2021-22 in addition to some philanthropic activities.

During the critical period like the COVID-19 pandemic disaster filled with fear and uncertainty, Aries was strongly committed to working towards diversified CSR programs to help people in the pandemic period.

### FOCUS AREAS OF ENGAGEMENTS



### UNIQUE PROGRAMMES:

#### COVID-19 Relief:

It was essential for all our teams to be fully vaccinated for safety purposes. We organized vaccination camps for the employees and their family members as well.

There was a shortage of Oxygen Cylinders across the country during the second wave of the pandemic, hence we distributed Oxygen Concentrators in the following regions viz. Nasik, Nagpur, Raipur, Hyderabad, Vijayawada, Lucknow, Coimbatore, Ghaziabad, Kolkata and Ahmedabad.

As personal immunity is the first internal line of defense, we distributed Immunity booster kits containing Vitamin C & Zinc and Vitamin D3 Tablets to help boost immunity with subsequent reduction in disease severity. We also distributed Masks, Sanitizers, Face shields, etc. as an abundant caution and added security.

As more number of people were infected in the second wave of the Pandemic and the numbers of RTPCR tests were high and time consuming, we distributed Rapid Antigen Testing Kits for instant qualitative detection of Covid-19.

#### Cultino Innovation

Cultinno is an enabling platform, where they accelerate the crowdsourcing of R&D and provide access to affordable and smarter future ready solutions which will create an innovation ecosystem to foster an inspired community wherein everyone can explore opportunities, technologies and their convergence to solve specific problems.

#### Annadanam

On 27<sup>th</sup> November 2021 we celebrated yet another foundation day and fed over 12000 people at Annadaanam activities across the country.

#### Spreading Knowledge:

- Aries' extension team continues to strongly advocate good agricultural practices in all states of India. The activities are conducted under the supervision of Agronomist and Agricultural Research Institutions throughout the year. During the year under review around 18,600 knowledge dissemination activities including farmers meeting were undertaken impacting 1,45,700 number of farmers. These sessions were conducted by team of over 400 extension and sales officials spread across 26 states.
- Farmers' meeting and training programmes on good agricultural practices were conducted in Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Gujarat, Tripura, Assam, Himachal Pradesh, Maharashtra, Gujarat, Karnataka, Rajasthan, Haryana, Uttar Pradesh, Punjab, Bihar, Odisha, Jharkhand, West Bengal, Tamil Nadu, Kerala and Jammu & Kashmir. The unique feature of these events have been that they had participation on a common intellectual platform from top government officials, opinion leaders, academia, research scholars, scientists, agribusiness students and farmers from across the states. These activities exposed farming community to latest plant nutrition concepts.
- This year we continued Farmers meeting and training programs on a digital platform. Aries Fasal Sabha- Facebook live sessions were conducted by technical experts for farmers across the country. A series of 15 sessions on various crops were addressed. An Average reach of 20,000 audience per session was recorded on Facebook application. A significant cost was spent on data collection and presentation for online sessions.

#### Scholarships & Sponsorships towards Education:

- The Company also provided fees and scholarships to students from Our Lady of Perpetual School and Loreto School, Mumbai,
- Founder's Excellence Award in academics to meritorious children.
- In addition, prize money was distributed to students in R. A. Podar College of Commerce & Economics, Matunga, Mumbai as donations to the meritorious students in the Bachelor of Management Studies programme. The Company has been donating similarly since the last 19 years in the name of Aries' founder, Late Bala Mirchandani.
- Donation to Hariharaputra Bhajan Samaj for Educational services.

#### Soil Testing Services

The Company has organized during the year soil testing camps in Maharashtra, Gujarat, Punjab, North Karnataka, Andhra Pradesh and Telangana using Mobile Soil Testing Kits which analyse 10 parameters including pH, EC, NPK levels in soil, micro nutrient levels including Zinc, Ferrous, Boron, Organic Carbon, etc. Approximately 1,989 Soil Health Cards were issued to farmers providing an additional service in order that they understand the specific nutrient needs of their farms.

#### Influencer Relations

During the year the Company represented at various industry bodies including Confederation of Indian Industry's Agricultural Council, Confederation of Indian Industry's Innovation Council, Indian Micro-Fertilizers Manufacturers Association (IMMA), Fertilizer Association of India (FAI) & Bureau of Indian Standards. At these forums, the Company advocated that balanced plant nutrition being recognized as a national imperative. It has also conducted various sessions with key influencers to promote the systematic spread of world class farmers' education and skilling programmes. The Company believes that the spread of knowledge is an essential part of its responsibility towards society development and nation building.

| CSR ACTIVITIES- IMPACT ANALYSIS-2021-22 |  |
|---|--|
| BUSINESS STRATEGY                       | <ul style="list-style-type: none"> <li>• Increasing awareness amongst customers mainly farmers in balanced nutrition</li> </ul>  |
| CSR VISION                              | <ul style="list-style-type: none"> <li>• To impact the lives of millions of farmers, rural children and youth by exposing them to best practices in crop nutrition management using study tours, workshops and also connecting them with Agricultural Universities and Research Stations.</li> <li>• Best practices sharing with students from Rural Schools in order to prepare future farmers</li> </ul> |

|            |  |
|------------|--|
| MISSION    | <ul style="list-style-type: none"> <li>• Social and Cultural Development by way of education and training, especially with regards to farming.</li> <li>• Creation of a network of world - class manufacturing facilities to produce specialty farm inputs required to foster good agricultural practices</li> <li>• Emerging as a trustworthy solutions provider to agri and allied stakeholders</li> <li>• Welfare measures for employees &amp; families.</li> <li>• Environmental sustainability</li> <li>• Influencing urban community to grow basic food requirements</li> <li>• Smart future ready solutions through digital media for the farming community.</li> </ul>   |
| OBJECTIVES | <ul style="list-style-type: none"> <li>• To increase Agricultural production and income of farmers / farm labours.</li> <li>• Providing millions of farmers with a cost-effective, environmentally safe alternative to traditional fertilizers, compatible with modern crop management practices, new generation seeds and high yielding crops.</li> <li>• To promote Soil Health Management and Integrated Nutrient Management.</li> <li>• Emphasis on innovation and technology led development of the farmers</li> <li>• To demonstrate the commitment to preserve the environment using less and safe chemicals</li> <li>• Make tangible progress using specific activities carried out with focused plans.</li> </ul> |
| ACTIVITIES | <ul style="list-style-type: none"> <li>• Farmer's Education including farmers meeting, social media campaigns, on line product launch, online Fasal Sabha, Missed call service, etc</li> <li>• Distribution of COVID-19 relief care and Immunity booster kits</li> <li>• Distribution of Aries Well on Wheels to 350 families</li> <li>• Academic Sponsorships to schools</li> <li>• Annadanam- food and food-kit distribution</li> <li>• Soil testing services</li> </ul>   |

|               |   |
|---------------|---|
| IMPACT        | <ul style="list-style-type: none"> <li>Aries with its extensive network has so far reached around 15 lakh farmers and the community at large through various initiatives taken up under our CSR activities.</li> <li>Establishing a network of partners, alliances and industry collaborations</li> </ul> |
| COMMUNICATION | <ul style="list-style-type: none"> <li>Website</li> <li>Extension activities</li> <li>Social Media</li> <li>Training Programmes</li> <li>Aries Applications</li> <li>Ecommerce websites</li> </ul>  |

**CSR EXPENDITURE DURING THE YEAR 2021-22**

| Head of Expense             | Amount In Rs. | Item No. in Schedule VII of the Companies Act, 2013 | Locality/ places   |
|-----------------------------|---------------|---|--|
| Education including Farmers | 4,78,795      | (ii)  | Around the Areas where Company's Factories and Depots are located. |

| Head of Expense        | Amount In Rs.    | Item No. in Schedule VII of the Companies Act, 2013 | Locality/ places |
|------------------------|------------------|---|------------------|
| Farmers Call Centre    | 9,98,628         | (x)   | -do-             |
| Infrastructure Support | 3,35,784         | (x)   | -do-             |
| Health Care            | 33,52,597        | (i)   | -do-             |
| <b>TOTAL</b>           | <b>51,65,804</b> |   |                  |

Through our knowledge sharing activities and continuous connect with Research Institutions, our commitment to use knowledge as a catalyst for building agricultural productivity remains steadfast. In addition, our products remain environmentally sensitive and we ensure minimum adverse reactions to the soil and related eco systems.

Through its products and passion, Aries continually demonstrates that it is a responsible corporate citizen, working hard to retain the delicate balance of nature and the development of communities where it works and grows.

## ENVIROMENTAL, SOCIAL AND GOVERNANCE REPORT

As we celebrate 50 years of transforming Indian agriculture, we are mindful of the role and responsibility we have in working towards a sustainable future for India, the planet, and communities we serve. India is home to one-sixth of all humanity. Technology and innovation, are key to creating food security for the future.

The Sustainable Development Goals (SDGs) are an ambitious universal development agenda agreed by all member states of the United Nations. They are an opportunity for all of us to improve our world collectively.

Aries Agro is proud to have aligned its business in furthering the SDGs in India.



In line with UN SDGs we have classified our ESG Goals as follows:

Our products directly improve India's food security. The growing number of harvests to meet the rising food demand over the past decades has led to the depletion of nutrients naturally present in the soil. When Aries Agro pioneered chelated micronutrients, it was a boon for Indian farmers and crop productivity.

Knowing how valuable technology can be, we encourage innovation in agriculture and allied fields to secure a better future for all.

This is a snapshot of how Aries Agro is furthering the SDGs through its own initiatives and spheres of influence especially in promoting farmers' welfare.

| Environmental Goals |  |
|---------------------|--|
| 1.                  | Clean Water and Sanitisation <ul style="list-style-type: none"> <li>Installation of rural water filters &amp; new washrooms for girls to access to clean sanitation.</li> <li>Improve manufacturing capabilities through automation</li> </ul>                           |
| 2.                  | Affordable and Clean energy-- CARBON-NEUTRAL <ul style="list-style-type: none"> <li>Hyderabad manufacturing run by Solar Power Generation System.</li> <li>Exclusive use of CNG for manufacturing at Chhatral ensuring a reduction in emissions and pollution</li> </ul> |

| Environmental Goals |  |
|---------------------|--|
| 3.                  | Sustainable cities and Communities <ul style="list-style-type: none"> <li>Launched Aries Greencups and Growbox, an initiative to introduce urban and semi-urban children to the concept of growing their own food.</li> <li>A unique concept of soil-less cultivation taught to the students and school faculty. Participation by 19,000 school students in 20+ Indian states.</li> <li>Plants are operating on solar energy, solid fuels, and CNG.</li> <li>Support capacity building and infrastructure to promote urban agriculture to help establish household food security.</li> </ul> |
| 4.                  | Responsible Consumption and Production <ul style="list-style-type: none"> <li>Phasing out plastics and foil-based packaging.</li> <li>Adopting new-age environmentally sustainable packs, using soluble sachets, paper bags, and flexible packaging for liquid products.</li> <li>On route to achieve 'zero non-recyclable plastics' consumption.</li> <li>Reduced dosage of our products versus traditional fertilizers promotes responsible farming.</li> </ul>  |
| 5.                  | Climate Action <ul style="list-style-type: none"> <li>Develop and implement educational and public awareness programs on climate change and its effects.</li> <li>Facilitate knowledge-sharing and access to information on climate change via green agricultural practices and use of inert chemicals.</li> <li>Inform and educate farmers on reducing reliance on chemical fertilizers so as to prepare for and adapt to the impacts of climate change on yield and quality.</li> </ul>  |
| 6.                  | Life Below water <ul style="list-style-type: none"> <li>Innovate and use raw materials to prevent bioaccumulation of contaminants in food chain through rivers and sea.</li> <li>Provide mineral nutrition for aquaculture</li> </ul>  |
| 7.                  | Life on Land <ul style="list-style-type: none"> <li>Encourage intake of nutrient-rich Aries products in the dairy industry to minimize environmental degradation and reduction in greenhouse gas emission.</li> </ul>  |
| Social Goals        |  |
| 1.                  | No Poverty <ul style="list-style-type: none"> <li>Double farmer income by focusing more on income security.</li> <li>Increase farming efficiency.</li> </ul>   |

| Environmental Goals |   |
|---------------------|---|
| 2.                  | <b>Zero Hunger</b> <ul style="list-style-type: none"> <li>• Increase farm productivity through systemic use of high-quality agro-chemicals.</li> <li>• Improve soil fertility through advanced products.</li> </ul>   |
| 3.                  | <b>Good health and well being</b> <ul style="list-style-type: none"> <li>• Enhance nutritional levels of vegetables by improving nutrient uptake via Aries Agro's water-soluble formulations.</li> <li>• Farmer insurance.</li> </ul>   |
| 4.                  | <b>Quality education</b> <ul style="list-style-type: none"> <li>• Support meritorious students through various scholarship programs.</li> <li>• Enable farmer education &amp; skill-training through various training programs by Extension Teams.</li> </ul>   |
| 5.                  | <b>Reduced Inequalities</b> <ul style="list-style-type: none"> <li>• Partner with agronomists and agricultural research institutions globally.</li> <li>• Conduct farmer education and skilling programs.</li> <li>• Advocate good agricultural practices (GAP) to standardize agronomic practices and quality harvests.</li> <li>• Improve farmer income and social protection schemes to allow resilient livelihoods.</li> <li>• Champion India GAP to inspire farmers to employ integrated nutrient management (INM).</li> </ul> |
| Governance          |   |
| 1.                  | <b>Gender Equality</b> <ul style="list-style-type: none"> <li>• Actively promote equal access to decent work and representation to women through advocacy, knowledge creation, on-ground interventions.</li> <li>• In our Hyderabad and Chhatral units, women factory workers outnumber men.</li> <li>• Mumbai head office has a greater ratio of women in empowered and important positions especially Research &amp; Development, HR &amp; Administration, Purchase, and Accounts.</li> </ul>                                     |

| Environmental Goals |  |
|---------------------|--|
| 2.                  | <b>Decent work &amp; Economic growth</b> <ul style="list-style-type: none"> <li>• Support progress of agricultural communities by improved yield.</li> <li>• Make agriculture an engine of employment and proper economic growth for small landowners and agrarian communities.</li> </ul>   |
| 3.                  | <b>Industry, Innovation and Infrastructure.</b> <ul style="list-style-type: none"> <li>• Develop sound agronomic recommendations in the form of diverse formulations using chelation technology.</li> <li>• Adopt and propagate hydroponic farming as a more efficient practice than traditional forms of agriculture.</li> <li>• Expand agricultural knowledge and productivity assets across all 29 Indian states to improve livelihood opportunities.</li> <li>• Improve manufacturing capabilities through automation.</li> </ul>  |
| 4.                  | <b>Peace, Justice and Strong Institutions</b> <ul style="list-style-type: none"> <li>• Establish responsible corporate governance at all levels of the organization.</li> <li>• Set high standards of business conduct to build an effective institution that offers a stable, enabling work environment with zero man-days lost since inception due to labour unrest.</li> <li>• Leverage resources and innovation to dutifully carry out responsibilities towards the societies we operate in.</li> </ul>  |
| 5.                  | <b>Partnerships for the goal.</b> <ul style="list-style-type: none"> <li>• To work hand-in-hand with the government and other like-minded organisations to derive innovative and cost-effective solutions to the challenges faced by our nation.</li> <li>• Build inclusive partnerships at various levels – national, sub-national, and local-based on shared vision and values to drive the sustainable development agenda.</li> <li>• Partners with several agriculture universities and institutes like Confederation of Indian Industries (CII), Young Indians-CII, Indian Council of Agricultural Research (ICAR) KVK Baramati, Indian Micro Fertilizers Manufacturers Association (IMMA) amongst others.</li> </ul> |



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ARIES AGRO LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of Aries Agro Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") 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 ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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. We have determined the matter described below to be the key audit matter to be communicated in our report.

| Key Audit Matter   | Auditor's Response  |
|--|---|
| <p><b>1. Revenue recognition – Sale of Goods</b></p> <p>Revenue recognition – Sale of goods Refer Note 4 (N)(a) "Revenue Recognition" of the Standalone Financial Statements under Significant Accounting Policies. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations. The timing of revenue recognition is relevant to the reported performance of the Company. The Management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p><b>2. Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain direct and indirect tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.</p> <p>The Company has disclosed in contingent liabilities (to the extent not provided for) towards direct and indirect tax position. Refer Notes 4 (M) and 39 to the Standalone Financial Statement</p> <p>The Company undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgment required in estimating the level of provisioning and/ or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p> | <p><b>Principal Audit Procedures</b></p> <p>We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 and testing thereof.</li> <li>Evaluating the integrity of the general information and technology ("IT") control environment and testing the operating effectiveness of key IT application controls.</li> <li>Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut-off at year end.</li> </ul> <p>Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued subsequent to the year end to determine whether revenue was recognised in correct period.</p> <ul style="list-style-type: none"> <li>Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> </ul> <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2022 from management. We involved company's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Company's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2021 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p> |



### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

Our opinion on the standalone 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.

### Management's Responsibility 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, including other comprehensive income, 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 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 Responsibilities 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 judgment and maintain professional skepticism 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 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 standalone 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 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 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, based on our audit 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 (and proper records adequate for the purpose of our audit have been received from branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors 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, 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) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
  - (b) The Management has represented, that, 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;
  - (c) Based on the 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.
- v. As stated in Note 41 to the standalone financial statements
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The interim dividend is not declared.
  - (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm's Registration No. 120685W

**Sandeep Sheth**  
Proprietor

Date: 25<sup>th</sup> May, 2022  
Place: Mumbai

Membership No.101903  
UDIN : 22101903AJPPAI9472

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2022, we report that:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i.(a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right to use Asset.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.(a) According to the information and explanations provided to us, The Company has a program of physical verification of inventory so to cover all the inventory at all branches once a every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the inventories were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed during the year and the same is not 10 % or more in aggregate for each class of inventory, were noticed on such verification.
- (b) According to the information and explanations provided to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to the information and explanations provided to us and on the basis of examination of records of the company provided to us, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the 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 in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has not provided guarantees but granted loans and advances in the nature of loans during the year to companies and other parties, details of which are stated below. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

- (a) (A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans to subsidiaries as below:

| Particulars- Subsidiary                          | Amount in Lakhs                    |
|--|------------------------------------|
| Aggregate amount during the year                 | NIL                                |
| Balance outstanding as at the balance sheet date | Rs. 1,05,72.42(including Interest) |

- (B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted advances in the nature of loans to parties other than subsidiaries, joint ventures and associates as below:

| Particulars- Employee Advance                    | Amount in Lakhs |
|--|-----------------|
| Aggregate amount during the year                 | Rs.35.96        |
| Balance outstanding as at the balance sheet date | Rs. 6.35        |

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us and on the basis of our examinations of the records of the company, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- v. According to the information and explanations provided by the company, The Company has not accepted deposits or amounts which are deemed to be deposit from the public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. The Company has appointed a cost accountant firm to carry out the Cost Audit. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii.(a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues to the appropriate authorities except occasional/ minor delay. As per the information given by the management and apparent from the records the undisputed statutory dues as on 31st March 2022 is for a period exceeding six months from the date of they became payable is NIL
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute, except as mentioned in Annexure I.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture as defined in the Act during the year ended 31<sup>ST</sup> March, 2022
- (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, associates and joint ventures (as defined under the Act).
- x.(a) According to the information and explanation provided to us, the company has not raised any moneys by way of initial public offering 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) According to the 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 preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi.(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the 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) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of our audit procedures. According to the information and explanations provided to us, the company has not received any whistle blower complaints during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected to Directors and hence, the provision of section 192 of the Act 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. Accordingly, clause 3(xvi) (a) and 3(xvi) (b) of the Order are 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 the information and explanations provided to us during the course of audit, the Group does not have any Core Investment Companies (CICs).
- xvii. The company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and 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 standalone 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 causes 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. According to the information and explanations given to us and based on the examination of the records of the company, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm's Registration No. 120685W

Date: 25<sup>th</sup> May, 2022  
Place: Mumbai

**Sandeep Sheth**  
Proprietor  
Membership No.101903  
UDIN : 22101903AJPPAI9472

**Annexure I to Clause vii (b) of Auditor's Report**
**Details of disputed statutory dues outstanding as on 31<sup>st</sup> March 2022**

| Nature of Dues           | Period to which payment relates | Forum where the dispute is pending                         | Particulars of Dispute   | Tax Outstanding Rs. in Lakhs     |
|--------------------------|---------------------------------|--|--|----------------------------------|
| Sales Tax (Haryana)      | 2013-14                         | The Hon'ble High Court of Punjab and Haryana at Chandigarh | Incorrect and perverse orders on classification of Micronutrient fertilizers.      | 14.01                            |
| Sales Tax (Haryana)      | 2014-15                         | The Hon'ble High Court of Punjab and Haryana at Chandigarh | Incorrect and perverse orders on classification of Micronutrient fertilizers.      | 9.54                             |
|                          |                                 |  | <b>Total</b>   | <b>23.55</b>                     |
| Income Tax               | 2011-12                         | High Court of Bombay                                       | (1) Transfer Pricing adjustment<br>(2) Disallowance u/s 2(24)(x) r.w.s. 36(1) (va) | 212.74                           |
| Income Tax               | 2017-18                         | Commissioner of Income Tax (Appeal)                        | Addition u/s 68 r.w.s 115BBE   | 505.08                           |
|                          |                                 |  | <b>Total</b>   | <b>717.82</b>                    |
| Central Excise & Customs | 2011-12 & 2012-13               | Central Excise & Service Tax Appellate Tribunal (CESTAT)   | Classification of Goods Imported   | 29.92<br>+ 29.92 (Penalty)       |
| Central Excise & Customs | March 2011 to October 2012      | Central Excise & Service Tax Appellate Tribunal (CESTAT)   | Classification of Goods Manufactured   | 381.04<br>+ 381.04 (Penalty)     |
| Central Excise & Customs | June 2005 to Jun 2017           | Central Excise & Service Tax Appellate Tribunal (CESTAT)   | Classification of Goods Manufactured   | 479.90                           |
| Central Excise & Customs | October 2012 to Jun 2017        | Central Excise & Service Tax Appellate Tribunal (CESTAT)   | Classification of Goods Manufactured   | 1,384.21 +<br>1,384.21 (Penalty) |
| Central Excise & Customs | Feb 2012 to Dec 2012            | Central Excise & Service Tax Appellate Tribunal (CESTAT)   | Classification of Imported Goods   | 81.85                            |
|                          |                                 |  | <b>Total</b>   | <b>4,152.09</b>                  |

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Aries Agro Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting of the Company 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 the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects 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.

#### Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sandeep Sheth & Associates**  
Chartered Accountants  
Firm’s Registration No. 120685W

**Sandeep Sheth**  
Proprietor

Membership No.101903  
UDIN: 22101903AJPPAI9472

Date: 25<sup>th</sup> May, 2022  
Place: Mumbai

## Standalone Statement of Assets & Liabilities as on 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Particulars   | Note Nos. | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------|-----------------------|-----------------------|
| <b>I. ASSETS</b>  |           |                       |                       |
| (1) <b>Non-Current Assets</b>   |           |                       |                       |
| (a) Property, Plant and Equipment   | 5         | 5,886.97              | 4,796.10              |
| (b) Right of Use Asset  | 5         | 551.80                | 629.10                |
| (c) Capital Work in Progress  |           | -                     | 1,220.79              |
| (d) Intangible Assets   | 5         | 12.67                 | 17.00                 |
| (e) Financial Assets  |           |                       |                       |
| (i) Non-Current Investments   | 6         | 2,028.04              | 2,028.04              |
|   |           | <b>8,479.48</b>       | <b>8,691.03</b>       |
| (2) <b>Current Assets</b>   |           |                       |                       |
| (a) Inventories   | 7         | 14,661.11             | 14,074.87             |
| (b) Financial Assets  |           |                       |                       |
| (i) Trade Receivables   | 8         | 10,588.05             | 10,892.85             |
| (ii) Cash & Cash Equivalents  | 9         | 65.98                 | 43.92                 |
| (iii) Other Bank Balances   | 10        | 242.87                | 341.18                |
| (iv) Loans  | 11        | 8,457.14              | 8,498.33              |
| (v) Other Financial Assets  | 12        | 2,130.44              | 1,637.90              |
| (g) Other Current Assets  | 13        | 3,999.23              | 3,369.92              |
|   |           | <b>40,144.83</b>      | <b>38,858.98</b>      |
| <b>TOTAL</b>  |           | <b>48,624.31</b>      | <b>47,550.00</b>      |
| <b>II. EQUITY AND LIABILITIES</b>   |           |                       |                       |
| (1) <b>Equity</b>   |           |                       |                       |
| (a) Equity Share Capital  | 14        | 1,300.43              | 1,300.43              |
| (b) Other Equity  | 15        | 19,564.49             | 17,752.14             |
|   |           | <b>20,864.92</b>      | <b>19,052.57</b>      |
| (2) <b>Non-Current Liabilities</b>  |           |                       |                       |
| (a) Financial Liabilities   |           |                       |                       |
| Borrowings  | 16        | 1,648.36              | 1,215.35              |
| Lease Liabilities   | 17        | 166.05                | 287.14                |
| (b) Provisions  | 18        | 243.35                | 308.13                |
| (c) Deferred Tax Liabilities (Net)  | 19        | 601.10                | 527.99                |
|   |           | <b>2,658.86</b>       | <b>2,338.62</b>       |
| (3) <b>Current Liabilities</b>  |           |                       |                       |
| (a) Financial Liabilities   |           |                       |                       |
| (i) Borrowings  | 20        | 8,745.04              | 12,238.08             |
| (ii) (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                 | 21        | 2,117.26              | 1,689.50              |
| (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises |           | 4,651.70              | 3,534.22              |
| (iii) Lease Liabilities   | 22        | 446.39                | 486.63                |
| (iv) Other Financial Liabilities  | 23        | 30.39                 | 37.15                 |
| (b) Other Current Liabilities   | 24        | 8,924.41              | 7,974.39              |
| (c) Current Provisions  | 25        | 118.75                | 113.11                |
| (d) Current Tax Liability (Net)   | 26        | 66.60                 | 85.73                 |
|   |           | <b>25,100.53</b>      | <b>26,158.81</b>      |
| <b>TOTAL</b>  |           | <b>48,624.31</b>      | <b>47,550.00</b>      |
| <b>Summary of Significant Accounting Policies</b>   | 4         |                       |                       |

*The Notes referred to above form an integral part of these Financial Statements*

**As per our report of even date**

For and on behalf of the **Board of Directors** of **Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and  
Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711



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

(Rupees in Lakhs unless stated otherwise)

| Particulars   | Note Nos. | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|-----------|--------------------------------|--------------------------------|
| <b>I. Revenue from Operations</b>   | 27        | <b>54,752.45</b>               | 47,449.83                      |
| Less :- Discount and Rebate   |           | <b>10,805.45</b>               | 9,304.18                       |
|   |           | <b>43,947.00</b>               | 38,145.65                      |
| <b>II. Other Income</b>   | 28        | <b>882.72</b>                  | 523.04                         |
| <b>III. Total Revenue ( I + II )</b>  |           | <b>44,829.72</b>               | 38,668.68                      |
| <b>IV. Expenses :</b>   |           |                                |                                |
| (a) Cost of Materials Consumed  | 29        | <b>15,062.58</b>               | 12,059.82                      |
| (b) Cost of Products Traded   | 30        | <b>6,778.93</b>                | 5,589.65                       |
| (c) (Increase) / Decrease in Inventories of Finished Goods                                | 31        | <b>1,216.36</b>                | 1,133.48                       |
| (d) Employee Benefits Expense   | 32        | <b>4,528.40</b>                | 4,091.70                       |
| (e) Finance Costs   | 33        | <b>2,430.44</b>                | 2,593.22                       |
| (f) Depreciation and Amortization   | 5         | <b>565.35</b>                  | 638.15                         |
| (g) Other Expenses  | 34        | <b>11,592.63</b>               | 9,554.47                       |
| Total Expenses  |           | <b>42,174.71</b>               | 35,660.49                      |
| <b>V. Profit / (Loss) Before Tax - ( III - IV )</b>                                       |           | <b>2,655.02</b>                | 3,008.19                       |
| <b>VI. Tax Expense</b>  |           |                                |                                |
| (a) Current Tax   |           | <b>732.00</b>                  | 640.00                         |
| (b) Adjustment of Tax relating to earlier periods   |           | <b>(40.75)</b>                 | 6.45                           |
| (c) Deferred Tax  |           | <b>61.39</b>                   | 97.83                          |
| <b>Income Tax Expense</b>   |           | <b>752.64</b>                  | 744.27                         |
| <b>VII. Profit for the period - ( V - VI )</b>  |           | <b>1,902.38</b>                | 2,263.91                       |
| <b>VIII. Other Comprehensive Income</b>   |           |                                |                                |
| <b>(A) Items that will not be reclassified to Profit or Loss</b>                          |           |                                |                                |
| (i) Changes in Revaluation Surplus  |           | -                              | -                              |
| (i) Remeasurements of Defined Benefit Plans   |           | <b>25.74</b>                   | (24.53)                        |
| (iii) Equity Instruments through OCI  |           | -                              | -                              |
| (ii) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss |           | <b>25.74</b>                   | (24.53)                        |
|   |           | <b>11.72</b>                   | 4.02                           |
| <b>(B) Items that will be reclassified to Profit or Loss</b>                              |           | <b>14.01</b>                   | (28.54)                        |
| (i) Exchange Differences in translating the Financial Statements of Foreign Operation     |           | -                              | -                              |
| (ii) Debt Instruments through OCI   |           | -                              | -                              |
| (iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge |           | -                              | -                              |
| (ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss     |           | -                              | -                              |
|   |           | -                              | -                              |
|   |           | <b>14.01</b>                   | (28.54)                        |
| <b>IX. Total Comprehensive Income for the period (VII + VIII)</b>                         |           | <b>1,916.39</b>                | 2,235.37                       |
| <b>X. Earnings per Equity Share</b>   | 35        |                                |                                |
| (1) Basic & Diluted   |           | <b>14.63</b>                   | 17.41                          |
| <b>Summary of Significant Accounting Policies</b>   | 4         |                                |                                |

*The Notes referred to above form an integral part of the Standalone Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## Statement of Changes in Equity for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### Note No. 14

| A | Equity Share Capital | Balance as at<br>31st March, 2021 | Changes in Equity Share<br>Capital during the year | Balance as at<br>31st March, 2022 |
|---|----------------------|-----------------------------------|--|-----------------------------------|
|   |                      | 1,300.43                          | -  | 1,300.43                          |

### Note No. 15

(Amounts in Rupees unless stated otherwise)

| B | Other Equity                                 | Reserves & Surplus               |                    |                      | Items of Other<br>Comprehensive<br>Income         | Balance as at<br>31st March, 2022 |
|---|--|----------------------------------|--------------------|----------------------|---|-----------------------------------|
|   |  | Securities<br>Premium<br>Reserve | General<br>Reserve | Retained<br>Earnings | Re-measurement<br>of net defined<br>benefit plans |                                   |
|   | Balance as at 1st April, 2021                | 4,900.37                         | 1,029.56           | 12,050.94            | (228.73)  | 17,752.14                         |
|   | Add / (Less) : Profit / (Loss) for the year  | -                                | -                  | 1,902.38             | 14.01   | 1,916.39                          |
|   | Add / (Less) : Dividend paid for F Y 2020-21 | -                                | -                  | (104.04)             | -   | (104.04)                          |
|   |  | -                                | -                  | (1,798.34)           | 14.01   | (1,812.35)                        |
|   | Balance as at 31st March, 2022               | 4,900.37                         | 1,029.56           | 13,849.28            | (214.72)  | 19,564.49                         |
|   | Balance as at 1st April, 2020                | 4,900.37                         | 1,029.56           | 9,787.03             | (200.19)  | 15,516.77                         |
|   | Add / (Less) : Profit / (Loss) for the year  | -                                | -                  | 2,263.91             | (28.54)   | 2,235.37                          |
|   |  | -                                | -                  | 2,263.91             | (28.54)   | 2,235.37                          |
|   | Balance as at 31st March, 2021               | 4,900.37                         | 1,029.56           | 12,050.94            | (228.73)  | 17,752.14                         |

## Standalone Statement of Cash Flows for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Sr. No.   | Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|-----------|--|--------------------------------|--------------------------------|
| <b>A)</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                |                                |
|           | Net Profit before tax as per Statement of Profit and Loss                          | 2,655.02                       | 3,008.19                       |
|           | <b>Adjusted for :</b>  |                                |                                |
|           | Depreciation and Amortisation Expense  | 565.35                         | 638.15                         |
|           | Loss /(Profit) on Sale of Assets (net)   | (1.47)                         | (2.22)                         |
|           | Loss Due to Fire   | 4.35                           | -                              |
|           | Interest Income  | (518.43)                       | (508.26)                       |
|           | Remeasurements of Defined Benefit Plans  | 25.74                          | (24.53)                        |
|           | Finance Costs  | 2,430.44                       | 2,593.22                       |
|           | Operating Profit before Working Capital Changes                                    | 5,161.00                       | 5,704.56                       |
|           | <b>Adjusted for :</b>  |                                |                                |
|           | (Increase) / Decrease in Trade Receivables   | 304.80                         | (734.19)                       |
|           | (Increase) / Decrease in Inventories   | (586.24)                       | (271.80)                       |
|           | Increase / (Decrease) in Trade Payables  | 1,545.25                       | (614.08)                       |
|           | Cash Generated from Operations   | 864.97                         | 2,087.02                       |
|           | Increase / (Decrease) in Provisions & Other Current Liabilities                    |                                |                                |
|           | Income Taxes (paid) / received (Net)   | 7,289.78                       | 6,171.51                       |
|           | <b>Net Cash Flow from Operating Activities (A)</b>                                 | <b>(691.25)</b>                | <b>(646.45)</b>                |
|           |  | 6,598.52                       | 5,525.06                       |
| <b>B)</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                                       |                                |                                |
|           | Purchase of Fixed Assets ( Tangible Fixed Assets, Capital work in progress (WIP) ) | (416.95)                       | (1,333.02)                     |
|           | Proceeds from Sale of Fixed Assets   | 59.26                          | 16.65                          |
|           | Capital Subsidy received   | 1.00                           | 25.00                          |
|           | Movement in Short Term Loans and Advances & Other Assets                           | (982.36)                       | (446.16)                       |
|           | Interest Income  | 518.43                         | 508.26                         |
|           | <b>Net Cash Flow from / ( used in) Investing Activities (B)</b>                    | <b>(820.61)</b>                | <b>(1,229.27)</b>              |
| <b>C)</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>  |                                |                                |
|           | Dividend Paid  | (104.04)                       | -                              |
|           | Non Current Borrowings ( Net )   | 433.01                         | (218.52)                       |
|           | Current Borrowings ( Net )   | (3,493.05)                     | (1,489.68)                     |
|           | Finance Costs  | (2,430.44)                     | (2,593.22)                     |
|           | Increase / (Decrease) in Lease Liabilities   | (161.33)                       | 1.48                           |
|           | <b>Net Cash ( used in ) / from financing activities (C)</b>                        | <b>(5,755.85)</b>              | <b>(4,299.94)</b>              |
|           | Net Increase in Cash and Cash Equivalents  | 22.06                          | (4.15)                         |
|           | Opening Balance of Cash and Cash Equivalents                                       | 43.92                          | 48.07                          |
|           | Closing Balance of Cash and Cash Equivalents                                       | 65.98                          | 43.92                          |

NOTE: 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows " .  
2 Figures in the bracket indicate cash out flow.

As per our report of even date

For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### 1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') (CIN L99999MH1969PLC014465) was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds, etc.

In January, 2007 the Company incorporated Aries Agro Equipment Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipment, machinery, etc.

In December, 2019 the Company incorporated Mirabelle Agro Manufacturing Private Limited as a Wholly Owned Subsidiary for carrying business in Mineral Feed Supplements.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading of plant nutrients.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49% in M/s Amarak Chemicals FZC. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

### 2. Basis of Preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

### 3. Basis of Measurement - Historic Cost Convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/activities of the Company and the normal time between acquisition of assets/ liabilities and their realization /settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 4. Significant Accounting Policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### A) Plant, Property & Equipment :

All the Property, Plant and Equipment have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

### B) Depreciation & Amortization :

a) Depreciation on property, plant & equipment is provided on a straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

### C) Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### D) Impairment of Tangible and Intangible Assets :

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest possible levels for which there are independent cash inflows (cash-generating units). Prior impairment of nonfinancial assets (other than goodwill) are reviewed for possible reversal of impairment losses at each reporting date. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

### E) Cash and Cash Equivalents :

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**a) Raw materials and packing materials :**

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

**b) Work-in-progress and finished goods :**

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

**c) Traded goods :**

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**d) Waste and scrap are not separately valued being insignificant in value.**

**e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.**

**G) Retirement benefits :**

**a) Short Term Employee Benefits:**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**b) Post-Employment Benefits :**

**i) Defined Contribution Plans :**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

**ii) Defined Contribution Plans :**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not re-classified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### c) Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

### H) Non-current assets held for sale :

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met: - the Company is committed to selling the asset; - the assets are available for sale immediately; - an active plan of sale has commenced; and - sale is expected to be completed within 12 months. Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### I) Foreign Currency :

#### Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

#### Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### J) Financial Instruments :

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

#### 1) Financial Assets :

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision account and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Subsequent changes in assessment of impairment are recognized in provision for impairment and changes in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

### b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

### c) Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

### d) Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

### e) Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

### (iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## 2) Financial Liabilities:

### (i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

### (ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

### (iii) Loans and Borrowings :

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### (iv) Trade and Other Payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.

### (v) Derecognition of Financial Liabilities :

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

## K) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

## L) Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-Use Assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 10% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

## M) Taxes :

### (a) Current Income Tax :

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates. Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended 31<sup>st</sup> March, 2022 and remeasured its Deferred Tax Assets / Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Statement of Profit and Loss for the Financial Year ended 31<sup>st</sup> March, 2022.

### (b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### (c) Goods & Service Tax:

Expenses and assets are recognized net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### (d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### N) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### (a) Sale of products :

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### (b) Other Income :

##### Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

##### Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### P) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### **Q) Segment Reporting :**

#### **Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

### **R) Provisions, Contingent Liabilities and Contingent Assets :**

A Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### **S) Government Grants:**

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### **T) Research & Development Expenditure:**

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

### Note No. 5 - Property, Plant and Equipment and Intangible Assets as at 31st March, 2022

| Particulars  | PROPERTY, PLANT AND EQUIPMENT |                 |                 |              |              |                   |                          |                       |                   |                      |                  | Right of Use Asset | INTANGIBLE ASSETS |                     | Total           |
|--|-------------------------------|-----------------|-----------------|--------------|--------------|-------------------|--------------------------|-----------------------|-------------------|----------------------|------------------|--------------------|-------------------|---------------------|-----------------|
|  | Land                          | Buildings       | Office Premises | Guest House  | Cylinders    | Plant & Machinery | Electrical Installations | Laboratory Equipments | Office Equipments | Furniture & Fixtures | Air Conditioners | Computer           | Vehicles          | Commercial Vehicles | Total           |
| <b>Gross Block</b>                                       |                               |                 |                 |              |              |                   |                          |                       |                   |                      |                  |                    |                   |                     |                 |
| As at 1st April, 2021                                    | 449.64                        | 4,048.45        | 199.82          | -            | 31.66        | 2,790.79          | 176.16                   | 48.00                 | 104.94            | 264.95               | 49.90            | 104.02             | 145.60            | 13.61               | 8,425.54        |
| Add :- Addition during the year                          | 871.00                        | 226.71          | -               | 37.65        | 7.30         | 177.52            | 30.32                    | 15.28                 | 30.99             | 8.61                 | 13.09            | 22.40              | 43.90             | -                   | 1,484.76        |
| Add :- Reclassified on account of adoption of Ind AS 116 | -                             | -               | -               | -            | -            | -                 | -                        | -                     | -                 | -                    | -                | -                  | -                 | -                   | 152.41          |
| Less :- Disposals / Impaired during the year             | -                             | -               | -               | -            | -            | 75.26             | 0.65                     | -                     | 3.25              | 2.03                 | 1.75             | 5.17               | 2.80              | -                   | 90.91           |
| <b>As at 31st March, 2022</b>                            | <b>1,320.64</b>               | <b>4,275.16</b> | <b>199.82</b>   | <b>37.65</b> | <b>38.95</b> | <b>2,893.05</b>   | <b>205.83</b>            | <b>63.28</b>          | <b>132.68</b>     | <b>271.52</b>        | <b>61.24</b>     | <b>121.25</b>      | <b>184.69</b>     | <b>13.61</b>        | <b>9,819.39</b> |
| <b>Accumulated Depreciation</b>                          |                               |                 |                 |              |              |                   |                          |                       |                   |                      |                  |                    |                   |                     |                 |
| As at 1st April, 2021                                    | -                             | 2,199.52        | 21.39           | -            | 3.03         | 800.15            | 125.42                   | 22.87                 | 73.31             | 192.77               | 37.75            | 87.02              | 60.60             | 5.60                | 3,629.44        |
| Add :- Addition during the year                          | -                             | 70.31           | 6.33            | 5.04         | 2.25         | 173.77            | 14.70                    | 3.93                  | 11.89             | 10.68                | 5.32             | 10.31              | 14.75             | 0.97                | 330.26          |
| Add :- Reclassified on account of adoption of Ind AS 116 | -                             | -               | -               | -            | -            | -                 | -                        | -                     | -                 | -                    | -                | -                  | -                 | -                   | -               |
| Less :- Disposals / Impaired during the year             | -                             | -               | -               | -            | -            | 13.63             | 0.65                     | -                     | 3.02              | 1.81                 | 1.55             | 5.17               | 1.45              | -                   | 27.29           |
| <b>As at 31st March, 2022</b>                            | <b>-</b>                      | <b>2,269.83</b> | <b>27.72</b>    | <b>5.04</b>  | <b>5.28</b>  | <b>960.30</b>     | <b>139.46</b>            | <b>26.80</b>          | <b>82.18</b>      | <b>201.64</b>        | <b>41.52</b>     | <b>92.17</b>       | <b>73.91</b>      | <b>6.58</b>         | <b>3,932.42</b> |
| <b>Net carrying amount</b>                               |                               |                 |                 |              |              |                   |                          |                       |                   |                      |                  |                    |                   |                     |                 |
| <b>As at 31st March, 2022</b>                            | <b>1,320.64</b>               | <b>2,005.33</b> | <b>172.10</b>   | <b>32.61</b> | <b>33.67</b> | <b>1,932.75</b>   | <b>66.37</b>             | <b>36.48</b>          | <b>50.50</b>      | <b>69.89</b>         | <b>19.71</b>     | <b>29.09</b>       | <b>110.79</b>     | <b>7.04</b>         | <b>5,886.97</b> |

|  |               |                 |               |          |              |                 |               |              |               |               |              |               |               |              |                 |               |
|--|---------------|-----------------|---------------|----------|--------------|-----------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|-----------------|---------------|
| <b>Gross Block</b>                                       |               |                 |               |          |              |                 |               |              |               |               |              |               |               |              |                 |               |
| As at 1st April, 2020                                    | 449.64        | 3,628.62        | 199.82        | -        | 21.95        | 2,370.01        | 175.76        | 37.45        | 90.34         | 253.29        | 43.83        | 93.44         | 142.43        | 14.92        | 7,521.52        | 206.66        |
| Add :- Addition during the year                          | -             | 419.83          | -             | -        | 9.71         | 445.78          | 0.40          | 10.55        | 14.03         | 11.66         | 6.67         | 11.71         | 32.43         | 8.21         | 970.98          | 2.20          |
| Add :- Reclassified on account of adoption of Ind AS 116 | -             | -               | -             | -        | -            | -               | -             | -            | -             | -             | -            | -             | -             | -            | -               | -             |
| Less :- Disposals / Impaired during the year             | -             | -               | -             | -        | -            | 25.00           | -             | -            | -             | -             | 0.48         | 0.69          | 31.27         | 9.52         | 66.96           | -             |
| <b>As at 31st March, 2021</b>                            | <b>449.64</b> | <b>4,048.45</b> | <b>199.82</b> | <b>-</b> | <b>31.66</b> | <b>2,790.79</b> | <b>176.16</b> | <b>48.00</b> | <b>104.37</b> | <b>264.95</b> | <b>50.02</b> | <b>104.47</b> | <b>145.60</b> | <b>13.61</b> | <b>8,425.54</b> | <b>208.86</b> |
| <b>Accumulated Depreciation</b>                          |               |                 |               |          |              |                 |               |              |               |               |              |               |               |              |                 |               |
| As at 1st April, 2020                                    | -             | 2,137.42        | 15.06         | -        | 1.05         | 653.76          | 112.43        | 20.39        | 65.87         | 183.08        | 35.18        | 80.98         | 67.55         | 13.08        | 3,385.86        | 184.12        |
| Add :- Addition during the year                          | -             | 62.10           | 6.33          | -        | 1.98         | 146.39          | 12.99         | 2.47         | 7.22          | 9.68          | 3.13         | 6.51          | 11.28         | 1.02         | 271.11          | 7.74          |
| Add :- Reclassified on account of adoption of Ind AS 116 | -             | -               | -             | -        | -            | -               | -             | -            | -             | -             | -            | -             | -             | -            | -               | -             |
| Less :- Disposals / Impaired during the year             | -             | -               | -             | -        | -            | -               | -             | -            | -             | -             | 0.47         | 0.33          | 18.22         | 8.50         | 27.52           | -             |
| <b>As at 31st March, 2021</b>                            | <b>-</b>      | <b>2,199.52</b> | <b>21.39</b>  | <b>-</b> | <b>3.03</b>  | <b>800.15</b>   | <b>125.42</b> | <b>22.87</b> | <b>73.09</b>  | <b>192.77</b> | <b>37.84</b> | <b>87.15</b>  | <b>60.60</b>  | <b>5.60</b>  | <b>3,629.44</b> | <b>191.87</b> |
| <b>Net carrying amount</b>                               |               |                 |               |          |              |                 |               |              |               |               |              |               |               |              |                 |               |
| <b>As at 31st March, 2021</b>                            | <b>449.64</b> | <b>1,848.93</b> | <b>178.43</b> | <b>-</b> | <b>28.62</b> | <b>1,990.64</b> | <b>50.74</b>  | <b>25.13</b> | <b>31.27</b>  | <b>72.18</b>  | <b>12.17</b> | <b>17.32</b>  | <b>83.00</b>  | <b>8.01</b>  | <b>4,796.10</b> | <b>17.00</b>  |

#### Capital Work in Progress (CWIP) ageing

Ageing for Capital Work in Progress as at 31st March, 2022 is as follows :

|                                | Amount in Rupees )             |                 |                 |                   |
|--------------------------------|--------------------------------|-----------------|-----------------|-------------------|
|                                | Amount in CWIP for a period of |                 |                 |                   |
|                                | Less than 1 year               | 1 year - 2 year | 2 year - 3 year | More than 3 years |
| Projects in Progress           | -                              | -               | -               | -                 |
| Projects temporarily suspended | -                              | -               | -               | -                 |
| <b>Total</b>                   | <b>-</b>                       | <b>-</b>        | <b>-</b>        | <b>-</b>          |

#### Ageing for Capital Work in Progress as at 31st March, 2021 is as follows :

|                                | Amount in Rupees )             |                 |                 |                   |
|--------------------------------|--------------------------------|-----------------|-----------------|-------------------|
|                                | Amount in CWIP for a period of |                 |                 |                   |
|                                | Less than 1 year               | 1 year - 2 year | 2 year - 3 year | More than 3 years |
| Projects in Progress           | 25.79                          | -               | -               | 1,220.79          |
| Projects temporarily suspended | -                              | -               | -               | -                 |
| <b>Total</b>                   | <b>25.79</b>                   | <b>-</b>        | <b>-</b>        | <b>1,220.79</b>   |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 6 NON-CURRENT INVESTMENTS<br>(Unquoted and fully paid up) | As at 31st March, 2022 |                       |          | As at 31st March, 2021 |                       |          |
|---|------------------------|-----------------------|----------|------------------------|-----------------------|----------|
|   | No. of<br>Shares       | Face<br>Value<br>(Rs) |          | No. of<br>Shares       | Face<br>Value<br>(Rs) |          |
| <b>A) Equity Shares</b>                                   |                        |                       |          |                        |                       |          |
| <b>(i) Subsidiary Companies (at Cost)</b>                 |                        |                       |          |                        |                       |          |
| (a) Aries Agro Care Pvt Ltd                               | 10,000                 | 10                    | 1.00     | 10,000                 | 10                    | 1.00     |
| (b) Aries Agro Equipments Pvt Ltd                         | 10,000                 | 10                    | 1.00     | 10,000                 | 10                    | 1.00     |
| (c) Mirabelle Agro Manufacturing Pvt Ltd                  | 10,000                 | 10                    | 1.00     | 10,000                 | 10                    | 1.00     |
| (d) Golden Harvest Middle East FZC                        |                        |                       | 2,024.89 |                        |                       | 12.27    |
|   |                        |                       | 2,027.89 |                        |                       | 15.27    |
|   | No. of<br>Shares       | Face<br>Value         |          | No. of<br>Shares       | Face<br>Value         |          |
| <b>(ii) Other Investment (at Cost)</b>                    |                        |                       |          |                        |                       |          |
| (a) Aries Agro Produce Pvt Ltd                            | 1500                   | 10                    | 0.15     | 1500                   | 10                    | 0.15     |
|   |                        |                       | 0.15     |                        |                       | 0.15     |
|   |                        |                       | 2,028.04 |                        |                       | 15.42    |
| <b>B) Share Application Money</b>                         |                        |                       |          |                        |                       |          |
| <b>(i) Subsidiary Companies</b>                           |                        |                       |          |                        |                       |          |
| (a) Golden Harvest Middle East FZC                        |                        |                       | -        |                        |                       | 2,012.62 |
|   |                        |                       | 2,028.04 |                        |                       | 2,028.04 |

6.1 Aries Agro Care Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 5<sup>th</sup> January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business in all branches of agro protection, agro care, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".

6.2 Aries Agro Equipments Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 12<sup>th</sup> January, 2007 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, repair, etc. of all types of rural and farm equipments, machinery, etc. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".

6.3 Mirabelle Agro Manufacturing Pvt. Ltd. has been incorporated as a wholly owned subsidiary on 26<sup>th</sup> December, 2019 with the Registrar of Companies, Maharashtra, Mumbai. to carry on the business of manufacturing, Producing and Dealing in Mineral Feed Supplements. The Registered Office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".

6.4 Golden Harvest Middle East FZC was incorporated on 31<sup>st</sup> December, 2004 as a Free Zone Company with limited liability to carry on the activities of manufacturing Chemical Fertilizer and exporting all the necessary, material and acts related to its natural work or needed to the above mentioned works. In the year 2008 it became 75% subsidiary of the Company, Aries Agro Limited. The Registered Office of the Company is located at " SAIF Zone ( Emirates of Sharjah ) "UAE". The licence has since been converted into a trading licence effective from 7<sup>th</sup> December, 2016.

During the Year, the Share Application Money/Share Holders Current Account was converted into Share Capital resulting into increase of the Share Capital to AED 1,91,50,000 consisting of 1,91,500 Shares of AED 100 each.

6.5 Aries Agro Produce Pvt. Ltd. has been incorporated on 20<sup>th</sup> June, 2008 with the Registrar of Companies, Maharashtra, Mumbai. to carry out the business of all kinds of Farming, agriculture, horticulture etc. and to plant, grow, cultivate and in any other way deal in farming and agricultural produce. The registered office of the Company is located at "Aries House, Plot no 24, Deonar, Govandi (E), Mumbai – 400 043".

6.6 Losses of Subsidiaries not provided in accounts :

| Particulars                            | Year Ended 31st March 2022 |              | Year Ended 31st March 2021 |              |
|--|----------------------------|--------------|----------------------------|--------------|
|  | Accumulated                | Current Year | Accumulated                | Current Year |
| Aries Agro Care Pvt. Ltd.              | (48.53)                    | (15.32)      | (33.21)                    | (0.05)       |
| Aries Agro Equipments Pvt. Ltd.        | 76.99                      | 1.45         | 75.54                      | (0.15)       |
| Golden Harvest Middle East FZC         | 171.00                     | (674.23)     | 828.05                     | (624.11)     |
| Mirabelle Agro Manufacturing Pvt. Ltd. | (54.15)                    | (53.79)      | (0.35)                     | 0.09         |
|  | 145.31                     | (741.90)     | 870.02                     | (624.23)     |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 7 INVENTORIES   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| (At lower of cost or Net Realisable Value)<br>(As Certified and valued by the Management) |                           |                           |
| Raw Materials   | 3,866.99                  | 2,477.15                  |
| Finished Goods  | 6,256.42                  | 7,472.78                  |
| Stock in Trade  | 3,699.99                  | 3,154.32                  |
| Packing Materials   | 837.71                    | 970.62                    |
| <b>Total</b>  | <b>14,661.11</b>          | <b>14,074.87</b>          |

| 8 TRADE RECEIVABLES | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---------------------|---------------------------|---------------------------|
| Unsecured           |                           |                           |
| Considered Good     | 10,588.05                 | 10,892.85                 |
| <b>Total</b>        | <b>10,588.05</b>          | <b>10,892.85</b>          |

### 8.1 Ageing of Trade Receivables as of 31st March, 2022 is as follows :

| Particulars                          | Outstanding from Due Date of payment |                      |               |             |                      | Total            |
|--------------------------------------|--------------------------------------|----------------------|---------------|-------------|----------------------|------------------|
|                                      | Less than<br>6 Months                | 6 months -<br>1 year | 1 - 2 years   | 2 - 3 years | More than<br>3 years |                  |
| i Un-Disputed - Considered Goods     | 10,315.25                            | 147.24               | 125.57        | -           | -                    | 10,588.05        |
| ii Un-Disputed - Considered Doubtful | -                                    | -                    | -             | -           | -                    | -                |
| iii Disputed - Considered Goods      | -                                    | -                    | -             | -           | -                    | -                |
| iv Disputed - Considered Doubtful    | -                                    | -                    | -             | -           | -                    | -                |
|                                      | <b>10,315.25</b>                     | <b>147.24</b>        | <b>125.57</b> | <b>-</b>    | <b>-</b>             | <b>10,588.05</b> |

### 8.2 Ageing of Trade Receivables as of 31st March, 2021 is as follows :

| Particulars                          | Outstanding from Due Date of payment |                      |             |             |                      | Total            |
|--------------------------------------|--------------------------------------|----------------------|-------------|-------------|----------------------|------------------|
|                                      | Less than<br>6 Months                | 6 months -<br>1 year | 1 - 2 years | 2 - 3 years | More than<br>3 years |                  |
| i Un-Disputed - Considered Goods     | 10,195.94                            | 696.92               | -           | -           | -                    | 10,892.85        |
| ii Un-Disputed - Considered Doubtful | -                                    | -                    | -           | -           | -                    | -                |
| iii Disputed - Considered Goods      | -                                    | -                    | -           | -           | -                    | -                |
| iv Disputed - Considered Doubtful    | -                                    | -                    | -           | -           | -                    | -                |
|                                      | <b>10,195.94</b>                     | <b>696.92</b>        | <b>-</b>    | <b>-</b>    | <b>-</b>             | <b>10,892.85</b> |

### 8.3 Trade Receivables includes Amount due from Related Parties

| Particulars      | Maximum balance<br>during the year | As at<br>31st March, 2022 | Maximum balance<br>during the year | As at<br>31st March 2021 |
|------------------|------------------------------------|---------------------------|------------------------------------|--------------------------|
| Amarak Chemicals | 129.76                             | 129.76                    | 125.08                             | 121.25                   |
|                  | -                                  | 129.76                    | -                                  | 121.25                   |

### 8.4 Trade Receivables are non-interest bearing and receivable in normal operating cycle

| 9 CASH AND CASH EQUIVALENTS            | As at<br>31st March 2022 | As at<br>31st March 2021 |
|--|--------------------------|--------------------------|
| Balance with Banks in Current Accounts | 65.73                    | 36.37                    |
| Cash on hand                           | 0.25                     | 7.55                     |
| <b>Total</b>                           | <b>65.98</b>             | <b>43.92</b>             |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 10 OTHER BANK BALANCES   |  | As at<br>31st March 2022 | As at<br>31st March 2021 |
|--|--|--------------------------|--------------------------|
| Fixed Deposits with Banks held as Margin Money (Maturity less than One Year) |  | 222.88                   | 316.79                   |
| Unclaimed Dividend Accounts  |  | 20.00                    | 24.39                    |
| <b>Total</b>   |  | <b>242.87</b>            | <b>341.18</b>            |

10.1 Fixed Deposits are kept as Margin against various Credit Limits / Guarantees

| 11 CURRENT LOANS                       |  | As at<br>31st March 2022 | As at<br>31st March 2021 |
|--|--|--------------------------|--------------------------|
| <b>(Unsecured and Considered Good)</b> |  |                          |                          |
| Loans to Related Parties               |  | 8,450.79                 | 8,491.82                 |
| Loans to Employees                     |  | 6.35                     | 6.51                     |
|  |  | <b>8,457.14</b>          | <b>8,498.33</b>          |

11.1 Loan given to Subsidiaries / Associates :

| Company Name   | Maximum<br>balance during<br>the year | As at<br>31st March 2022 | Maximum<br>balance during<br>the year | As at<br>31st March 2021 |
|--|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| Golden Harvest Middle East FZC                           | 8,450.79                              | 8,450.79                 | 8,491.82                              | 8,491.82                 |
| <i>(For general corporate purpose of the Subsidiary)</i> | 8,450.79                              | 8,450.79                 | 8,491.82                              | 8,491.82                 |

11.2 Refer Note No. 37 for details of Advances to Related Parties

| 12 OTHER CURRENT FINANCIAL ASSETS         |  | As at<br>31st March 2022 | As at<br>31st March 2021 |
|---|--|--------------------------|--------------------------|
| Interest Accrued on Loan to Related Party |  | 2,121.63                 | 1,628.80                 |
| Interest Accrued but not due              |  | 8.82                     | 9.10                     |
|   |  | <b>2,130.44</b>          | <b>1,637.90</b>          |

12.1 Interest Accrued on Loan to Related Party is of Golden Harvest Middle East FZC.

12.2 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

| 13 OTHER CURRENT ASSETS                |  | As at<br>31st March 2022 | As at<br>31st March 2021 |
|--|--|--------------------------|--------------------------|
| <b>(Unsecured and Considered Good)</b> |  |                          |                          |
| Advances to Related Parties            |  | 91.32                    | 63.03                    |
| Other Advances                         |  | 3,805.31                 | 3,221.70                 |
| Security Deposits                      |  | 102.60                   | 85.19                    |
| <b>Total</b>                           |  | <b>3,999.23</b>          | <b>3,369.92</b>          |

13.1 Advances given to Related Parties :

| Company Name                                      | Maximum<br>balance during<br>the year | As at<br>31st March 2022 | Maximum<br>balance during<br>the year | As at<br>31st March 2021 |
|---|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| Mirabelle Agro Manufacturing Pvt Ltd (Subsidiary) | 163.16                                | 91.32                    | 63.03                                 | 63.03                    |
|   | 163.16                                | 91.32                    | 63.03                                 | 63.03                    |



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

13.2 Refer Note No. 37 for details of Advances to Related Parties

| 13.3 Other Advances includes :           |                          |                          |
|--|--------------------------|--------------------------|
| Particulars                              | As at<br>31st March 2022 | As at<br>31st March 2021 |
| (a) Balances with Taxation Authorities   | 1,337.11                 | 894.69                   |
| (b) Advance to Suppliers                 | 2,328.75                 | 2,278.03                 |
| (c) Advance to Staff against expenses    | 59.63                    | 13.91                    |
| (d) Imprest Advance for Vehicle Expenses | -                        | 1.05                     |
| (e) Interest Under Protest               | 44.86                    | -                        |
| (f) Prepaid Expenses                     | 34.97                    | 34.01                    |
|  | 3,805.31                 | 3,221.70                 |

| 14 EQUITY SHARE CAPITAL  |                          |                          |
|--|--------------------------|--------------------------|
|  | As at<br>31st March 2022 | As at<br>31st March 2021 |
| <b>Authorised</b>  |                          |                          |
| 1,50,00,000 Equity Shares of Rs. 10/- each                                 | 1,500.00                 | 1,500.00                 |
|  | 1,500.00                 | 1,500.00                 |
| <b>Issued, Subscribed and Fully Paidup</b>                                 |                          |                          |
| 1,30,04,339 (31st March, 2021 1,30,04,339) Equity Shares of Rs. 10/- each. | 1,300.43                 | 1,300.43                 |
|  | 1,300.43                 | 1,300.43                 |

14.1 Reconciliation of the number of **Equity Shares** :

| Particulars                                     | As at<br>31st March 2022 | As at<br>31st March 2021 |
|---|--------------------------|--------------------------|
| Shares outstanding at the beginning of the year | 1,30,04,339              | 1,30,04,339              |
| Add :- Issued during the year                   | -                        | -                        |
| Less :- Shares cancelled during the year        | -                        | -                        |
| Shares outstanding at the end of the year       | 1,30,04,339              | 1,30,04,339              |

14.2 List of Shareholder's holding more than 5 % Shares in the Company :

| Name of the Shareholders |                       | As at 31st March 2022 |               | As at 31st March 2021 |               |
|--------------------------|-----------------------|-----------------------|---------------|-----------------------|---------------|
|                          |                       | No of Shares          | % of Holding  | No of Shares          | % of Holding  |
| (i)                      | Dr. Jimmy Mirchandani | 30,74,830             | 23.64%        | 31,64,830             | 24.34%        |
| (ii)                     | Dr. Rahul Mirchandani | 31,13,021             | 23.94%        | 30,23,021             | 23.25%        |
|                          | <b>Total</b>          | <b>61,87,851</b>      | <b>47.58%</b> | <b>61,87,851</b>      | <b>47.58%</b> |

As per the records of the Company including register of Shareholders / Members, the above shareholding represents both legal as well as beneficial ownership of shares.

14.3 Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as of 31st March, 2022 is as follows :

| Sr. No. | Name of the Promoter   | As at 31st March 2022 |               | As at 31st March 2021 |               | % Change during the year |
|---------|------------------------|-----------------------|---------------|-----------------------|---------------|--------------------------|
|         |                        | No of Shares          | % of Holding  | No of Shares          | % of Holding  |                          |
| (i)     | Dr. Jimmy Mirchandani  | 30,74,830             | 23.64%        | 31,64,830             | 24.34%        | -0.69%                   |
| (ii)    | Dr. Rahul Mirchandani  | 31,13,021             | 23.94%        | 30,23,021             | 23.25%        | 0.69%                    |
| (iii)   | Mr. Akshay Mirchandani | 4,21,175              | 3.24%         | 4,21,175              | 3.24%         | 0.00%                    |
| (iv)    | Mr. Amol Mirchandani   | 2,35,900              | 1.81%         | 2,35,900              | 1.81%         | 0.00%                    |
| (v)     | Mrs. Nitya Mirchandani | 3,000                 | 0.02%         | 3,000                 | 0.02%         | 0.00%                    |
|         | <b>Total</b>           | <b>68,47,926</b>      | <b>52.66%</b> | <b>68,47,926</b>      | <b>52.66%</b> | <b>0.00%</b>             |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 15 Other Equity

- 15.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 15.2 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
- 15.3 **Retained Earnings** : represent the undistributed profits of the Company
- 15.4 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

| 16 NON - CURRENT BORROWINGS  |  | As at<br>31st March 2022 | As at<br>31st March 2021 |
|------------------------------|--|--------------------------|--------------------------|
| <b>Secured Term Loans</b>    |  |                          |                          |
| Term Loans from Banks        |  | 34.78                    | 211.06                   |
|                              |  | 34.78                    | 211.06                   |
| <b>Un-Secured Term Loans</b> |  |                          |                          |
| Term Loans from NBFC's       |  | 1,613.58                 | 1,004.29                 |
|                              |  | 1,613.58                 | 1,004.29                 |
| <b>Total</b>                 |  | 1,648.36                 | 1,215.35                 |

#### 16.1 Secured Term Loans from Banks referred above to the extent of :

| Sr. No. | Particulars   | As at<br>31st March 2022 | As at<br>31st March 2021 |
|---------|---|--------------------------|--------------------------|
| (a)     | Secured by way of Charge on the Company's Motor Vehicles.   | 34.78                    | 24.43                    |
| (b)     | Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.  | -                        | 19.96                    |
| (c)     | Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors | -                        | 166.67                   |
|         |   | 34.78                    | 211.06                   |

#### 16.2 Un-Secured Term Loans from Banks / NBFC's are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

#### 16.3 Maturity Profile of Term Loans are as set out below :

| Sr. No. | Financial Years    | Secured Term Loans from Banks | Un-Secured Term Loans from Banks | Total    |
|---------|--------------------|-------------------------------|----------------------------------|----------|
| (a)     | 2022-23            | 187.91                        | 224.23                           | 412.13   |
|         | <b>Sub-Total</b>   | 187.91                        | 224.23                           | 412.13   |
| (b)     | 2023-24            | 16.50                         | 240.43                           | 256.94   |
| (c)     | 2024-25            | 6.79                          | 257.82                           | 264.61   |
| (d)     | 2025-26 & Above    | 11.48                         | 1,115.33                         | 1,126.82 |
|         | <b>Sub-Total</b>   | 34.78                         | 1,613.58                         | 1,648.36 |
|         | <b>Grand-Total</b> | 222.69                        | 1,837.81                         | 2,060.50 |

#### 16.4 Rs. 412.13 Lakhs is shown in Current Maturities ( On 31st March, 2021 Rs. 678.78 Lakhs.)

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

|  |                                  |                                  |
|--|----------------------------------|----------------------------------|
| <b>17 NON - CURRENT LEASE LIABILITIES</b>  | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>Lease Liabilities</b>   |                                  |                                  |
| Liability of Right to use Asset  | 166.05                           | 287.14                           |
|  | <b>166.05</b>                    | <b>287.14</b>                    |
|  |                                  |                                  |
| <b>18 NON CURRENT PROVISIONS</b>   | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>Provision for Employee Benefits (Refer Note No. 32)</b>   |                                  |                                  |
| Gratuity   | 13.94                            | 34.41                            |
| Leave Salary   | 224.24                           | 266.62                           |
| One Time Incentive   | 5.16                             | 7.10                             |
| <b>Total</b>   | <b>243.35</b>                    | <b>308.13</b>                    |
|  |                                  |                                  |
| <b>19 DEFERRED TAX LIABILITY</b>   | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>A Deferred Tax Liability</b>  |                                  |                                  |
| Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax | 693.44                           | 655.22                           |
| Other Comprehensive Income   | 11.72                            | 4.02                             |
| Related to Right of Use Asset  | 160.69                           | 179.92                           |
| <b>B Gross Deferred Tax Liability</b>  | <b>865.85</b>                    | <b>839.16</b>                    |
| <b>Gross Deferred Tax Asset</b>  |                                  |                                  |
| Disallowance under the Income Tax Act, 1961 U/s 43B  | 86.41                            | 89.87                            |
| Realted to Lease Liability   | 178.34                           | 221.30                           |
|  | <b>264.75</b>                    | <b>311.17</b>                    |
| <b>C Net Deferred Tax Liability (A-B)</b>  | <b>601.10</b>                    | <b>527.99</b>                    |
|  |                                  |                                  |
| <b>20 CURRENT BORROWINGS</b>   | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>Secured Borrowings</b>  |                                  |                                  |
| <b>Working Capital Facilities from Banks</b>   |                                  |                                  |
| Cash Credits / Working Capital Demand Loan   | 8,332.90                         | 11,559.30                        |
|  | <b>8,332.90</b>                  | <b>11,559.30</b>                 |
| Current Maturities of Long Term Debt   | 412.13                           | 678.78                           |
| <b>Total</b>   | <b>8,745.04</b>                  | <b>12,238.08</b>                 |
|  |                                  |                                  |

- 20.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventories, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.
- 20.2 Un-Secured Borrowings from Companies / NBFCs are secured by way of charge on personal Assets of Directors and guaranteed by Directors.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

20.3 Current Maturities of Long Term Debt includes amount repayable within one year of :

| Sr. No. | Particulars                               | As at 31st March 2022 | As at 31st March 2021 |
|---------|---|-----------------------|-----------------------|
| (a)     | Secured Term Loans from Banks             | 187.91                | 432.83                |
| (b)     | Un-Secured Term Loans from Banks / NBFC's | 224.23                | 245.95                |
|         |   | 412.13                | 678.78                |

20.4 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

| Sr. No. | Particulars   | As at 31st March 2022 | As at 31st March 2021 |
|---------|---|-----------------------|-----------------------|
| (a)     | Secured by way of Charge on the Company's Motor Vehicles.   | 20.09                 | 13.05                 |
| (b)     | Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.  | 20.09                 | 22.05                 |
| (c)     | Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors | 147.73                | 397.73                |
|         |   | 187.91                | 432.83                |

20.5 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 224.23 Lakhs (31st March, 2021, Rs. 245.95 Lakhs) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

20.6 Unclaimed Dividend does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

| 21 TRADE PAYABLES   | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------------------|-----------------------|
| (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                      | 2,117.26              | 1,689.50              |
| (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises | 4,651.70              | 3,534.22              |
| <b>Total</b>  | <b>6,768.96</b>       | <b>5,223.71</b>       |

21.1 Ageing of Trade Payables as of 31st March, 2022 is as follows :

| Particulars               | Outstanding from Due Date of payment |              |             |                   | Total           |
|---------------------------|--------------------------------------|--------------|-------------|-------------------|-----------------|
|                           | Less than 1 year                     | 1 - 2 years  | 2 - 3 years | More than 3 years |                 |
| i MSME                    | 2,117.26                             | -            | -           | -                 | 2,117.26        |
| ii Others                 | 4,628.72                             | 15.49        | 2.40        | 5.09              | 4,651.70        |
| iii Disputed Dues - MSME  | -                                    | -            | -           | -                 | -               |
| iv Disputed Dues - Others | -                                    | -            | -           | -                 | -               |
| <b>Total</b>              | <b>6,745.99</b>                      | <b>15.49</b> | <b>2.40</b> | <b>5.09</b>       | <b>6,768.96</b> |

21.2 Ageing of Trade Payables as of 31st March, 2021 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                   | Total           |
|---------------------------|--------------------------------------|-------------|-------------|-------------------|-----------------|
|                           | Less than 1 year                     | 1 - 2 years | 2 - 3 years | More than 3 years |                 |
| i MSME                    | 1,689.50                             | -           | -           | -                 | 1,689.50        |
| ii Others                 | 3,491.77                             | 4.60        | 3.79        | 34.05             | 3,534.22        |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                 | -               |
| iv Disputed Dues - Others | -                                    | -           | -           | -                 | -               |
| <b>Total</b>              | <b>5,181.27</b>                      | <b>4.60</b> | <b>3.79</b> | <b>34.05</b>      | <b>5,223.71</b> |

21.3 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

21.5 Contractual Terms with Micro & Small Enterprises is 120 days, hence interest not provided.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

|           |  |                                       |                                       |
|-----------|--|---------------------------------------|---------------------------------------|
| <b>22</b> | <b>CURRENT LEASE LIABILITIES</b>   | <b>As at<br/>31st March 2022</b>      | <b>As at<br/>31st March 2021</b>      |
|           | Liability of Right to Use Asset - Current Portion  | 446.39                                | 486.63                                |
|           | <b>Total</b>   | <b>446.39</b>                         | <b>486.63</b>                         |
| <b>23</b> | <b>OTHER CURRENT FINANCIAL LIABILITIES</b>   | <b>As at<br/>31st March 2022</b>      | <b>As at<br/>31st March 2021</b>      |
|           | Interest Accrued but not due on Borrowings   | 10.40                                 | 12.76                                 |
|           | Unclaimed Dividend   | 20.00                                 | 24.39                                 |
|           | <b>Total</b>   | <b>30.39</b>                          | <b>37.15</b>                          |
| <b>24</b> | <b>OTHER CURRENT LIABILITIES</b>   | <b>As at<br/>31st March 2022</b>      | <b>As at<br/>31st March 2021</b>      |
|           | Accrued Salaries and Benefits  | 1,896.76                              | 1,804.68                              |
|           | Advances / Credits from Customers  | 3,584.98                              | 3,797.19                              |
|           | Dues to Directors  | 1.35                                  | -                                     |
|           | Security Deposits  | 960.53                                | 889.24                                |
|           | Statutory Dues   | 226.63                                | 154.96                                |
|           | Other Payables   | 2,254.16                              | 1,328.33                              |
|           | <b>Total</b>   | <b>8,924.41</b>                       | <b>7,974.39</b>                       |
| 24.1      | Advances / Credits from Customers includes amount due to Related Party of Rs. 248.12 Lakhs ( Previous Year Rs. 240.24 Lakhs)           |                                       |                                       |
| 24.2      | Statutory Dues includes Goods & Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax. |                                       |                                       |
| 24.2      | Other Payables includes mainly Staff Expense Claims and Provision for Expenses.  |                                       |                                       |
| <b>25</b> | <b>CURRENT PROVISIONS</b>  | <b>As at<br/>31st March 2022</b>      | <b>As at<br/>31st March 2021</b>      |
|           | <b>Provision for Employee Benefits (Refer Note No. 32)</b>   |                                       |                                       |
|           | Gratuity   | 91.68                                 | 86.63                                 |
|           | Leave Salary   | 23.94                                 | 23.96                                 |
|           | One Time Incentive   | 3.14                                  | 2.52                                  |
|           | <b>Total</b>   | <b>118.75</b>                         | <b>113.11</b>                         |
| <b>26</b> | <b>CURRENT TAX LIABILITY (NET)</b>   | <b>As at<br/>31st March 2022</b>      | <b>As at<br/>31st March 2021</b>      |
|           | Provision for Income Tax ( Net of Advance Tax / TDS )  | 66.60                                 | 85.73                                 |
|           | <b>Total</b>   | <b>66.60</b>                          | <b>85.73</b>                          |
| <b>27</b> | <b>REVENUE FROM OPERATIONS</b>   | <b>Year Ended<br/>31st March 2022</b> | <b>Year Ended<br/>31st March 2021</b> |
|           | Sales of Products  | 54,752.45                             | 47,449.83                             |
|           | Less:- Discounts / Rebates   | 10,805.45                             | 9,304.18                              |
|           | <b>Total</b>   | <b>43,947.00</b>                      | <b>38,145.65</b>                      |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 27.1 Particulars of Sale of Products :

| Sr. Particulars No.                                       | Year Ended 31st March 2022 | Year Ended 31st March 2021 |
|---|----------------------------|----------------------------|
| <b>Manufactured Products</b>                              |                            |                            |
| (a) Agricultural Mirconutrient and Speciality Fertilizers | 35,957.94                  | 26,115.33                  |
| (b) Insecticides and Pesticides                           | 4,966.69                   | 4,855.19                   |
| (c) Animal Feed and Feed Concentrates                     | 261.83                     | 287.30                     |
| (d) Others  | 56.48                      | 37.15                      |
|   | 41,242.94                  | 31,294.96                  |
| <b>Traded Products</b>                                    |                            |                            |
| (a) Agricultural Mirconutrient and Speciality Fertilizers | 13,032.22                  | 16,127.97                  |
| (b) Insecticides and Pesticides                           | 477.29                     | 26.89                      |
|   | 13,509.51                  | 16,154.87                  |
|   | 54,752.45                  | 47,449.83                  |
| Less:- Discounts / Rebates                                | 10,805.45                  | 9,304.18                   |
|   | 43,947.00                  | 38,145.65                  |

### 28 OTHER INCOME

#### Interest Income on :

Bank Fixed Deposits

Others

Interest on Loan to Subsidiary

#### Other Non-Operating Income

Misc. / Other Income

Net Gain / (Loss) on Foreign Currency Transaction and Translation

Profit on Sale of Fixed Assets

Rent Income

**Total**

| Year Ended 31st March 2022 | Year Ended 31st March 2021 |
|----------------------------|----------------------------|
| 11.29                      | 10.42                      |
| 14.32                      | 1.11                       |
| 492.83                     | 496.73                     |
| 1.68                       | 12.17                      |
| 358.66                     | -                          |
| 1.47                       | 2.22                       |
| 2.48                       | 0.40                       |
| 882.72                     | 523.04                     |

### 29 COST OF MATERIALS CONSUMED

1) Opening Stock of Raw Materials

Add : Purchases

Less : Closing Stock of Raw Materials

Raw Material Consumed

2) Opening Stock of Packing Materials

Add : Purchases

Less : Closing Stock of Packing Materials

Packing Materials Consumed

**Consumption of Materials (1+2)**

| Year Ended 31st March 2022 | Year Ended 31st March, 2021 |
|----------------------------|-----------------------------|
| 2,477.15                   | 3,619.20                    |
| 13,832.04                  | 9,038.28                    |
| 16,309.18                  | 12,657.47                   |
| 3,866.99                   | 2,477.15                    |
| 12,442.19                  | 10,180.33                   |
| 970.62                     | 795.01                      |
| 2,487.48                   | 2,055.10                    |
| 3,458.10                   | 2,850.11                    |
| 837.71                     | 970.62                      |
| 2,620.39                   | 1,879.50                    |
| 15,062.58                  | 12,059.82                   |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 30 COST OF PRODUCTS TRADED          | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|-------------------------------------|-------------------------------|--------------------------------|
| Opening Stock of Traded Products    | 3,154.32                      | 782.61                         |
| Add :- Purchases of Traded Products | 7,324.60                      | 7,961.37                       |
|                                     | 10,478.92                     | 8,743.98                       |
| Closing Stock of Traded Products    | 3,699.99                      | 3,154.32                       |
| Cost of Products Traded             | 6,778.93                      | 5,589.65                       |

| 31 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| <b>Inventories at the beginning of the year</b>           |                               |                                |
| Finished Goods  | 7,472.78                      | 8,606.26                       |
|   | 7,472.78                      | 8,606.26                       |
| <b>Inventories at the end of the year</b>                 |                               |                                |
| Finished Goods  | 6,256.42                      | 7,472.78                       |
| <b>(Increase) / Decrease in Inventories</b>               | 1,216.36                      | 1,133.48                       |

| 32 EMPLOYEE BENEFIT EXPENSES            | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| Salaries, Wages and Allowances          | 3,836.96                      | 3,456.66                       |
| Directors Remuneration                  | 229.50                        | 225.57                         |
| Contribution to Provident & Other Funds | 407.39                        | 353.80                         |
| Staff Welfare Expenses                  | 54.55                         | 55.68                          |
| <b>Total</b>                            | 4,528.40                      | 4,091.70                       |

32.1 As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :

| Particulars   | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| <b>Expense recognised for Defined Contribution Plan</b> |                               |                                |
| Company's contribution to Provident Fund                | 311.42                        | 266.53                         |
|   | 311.42                        | 266.53                         |

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

### Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2022 and 31st March, 2021, being the respective measurement dates :

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

| Particulars  | Gratuity                     |                              | Leave Encashment             |                              | One Time Incentive           |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|  | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 |
| Present Value of Defined Benefit obligation at the beginning of the year | 804.10                       | 787.94                       | 290.58                       | 292.76                       | 9.62                         | 9.90                         |
| Current Service Cost   | 85.65                        | 77.79                        | 49.97                        | 41.25                        | 0.61                         | 0.60                         |
| Interest Cost  | 52.01                        | 49.79                        | 19.08                        | 17.89                        | 0.57                         | 0.58                         |
| Actuarial (gain) / loss  | 18.08                        | 42.23                        | (39.66)                      | (14.16)                      | (0.60)                       | 0.11                         |
| Past Service Cost  | -                            | -                            | -                            | -                            | -                            | -                            |
| Benefits paid  | (98.11)                      | (153.66)                     | (71.80)                      | (47.16)                      | (1.91)                       | (1.57)                       |
| Present Value of Defined Benefit obligation at the end of the year       | 861.73                       | 804.10                       | 248.18                       | 290.58                       | 8.30                         | 9.62                         |

### II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

| Particulars   | Gratuity                  |                           |
|---|---------------------------|---------------------------|
|   | As at 31st<br>March, 2022 | As at 31st<br>March, 2021 |
| Fair Value of Plan Assets at the beginning of the year              | 683.06                    | 665.52                    |
| Interest Income   | 46.68                     | 44.11                     |
| Return on plan assets excluding amounts included in Interest Income | 3.56                      | 3.66                      |
| Contributions   | 120.92                    | 123.42                    |
| Benefits paid   | (98.11)                   | (153.66)                  |
| Actuarial gain / (loss)   | -                         | -                         |
| Fair value of Plan Assets at the end of the year                    | 756.10                    | 683.06                    |

### III Expenses recognised in Profit and Loss

| Particulars   | Gratuity                     |                              | Leave Encashment             |                              | One Time Incentive           |                              |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|   | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 |
| Current Service Cost                                | 85.65                        | 77.79                        | 49.97                        | 41.25                        | 0.61                         | 0.60                         |
| Interest Cost                                       | 5.32                         | 5.68                         | 19.08                        | 17.89                        | 0.57                         | 0.58                         |
| Net Cost recognised in Statement of Profit and Loss | 90.98                        | 83.47                        | 69.06                        | 59.13                        | 1.18                         | 1.18                         |

### IV Expenses recognised in Other Comprehensive Income

| Particulars   | Gratuity                     |                              | Leave Encashment             |                              | One Time Incentive           |                              |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
|   | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 | As at<br>31st March,<br>2022 | As at<br>31st March,<br>2021 |
| Components of actuarial gain / losses on obligations :              |                              |                              |                              |                              |                              |                              |
| Due to change in financial assumptions                              | (26.60)                      | (4.02)                       | (6.88)                       | (1.36)                       | (0.16)                       | (0.03)                       |
| Due to change in demographic assumptions                            | -                            | -                            | -                            | -                            | -                            | -                            |
| Due to experience adjustments                                       | 44.67                        | 46.25                        | (32.78)                      | (12.80)                      | (0.44)                       | 0.14                         |
| Return on Plan Assets excluding amounts included in Interest Income | (3.56)                       | (3.66)                       | -                            | -                            | -                            | -                            |
| Net Cost recognised in Other Comprehensive Income                   | 14.52                        | 38.57                        | (39.66)                      | (14.16)                      | (0.60)                       | 0.11                         |



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### V Assumptions used to determine the Defined Benefit Obligations :

| Particulars   | Gratuity                     |                        | Leave Encashment             |                        | One Time Incentive           |                        |
|---|------------------------------|------------------------|------------------------------|------------------------|------------------------------|------------------------|
|   | As at 31st March, 2022       | As at 31st March, 2021 | As at 31st March, 2022       | As at 31st March, 2021 | As at 31st March, 2022       | As at 31st March, 2021 |
| Mortality rate  | <b>IALM 2006-08 Ultimate</b> | IALM 2006-08 Ultimate  | <b>IALM 2006-08 Ultimate</b> | IALM 2006-08 Ultimate  | <b>IALM 2006-08 Ultimate</b> | IALM 2006-08 Ultimate  |
| Discount rate (per annum)                                     | <b>7.15%</b>                 | 6.85%                  | <b>7.15%</b>                 | 6.85%                  | <b>7.15%</b>                 | 6.85%                  |
| Expected rate of Return on Plan Assets (per annum)            | <b>7.15%</b>                 | 6.85%                  |                              |                        |                              |                        |
| Expected rate of increase in Salary (per annum)               | <b>5.00%</b>                 | 5.00%                  | <b>5.00%</b>                 | 5.00%                  | <b>NA</b>                    | NA                     |
| Expected Average remaining working lives of Employees (Years) | <b>23.46</b>                 | 23.38                  | -                            | -                      | -                            | -                      |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

### VI Sensitivity Analysis :

| Particulars                                | Change in Assumption | Effect on Gratuity obligation | Change in Assumption | Effect on Leave Salary | Change in Assumption | Effect on One Time Incentive |
|--|----------------------|-------------------------------|----------------------|------------------------|----------------------|------------------------------|
| <b>For the year ended 31st March, 2021</b> |                      |                               |                      |                        |                      |                              |
| Discount Rate                              | +0.5%                | 765.74                        | +0.5%                | 277.56                 | +0.5%                | 9.37                         |
|  | -0.5%                | 845.89                        | -0.5%                | 304.66                 | -0.5%                | 9.90                         |
| Salary Growth Rate                         | +0.5%                | 840.51                        | +0.5%                | 304.85                 | +0.5%                | 9.92                         |
|  | -0.5%                | 768.20                        | -0.5%                | 277.28                 | -0.5%                | 9.35                         |
| Withdrawal Rate                            | WR x 110.0%          | 808.09                        | WR x 110.0%          | 291.10                 | -                    | -                            |
|  | WR x 90.0%           | 799.95                        | WR x 90.0%           | 290.04                 | -                    | -                            |
| <b>For the year ended 31st March, 2022</b> |                      |                               |                      |                        |                      |                              |
| Discount Rate                              | <b>+0.5%</b>         | <b>820.26</b>                 | <b>+0.5%</b>         | <b>237.39</b>          | <b>+0.5%</b>         | <b>8.04</b>                  |
|  | <b>-0.5%</b>         | <b>906.82</b>                 | <b>-0.5%</b>         | <b>259.81</b>          | <b>-0.5%</b>         | <b>8.57</b>                  |
| Salary Growth Rate                         | <b>+0.5%</b>         | <b>900.23</b>                 | <b>+0.5%</b>         | <b>260.00</b>          | -                    | -                            |
|  | <b>-0.5%</b>         | <b>823.74</b>                 | <b>-0.5%</b>         | <b>237.12</b>          | -                    | -                            |
| Withdrawal Rate                            | <b>WR x 110.0%</b>   | <b>866.87</b>                 | <b>WR x 110.0%</b>   | <b>248.90</b>          | <b>WR x 110.0%</b>   | <b>8.10</b>                  |
|  | <b>WR x 90.0%</b>    | <b>856.40</b>                 | <b>WR x 90.0%</b>    | <b>247.43</b>          | <b>WR x 90.0%</b>    | <b>8.51</b>                  |

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

### VII History of Experience adjustments is as follows :

| Particulars                                | Gratuity       | Leave Salary | One Time Incentive |
|--|----------------|--------------|--------------------|
| <b>For the year ended 31st March, 2021</b> |                |              |                    |
| Plan Liabilities - (loss) / gain           | (46.25)        | 12.80        | (0.14)             |
| Plan Assets - (loss) / gain                | -              | -            | -                  |
| <b>For the year ended 31st March, 2022</b> |                |              |                    |
| Plan Liabilities - (loss) / gain           | <b>(46.48)</b> | <b>32.78</b> | <b>0.44</b>        |
| Plan Assets - (loss) / gain                | -              | -            | -                  |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### VIII Estimate of Expected Benefit payments

| Particulars                                     | Gratuity         |                  | Leave Salary     |                  | One Time Incentive |                  |
|---|------------------|------------------|------------------|------------------|--------------------|------------------|
|   | 31st March, 2022 | 31st March, 2021 | 31st March, 2022 | 31st March, 2021 | 31st March, 2022   | 31st March, 2021 |
| 1st April, 2021 to 31st March, 2022             | -                | 89.73            | -                | 23.96            | -                  | 2.52             |
| 1st April, 2022 to 31st March, 2023             | 79.65            | 62.87            | 23.94            | 26.00            | 3.14               | 1.83             |
| 1st April, 2023 to 31st March, 2024             | 75.08            | 67.65            | 22.18            | 26.90            | 0.45               | 0.57             |
| 1st April, 2024 to 31st March, 2025             | 65.56            | 57.45            | 19.03            | 21.13            | 0.54               | 0.65             |
| 1st April, 2025 to 31st March, 2026             | 57.54            | 51.95            | 17.25            | 20.27            | 0.93               | 0.84             |
| 1st April, 2026 to 31st March, 2027             | 67.53            | 253.03           | 20.55            | 102.90           | 0.54               | 2.26             |
| 1st April, 2027 to 31st March, 2028 and Onwards | 271.63           | -                | 87.53            | -                | 1.40               | -                |

### IX Statement of Employee Benefit Provision

| Particulars                    | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|--------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Present Value of Obligation    | 861.73                 | 804.10                 | 248.18                 | 290.58                 | 8.30                   | 9.62                   |
| Fair Value of Plan Assets      | (756.10)               | (683.06)               | -                      | -                      | -                      | -                      |
| <b>Net Liability / (Asset)</b> | <b>105.62</b>          | <b>121.04</b>          | <b>248.18</b>          | <b>290.58</b>          | <b>8.30</b>            | <b>9.62</b>            |

### X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

| Particulars  | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|--------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|              | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Current      | 91.68                  | 86.63                  | 23.94                  | 23.96                  | 3.14                   | 2.52                   |
| Non-Current  | 13.94                  | 34.41                  | 224.24                 | 266.62                 | 5.16                   | 7.10                   |
| <b>Total</b> | <b>105.62</b>          | <b>121.04</b>          | <b>248.18</b>          | <b>290.58</b>          | <b>8.30</b>            | <b>9.62</b>            |

### 33 FINANCE COST

#### Interest Expense

On Term Loans  
On Bank Borrowings  
On Security Deposits  
Other Interest  
Bank and Finance Charges

|              | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|--------------|-------------------------------|--------------------------------|
|              | 203.23                        | 158.19                         |
|              | 855.08                        | 1,280.78                       |
|              | 63.04                         | 58.19                          |
|              | 1,197.76                      | 919.13                         |
|              | 111.34                        | 176.93                         |
| <b>Total</b> | <b>2,430.44</b>               | <b>2,593.22</b>                |

### 5 DEPRECIATION & AMORTISATION

Depreciation  
Amortisation

|              | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|--------------|-------------------------------|--------------------------------|
|              | 559.97                        | 630.41                         |
|              | 5.39                          | 7.74                           |
| <b>Total</b> | <b>565.35</b>                 | <b>638.15</b>                  |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 34 OTHER EXPENSES   | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| <b>Manufacturing Expenses</b>                                     |                               |                                |
| Freight Inward  | 247.57                        | 233.01                         |
| Miscellaneous Expenses  | 252.21                        | 97.02                          |
| Power & Fuel  | 205.02                        | 181.91                         |
| Processing Charges  | 776.69                        | 547.93                         |
| Rent, Rates & Taxes   | 21.59                         | 25.73                          |
| Repairs to Building   | 31.68                         | 13.55                          |
| Repairs to Machinery  | 50.84                         | 43.13                          |
| Research & Development Expenses                                   | 211.98                        | 175.33                         |
| Security Charges  | 15.97                         | 12.18                          |
| Stores and Spare Parts consumed                                   | 18.45                         | 17.73                          |
| Wages & Allowances  | 813.88                        | 721.49                         |
|   | <b>2,645.89</b>               | <b>2,069.00</b>                |
| <b>Selling &amp; Distribution Expenses</b>                        |                               |                                |
| Advertisement and Publicity Expenses                              | 3,106.81                      | 2,358.34                       |
| Freight & Delivery Expenses                                       | 2,858.75                      | 2,425.10                       |
| Selling Expenses  | 85.38                         | 71.87                          |
| Travelling Expenses   | 1,337.52                      | 1,099.37                       |
|   | <b>7,388.45</b>               | <b>5,954.69</b>                |
| <b>Other Administration Expenses</b>                              |                               |                                |
| Audit Fees  | 25.30                         | 23.00                          |
| Conveyance & Motor Car Expenses                                   | 535.69                        | 433.37                         |
| Corporate Social Responsibility (CSR) Expenses                    | 51.66                         | 47.03                          |
| Electricity   | 22.24                         | 13.13                          |
| General Expenses  | 69.81                         | 48.35                          |
| Insurance   | 250.87                        | 241.60                         |
| Legal & Professional Fees   | 294.54                        | 259.41                         |
| Loss due to Fire  | 4.35                          | -                              |
| Net (Gain) / Loss on Foreign Currency Transaction and Translation | -                             | 213.20                         |
| Postage & Telephones  | 37.88                         | 42.24                          |
| Printing & Stationery   | 40.08                         | 49.23                          |
| Rent, Rates & Taxes   | 182.63                        | 139.97                         |
| Repairs & Maintenance   | 43.22                         | 20.24                          |
|   | <b>1,558.29</b>               | <b>1,530.78</b>                |
| <b>Total</b>  | <b>11,592.63</b>              | <b>9,554.47</b>                |

### 34.1 Other Disclosures

#### a) Auditor's Remuneration

| Sr. No.      | Particulars                        | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|--------------|------------------------------------|-------------------------------|--------------------------------|
| <b>1</b>     | <b>Statutory Auditors</b>          |                               |                                |
| (i)          | Audit Fees                         | 25.30                         | 23.00                          |
| (ii)         | Limited Review Report Fees         | 0.75                          | 0.75                           |
| (iii)        | Taxation Matters                   | 0.50                          | 2.00                           |
| (iii)        | Certification and Consultancy Fees | 0.40                          | 0.60                           |
| <b>Total</b> |                                    | <b>26.95</b>                  | <b>26.35</b>                   |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

| Sr. No. | Particulars  | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---------|--|-------------------------------|--------------------------------|
|         | Amount required to be spent by the Company during the year   | 51.35                         | 45.83                          |
|         | Amount of Expenditure incurred on (Nature of CSR Activities) :   |                               |                                |
| (i)     | Farmers Call Centre  | 9.99                          | 8.43                           |
| (ii)    | Education including Farmers  | 4.79                          | 12.29                          |
| (iii)   | Health Care  | 33.53                         | 15.99                          |
| (iv)    | Infrastructure Support   | 3.36                          | 10.33                          |
|         |  | 51.66                         | 47.03                          |
|         | Shortfall at the end of the year   | -                             | -                              |
|         | Total of Previous Years Shortfall  | -                             | -                              |
|         | Reason for Shortfall   | NA                            | NA                             |
|         | Details of Related Party Transaction i.e. Contribution to a Trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard | NA                            | NA                             |
|         | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.                      | NA                            | NA                             |

### 35 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

| Sr. No | Particulars  | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|--------|--|-------------------------------|--------------------------------|
| (i)    | Issued Equity Shares   | 130.04                        | 130.04                         |
|        | <b>Weighted Average Shares outstanding - Basic and Diluted</b> | <b>130.04</b>                 | <b>130.04</b>                  |
|        |  |                               |                                |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

| Sr. No | Particulars   | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|--------|---|-------------------------------|--------------------------------|
| (i)    | Profit and Loss after Tax for attributable to Equity Shareholders | 1,902.38                      | 2,263.91                       |
| (ii)   | Basic Earning per Equity Share                                    | 14.63                         | 17.41                          |
| (iii)  | Face Value per Equity Share                                       | 10                            | 10                             |

### 36 LEASE COMMITMENTS (Company is a Lessee)

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

Following is the movement in lease liabilities during the year :

| Particulars                                   | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| As at April 01, 2021                          | 773.77                        | 772.29                         |
| Addition on account of Adoption of IND AS 116 | -                             | -                              |
| Addition during the year (Net)                | 152.41                        | 350.53                         |
| Interest Expenses                             | 112.61                        | 125.49                         |
| Payments                                      | 426.34                        | 474.54                         |
| As at March 31, 2022                          | 612.44                        | 773.77                         |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

Following are the amounts recognised in statement of profit or loss :

| Particulars   | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|---|-------------------------------|--------------------------------|
| Depreciation expense of right-of-use assets                     | 229.70                        | 359.30                         |
| Interest Expense on lease liabilities                           | 112.61                        | 125.49                         |
| Rent Expense - short-term leases and leases of low value assets | 165.23                        | 141.74                         |
| <b>Total amounts recognised in profit or loss</b>               | <b>507.54</b>                 | <b>626.53</b>                  |

### 37. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

| Part - A                   |  |   |  |   |
|----------------------------|--|---|--|---|
| Details of Related Parties |  |   |  |   |
| Sr. No.                    | Nature of Relationship   | Name of the Related Party   | Remarks  |   |
| 1                          | Key Management Personnel   | a) Dr. Rahul Mirchandani<br>b) Mr. Vivek Joshi - Resigned on 30-06-2021<br>c) Mr. Qaiser P. Ansari<br>d) Mrs. Chhaya Ashok Warriar  | a) Chairman & Managing Director<br>b) Chief Financial Officer<br>c) Company Secretary & Sr. VP (Legal)<br>d) Vice President Finance ( discharging the duties & responsibilities of CFO)  |   |
| 2                          | Entities where Control exists - Subsidiaries and Indirect Subsidiaries [ Extent of Holding ] | a) Aries Agro Care Pvt Ltd [100%]<br>b) Aries Agro Equipments Pvt Ltd [100%]<br>c) Mirabelle Agro Manufacturing Pvt Ltd [100%]<br>d) Golden Harvest Middle East FZC [75%] | a) Date of Incorporation 5th January, 2007<br>b) Date of Incorporation 12th January, 2007<br>c) Date of Incorporation 26th December, 2019<br>d) Date of Incorporation 31st October, 2004   |   |
| 3                          | Enterprises over which the Key Management Persons has significant Influence of Control       | a) Aries Marketing Ltd.<br>b) Blossoms International Ltd.<br>c) Sreeni Agro Chemicals Ltd.<br>d) Aries East West Nutrients Pvt. Ltd.                                      |  |   |
| 4                          | Relatives of Key Management Personnel & Non- Independent Directors                           | <b>Name of the Key Management Personnel</b><br>a) Dr. Rahul Mirchandani<br>b) Mrs. Nitya Mirchandani<br>c) Dr. Jimmy Mirchandani  | <b>Name of the Relative</b><br>a) Mrs. Nitya Mirchandani<br>b) Mr. Armaan Mirchandani<br>c) Dr. Jimmy Mirchandani<br>a) Dr. Rahul Mirchandani<br>b) Mr. Armaan Mirchandani<br>a) Dr. Rahul Mirchandani<br>b) Mr. Akshay Mirchandani<br>c) Mrs. Aparna Mirchandani<br>f) Mr. Amol Mirchandani<br>e) Mrs. Karishma Mirchandani | <b>Relationship</b><br>Spouse<br>Son<br>Brother<br>Spouse<br>Son<br>Brother<br>Son<br>Daughter in Law<br>Son<br>Daughter in Law |
| 5                          | Associates   | a) Amarak Chemicals FZC   | Date of Incorporation 9th September, 2007  |   |

**Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022**

(Rupees in Lakhs unless stated otherwise)

| <b>Part - B</b>   |   |                                      |  |  |
|---|---|--------------------------------------|--|--|
| <b>Disclosure of Transactions between the Company and Related Parties</b> |   |                                      |  |  |
| <b>Sr. No.</b>  | <b>Category</b>   | <b>Nature of Service</b>             | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| 1   | Key Management Personnel  | Directors Remuneration paid          | 211.90                                 | 211.17                                 |
|   |   | Salary Paid                          | 96.21                                  | 90.56                                  |
|   |   | Rent                                 | 9.00                                   | -                                      |
| 2   | Subsidiaries  | Loan / Advance given                 | 75.65                                  | 84.53                                  |
|   |   | Loan Taken / Refund of Advance       | 470.50                                 | 21.50                                  |
|   |   | Sale of Goods                        | 100.16                                 | 11.89                                  |
|   |   | Payments (Net of Receipts) for Goods | 496.06                                 | -                                      |
|   |   | Rent - Income                        | 2.48                                   | 0.40                                   |
|   |   | Receipts from Sale of Goods          | 1.25                                   | 12.80                                  |
|   |   | Purchase of Goods                    | 511.33                                 | -                                      |
|   |   | Interest Income on Loan              | 492.83                                 | 496.73                                 |
| 3   | Relatives of Key Management Personnel & Non-Independent Directors | Legal & Professional Fees (Gross)    | 85.15                                  | 84.42                                  |
|   |   | Rent                                 | 12.00                                  | 13.50                                  |
|   |   | Sitting Fees                         | 6.20                                   | 5.00                                   |
|   |   | Salary Paid                          | 40.76                                  | 31.34                                  |
| 4   | Associates  | Sale of Goods                        | 4.20                                   | -                                      |
|   |   | Purchase of Goods                    | 254.13                                 | -                                      |
|   |   | Payments (Net of Receipts) for Goods | 231.65                                 | -                                      |

| <b>Part - C</b>   |  |                                      |                                   |                                   |
|---|--|--------------------------------------|-----------------------------------|-----------------------------------|
| <b>Balance Outstanding with Related Parties</b>                   |  |                                      |                                   |                                   |
| <b>Category</b>   | <b>Nature of Outstanding</b>                   | <b>Name of the Related Party</b>     | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| Key Management Personnel  | Due to Directors                               | Dr. Rahul Mirchandani                | 0.68                              | -                                 |
| Subsidiary  | Loans & Advances                               | Golden Harvest Middle East FZC       | 10,572.42                         | 10,120.62                         |
|   |  | Mirabelle Agro Manufacturing Pvt Ltd | -                                 | 63.03                             |
|   | Trade Receivables                              | Mirabelle Agro Manufacturing Pvt Ltd | 91.32                             | -                                 |
|   | Trade Payables                                 | Golden Harvest Middle East FZC       | 248.12                            | 239.82                            |
|   |  | Mirabelle Agro Manufacturing Pvt Ltd | -                                 | 0.42                              |
|   | Share Investments                              | Aries Agro Care Pvt Ltd              | 1.00                              | 1.00                              |
|   |  | Aries Agro Equipments Pvt Ltd        | 1.00                              | 1.00                              |
|   |  | Mirabelle Agro Manufacturing Pvt Ltd | 1.00                              | 1.00                              |
|   |  | Golden Harvest Middle East FZC       | 2,024.89                          | 2,024.89                          |
| Relatives of Key Management Personnel & Non-Independent Directors | Due to Directors (including Professional Fees) | Dr. Jimmy Mirchandani                | 37.17                             | 39.39                             |
|   | Rent   | Mrs. Nitya Mirchandani               | 0.68                              | 1.39                              |
|   |  | Mr. Akshay Mirchandani               | 0.11                              | 0.23                              |
|   |  | Mrs. Aparna Mirchandani              | 0.11                              | -                                 |
| Associates  | Trade Receivables                              | Amarak Chemicals FZC                 | 129.76                            | 121.25                            |
|   | Trade Payables                                 |                                      | 17.83                             | -                                 |

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 38 Additional Regulatory Information

| Sr. No. | RATIOS                                      | Numerator  | Denominator  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 | Variance |
|---------|---|--|--|--------------------------------|--------------------------------|----------|
| 1       | Current Ratio (in Times)                    | Total Current Assets   | Total Current Liabilities  | 1.60                           | 1.49                           | 7.66     |
| 2       | Debt-Equity Ratio (in Times) **             | Total Debt including Current Maturities of Long Term Debt + Lease Liabilities              | Total Equity   | 0.53                           | 0.75                           | (29.36)  |
| 3       | Debt Service Coverage Ratio (in Times)      | Earning for Debt Service = Net Profit after Taxes + Non-Cash Operating Expenses + Interest | Debt Service = Debt Payable within one year + Interest & Lease Liabilities               | 1.51                           | 1.48                           | 1.45     |
| 4       | Return on Equity (in %)                     | Net Profit after Tax   | Average Shareholders Equity  | 9.53                           | 12.62                          | (24.49)  |
| 5       | Inventory Turnover Ratio (in Times) **      | Cost of Goods Sold   | Average Inventory  | 3.74                           | 2.59                           | 44.37    |
| 6       | Trade Receivables Turnover Ratio (in Times) | Revenue from Operations  | Average Trade Receivables  | 4.09                           | 3.62                           | 12.91    |
| 7       | Trade Payables Turnover Ratio (in Times)    | Net Credit Purchases   | Average Trade Payables for Goods   | 5.09                           | 4.62                           | 10.06    |
| 8       | Net Capital Turnover Ratio (in Times)       | Revenue from Operations  | Average Working Capital  | 3.17                           | 3.17                           | (0.15)   |
| 9       | Net Profit Ratio (in %) *                   | Profit for the year  | Revenue from Operations  | 4.33                           | 5.93                           | (27.06)  |
| 10      | Return on Capital Employed (in %)           | Profit Before Tax and Finance Cost   | Capital Employed = Net Worth + Total Debt + Lease Liabilities + Deferred Tax Liabilities | 15.66                          | 16.57                          | (5.48)   |
| 11      | Return on Investment (in %)                 | Net Profit Before Tax  | Net Worth  | 12.72                          | 15.79                          | (19.41)  |

\* 1. Due to the possible impact of Covid 19 the purchase cost of raw material and traded products has increased

\*\* 2. Revenue growth alongwith higher efficiency on working capital improvement has resulted in an improvement of ratio.

### 39. Contingent Liability not provided for in the accounts:

- a) Letters of credit / guarantees given / Bills discounting Rs. 1,089.69 Lakhs..
- b) Claims against company not acknowledged as debts Rs. 4,900.42 Lakhs which includes tax dues disputed as Rs. 23.55 Lakhs towards sales Tax, Rs. 7,17.82 Lakhs towards Income Tax, Rs. 4,152.09 Lakhs towards central excise & customs and Rs. 6.97 Lakhs pertaining to pending suits regarding quality issue.
- c) 1) The Commissioner of CGST & Central Excise, Navi Mumbai, had passed an order confirming demand of Rs. 4.79 Crores and interest on the said amount on account of Central Excise duty on the classification of micronutrient fertilizers products relating to the Mumbai Factory against which the Company filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai and the same is pending before CESTAT Mumbai.
- 2 (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad.
- 2 (b). The Commissioner of Central GST & Central Excise, Ahmedabad, had passed an order confirming demand of Rs. 13.84 Crores on account of Central Excise duty, penalty on the said amount of Rs. 13.84 Crores on the classification nine micronutrient fertilizers products relating to the Chhatral factory against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.

The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.

In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.

## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

- 3(a). The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentonite under Chapter Heading No. 25030010.

- 3(b). The Company has been classifying Zn-EDTA & Fe-EDTA under Chapter Heading No. 31059090 as other Fertiliser for Mumbai Factory. However, the Customs authorities classified imported under Chapter Heading No. 29224990 "as Organic Chemical". The Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 29224990 and pass order and demanded an amount of Rs. 81.84 Lakhs, on account of Custom Duty with Interest against which the Company has filed an appeal before the Customs, Excise & Service Tax Appellate Tribunal Mumbai.

### 40. Segmental Reporting as per Ind AS - 108

The Company has only One business Segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 'Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

### 41. Events Occurring after Balance Sheet

#### Dividend proposed & paid

| Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--|--------------------------------|--------------------------------|
| Dividend proposed for Equity Shareholders @ Rs. 0.80 per share | 104.03                         | -                              |
| Dividend paid to Equity Shareholder @ Rs. 0.80 per share       | -                              | 104.03                         |
| <b>Total</b>   | <b>-</b>                       | <b>104.03</b>                  |

### 42. Supplementary Profit and Loss Data

|   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|--------------------------------|--------------------------------|
| (a) Value of Imports calculated on CIF basis ( <i>including Raw Material &amp; Products Traded</i> ) (on accrual basis) : | 6,276.03                       | 4,841.70                       |
| (b) Earnings in Foreign Currency (on accrual basis)   |                                |                                |
| FOB Value of export sales   | 17.72                          | 22.61                          |
| Interest on Loans   | 492.83                         | 496.73                         |
| (c) Expenditure in Foreign Currency (on accrual basis)  |                                |                                |
| Foreign Traveling Expenses  | 2.54                           | 2.26                           |
| Legal & Professional Fees   | 85.15                          | 84.42                          |

| (d) Details of Consumption of Raw Materials : |                            |                |                            |                |
|---|----------------------------|----------------|----------------------------|----------------|
| Particulars                                   | Year Ended 31st March 2022 |                | Year Ended 31st March 2021 |                |
| Imported                                      | 2,639.75                   | 21.22%         | 2,159.01                   | 21.21%         |
| Indigenous                                    | 9,802.44                   | 78.78%         | 8,021.32                   | 78.79%         |
| <b>Total</b>                                  | <b>12,442.19</b>           | <b>100.00%</b> | <b>10,180.33</b>           | <b>100.00%</b> |



## Notes forming part of Standalone Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

43. The Company has no transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956
44. Previous Years figures have been regrouped and rearranged wherever necessary so as to make them comparable with the current year.

### As per our report of even date

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Place :** Mumbai  
**Date :** 25th May, 2022

### For and on behalf of the Board of Directors of Aries Agro Limited

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Prof. R. S. S. Mani**  
Director  
DIN 00527270

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and  
Responsibilities of CFO)

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Statement Pursuant to first proviso to sub-section (3) of section 129 the Companies Act 2013, read with rule 5 of Companies (Account) Rules, 2014 in the prescribed Form AOC - 1 relating to subsidiary companies**

| Sr. No. | Name of the Subsidiary Company         | Reporting Currency | Exchange Rate | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Turnover | Profit Before Taxation | Provision for Taxation | Profit after Taxation | Proposed Dividend | % of Shareholding | Country |
|---------|--|--------------------|---------------|---------------|--------------|--------------|-------------------|-------------|----------|------------------------|------------------------|-----------------------|-------------------|-------------------|---------|
|         |  |                    |               |               |              |              |                   |             |          |                        |                        |                       |                   |                   |         |
| 1       | Aries Agro Care Pvt. Ltd.              | INR                | 1.00          | 1.00          | (48.53)      | 34.47        | 34.47             | -           | 0.14     | (15.32)                | -                      | (15.32)               | -                 | 100 %             | India   |
| 2       | Aries Agro Equipments Pvt. Ltd.        | INR                | 1.00          | 1.00          | 76.99        | 78.45        | 78.45             | -           | 2.02     | 1.45                   | -                      | 1.45                  | -                 | 100 %             | India   |
| 3       | Mirabelle Agro Manufacturing Pvt. Ltd. | INR                | 1.00          | 1.00          | (54.15)      | 407.28       | 407.28            | -           | 667.72   | (72.66)                | -                      | (72.66)               | -                 | 100 %             | India   |
| 4       | Golden Harvest Middle East FZC         | AED                | 20.63         | 3,950.65      | 474.26       | 15,079.65    | 15,079.65         | 303.26      | 0.67     | (549.56)               | -                      | (549.56)              | -                 | 75 %              | UAE     |

(Rupees in Lakhs)

**As per our report of even date** For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warrier**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPA19472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF ARIES AGRO LIMITED

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the accompanying consolidated financial statements of Aries Agro Limited (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, and their the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") 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 Consolidated Financial Statements* section of our report. We are independent of the Group 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 consolidated 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### OTHER MATTERS

We did not audit the financial statements of certain Indian subsidiaries which reflect total assets of Rs. 539.06 Lakhs as at 31<sup>st</sup> March 2022 total revenue of Rs. 669.95 Lakhs and net cash flow amounting to Rs. (19.28) Lakhs for the year then ended, share of Loss of the group is Rs. (67.67) as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

We did not audit the financial statements / consolidated financial statements of one foreign subsidiary whose standalone financial statements reflect total assets of AED 730.96 Lakhs as at 31<sup>st</sup> March, 2022 total revenues of AED 0.03 Lakhs and net cash flow amounting to AED (0.007) Lakhs for the year ended on that date and consolidated financial statements of the subsidiary in which the share of loss of an associate is AED (6.60) Lakhs and total loss of the Subsidiary including loss of Associate is AED (33.24) Lakhs. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not modified in respect of above matters with respect to financial statements certified by the other Auditors.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter  | Auditor's Response   |
|---|--|
| <b>1. Revenue recognition – Sale of Goods</b><br><br>Revenue recognition – Sale of goods Refer Note 4 (N)(a) "Revenue Recognition" of the Standalone Financial Statements under Significant Accounting Policies. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, which is mainly upon delivery and when there are no longer any unfulfilled obligations. The timing of revenue recognition is relevant to the reported performance of the Group. The Management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. | <b>Principal Audit Procedures</b><br><br>We have performed the following principal audit procedures in relation to revenue recognised which include a combination of testing internal controls and substantive testing as under: <ul style="list-style-type: none"> <li>Assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 and testing thereof.</li> <li>Evaluating the integrity of the general information and technology ("IT") control environment and testing the operating effectiveness of key IT application controls.</li> <li>Understanding the revenue recognition process, evaluating the design and implementation of Group's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut-off at year end.</li> </ul> Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued subsequent to the year end to determine whether revenue was recognised in correct period. <ul style="list-style-type: none"> <li>Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> </ul> |

| Key Audit Matter  | Auditor's Response   |
|---|--|
| <p><b>2. Evaluation of uncertain tax positions</b></p> <p>The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>The Group has disclosed in contingent liabilities (to the extent not provided for) towards direct and indirect tax position.</p> <p>Refer Notes 4 (M) and 40 to the Consolidated Financial Statements</p> <p>The Group undergo assessment proceedings from time to time with direct and indirect tax authorities. There is a high level of judgment required in estimating the level of provisioning and/or disclosure required.</p> <p>The management's assessment is supported by the advice from independent tax consultants and legal consultants, where considered necessary by the management. Accordingly, unexpected adverse outcome, if any, could impact significantly the company's reported profit and balance sheet position.</p> | <p>Obtained details of completed tax assessment and demands for the year ended March 31, 2022 from management. We involved group's legal and tax consultants to challenge the management's underlying assumptions in estimating the tax provision, liabilities and the possible outcome of the disputes. Group's legal and tax consultants also considered legal precedence and other ruling evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax position as at April 1, 2021 to evaluate whether any change is required to management's position on these uncertainties.</p> <p>We did not identify any material exception as a result of above procedure relating to management's assessment of provisions.</p> |

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

#### Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of these consolidated financial statements that give a

true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing ability of respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective board of directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 and its subsidiary companies which are companies incorporated in India, 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial

statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
- iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any such subsidiaries to or in any other person or entity, including foreign entity ("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;
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries 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;
- (c) Based on the 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.
- v. As stated in Note 42 to the consolidated financial statements
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend is not declared.
- (c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and by respective auditor of its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm's Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

(Membership No.101903)  
UDIN : **22101903AJPPBB3899**

Date: 25<sup>th</sup> May, 2022  
Place: Mumbai

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Aries Agro Limited (hereinafter referred to as “Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management’s Responsibility for Internal Financial Controls.**

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the ICAI”). 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 the respective 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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 the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, 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 Over Financial Reporting**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sandeep Sheth & Associates**  
Chartered Accountants  
(Firm’s Registration No. 120685W)

**Sandeep Sheth**  
Proprietor

Date: 25<sup>th</sup> May, 2022  
Place: Mumbai

(Membership No.101903)  
UDIN : **22101903AJPPBB3899**

## CONSOLIDATED Statement of Assets & Liabilities as on 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Particulars   | Note Nos. | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-----------|------------------------|------------------------|
| <b>I. ASSETS</b>  |           |                        |                        |
| (1) <b>Non-Current Assets</b>   |           |                        |                        |
| (a) Property, Plant and Equipment   | 5         | 6,182.49               | 4,796.10               |
| (b) Right of Use Asset  | 5         | 578.89                 | 673.93                 |
| (c) Capital Work in Progress  |           | -                      | 1,283.53               |
| (d) Intangible Assets   | 5         | 12.67                  | 17.00                  |
| (e) Financial Assets  |           |                        |                        |
| Non-Current Investments   | 6         | 5,745.53               | 5,684.95               |
|   |           | <b>12,519.58</b>       | <b>12,455.51</b>       |
| (2) <b>Current Assets</b>   |           |                        |                        |
| (a) Inventories   | 7         | 14,708.15              | 14,074.87              |
| (b) Financial Assets  |           |                        |                        |
| (i) Trade Receivables   | 8         | 11,846.95              | 12,307.84              |
| (ii) Cash & Cash Equivalents  | 9         | 71.41                  | 68.74                  |
| (iii) Other Bank Balances   | 10        | 242.87                 | 341.18                 |
| (iv) Loans  | 11        | 8.41                   | 6.51                   |
| (v) Other Financial Assets  | 12        | 8.82                   | 9.10                   |
| (c) Other Current Assets  | 13        | 11,497.77              | 10,825.01              |
|   |           | <b>38,384.39</b>       | <b>37,633.24</b>       |
| <b>TOTAL</b>  |           | <b>50,903.96</b>       | <b>50,088.75</b>       |
| <b>II. EQUITY AND LIABILITIES</b>   |           |                        |                        |
| (1) <b>Equity</b>   |           |                        |                        |
| (a) Equity Share Capital  | 14        | 1,300.43               | 1,300.43               |
| (a) Other Equity  | 15        | 21,124.09              | 19,755.73              |
|   |           | <b>22,424.52</b>       | <b>21,056.16</b>       |
| (2) <b>Non-Controlling Interest</b>   | 16        |                        |                        |
| Non-Controlling Interest - Equity   |           | 512.43                 | 495.29                 |
| Non-Controlling Interest - Non-Equity   |           | 42.75                  | 207.01                 |
|   |           | <b>555.18</b>          | <b>702.30</b>          |
| (3) <b>Non-Current Liabilities</b>  |           |                        |                        |
| (a) Financial Liabilities   |           |                        |                        |
| Borrowings  | 17        | 1,797.15               | 1,215.35               |
| Lease Liabilities   | 18        | 189.76                 | 327.19                 |
| (b) Provisions  | 19        | 252.03                 | 315.91                 |
| (c) Deferred Tax Liability (Net)  | 20        | 582.24                 | 527.99                 |
|   |           | <b>2,821.18</b>        | <b>2,386.44</b>        |
| (4) <b>Current Liabilities</b>  |           |                        |                        |
| (a) Financial Liabilities   |           |                        |                        |
| (i) Borrowings  | 21        | 8,792.84               | 12,245.11              |
| (ii) Trade Payables   | 22        |                        |                        |
| (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                      |           | 2,240.70               | 1,691.66               |
| (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises |           | 4,704.43               | 3,541.36               |
| (iii) Lease Liabilities   | 23        | 448.65                 | 492.05                 |
| (iv) Other Financial Liabilities  | 24        | 31.21                  | 37.15                  |
| (b) Other Current Liabilities   | 25        | 8,699.67               | 7,737.66               |
| (c) Current Provisions  | 26        | 118.75                 | 113.11                 |
| (d) Current Tax Liability (Net)   | 27        | 66.82                  | 85.73                  |
|   |           | <b>25,103.08</b>       | <b>25,943.84</b>       |
| <b>TOTAL</b>  |           | <b>50,903.96</b>       | <b>50,088.75</b>       |
| <b>Summary of Significant Accounting Policies</b>   | 4         |                        |                        |

The Notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aries Agro Limited

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warrier**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711



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

(Rupees in Lakhs unless stated otherwise)

| Particulars   | Note Nos. | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|-----------|--------------------------------|--------------------------------|
| <b>I. Revenue from Operations</b>   | 28        | <b>54,808.76</b>               | 47,451.15                      |
| Less :- Discounts / Rebates   |           | <b>10,805.45</b>               | 9,304.18                       |
|   |           | <b>44,003.31</b>               | 38,146.97                      |
| <b>II. Other Income</b>   | 29        | <b>391.06</b>                  | 27.00                          |
| <b>III. Total Revenue ( I + II )</b>  |           | <b>44,394.37</b>               | 38,173.96                      |
| <b>IV. Expenses :</b>   |           |                                |                                |
| (a) Cost of Materials Consumed  | 30        | <b>14,608.43</b>               | 12,059.82                      |
| (b) Cost of Products Traded   | 31        | <b>7,197.75</b>                | 5,589.65                       |
| (c) (Increase) / Decrease in Inventories of Finished Goods                                | 32        | <b>1,216.24</b>                | 1,133.48                       |
| (d) Employee Benefits Expense   | 33        | <b>4,615.87</b>                | 4,106.89                       |
| (e) Finance Costs   | 34        | <b>2,447.34</b>                | 2,596.35                       |
| (f) Depreciation and Amortization   | 5         | <b>578.27</b>                  | 644.36                         |
| (g) Other Expenses  | 35        | <b>11,702.35</b>               | 9,581.97                       |
| Total Expenses  |           | <b>42,366.25</b>               | 35,712.53                      |
| <b>V. Profit Before Tax ( PBT ) - ( III - IV )</b>  |           | <b>2,028.12</b>                | 2,461.44                       |
| <b>VI. Tax Expense</b>  |           |                                |                                |
| (a) Current Tax   |           | <b>732.00</b>                  | 640.00                         |
| (b) Adjustment of Tax relating to earlier periods   |           | <b>(40.75)</b>                 | 6.45                           |
| (c) Deferred Tax  |           | <b>42.53</b>                   | 97.83                          |
| <b>Income Tax Expense</b>   |           | <b>733.78</b>                  | 744.27                         |
| <b>VII. Profit / (Loss) after Tax ( V - VI )</b>  |           | <b>1,294.34</b>                | 1,717.16                       |
| <b>VIII. Add / (Less) :- Share of Profit / (Loss ) of Associates</b>                      |           | <b>(133.87)</b>                | (77.48)                        |
| <b>IX. Profit / (Loss) for the Period</b>   |           | <b>1,160.48</b>                | 1,639.68                       |
| <b>X. Profit / (Loss) for the year attributable to :</b>                                  |           |                                |                                |
| Owners of the Parent  |           | <b>1,329.03</b>                | 1,795.71                       |
| Non-Controlling Interest  |           | <b>(168.56)</b>                | (156.03)                       |
|   |           | <b>1,160.48</b>                | 1,639.68                       |
| <b>IX. Other Comprehensive Income</b>   |           |                                |                                |
| <b>(A) Items that will not be reclassified to Profit or Loss</b>                          |           |                                |                                |
| (i) Changes in Revaluation Surplus  |           | -                              | -                              |
| (i) Remeasurements of Defined Benefit Plans   |           | <b>25.74</b>                   | (24.53)                        |
| (iii) Equity Instruments through OCI  |           | -                              | -                              |
|   |           | <b>25.74</b>                   | (24.53)                        |
| (iv) Less :- Income Tax relating to Items that will not be reclassified to Profit or Loss |           | <b>11.72</b>                   | 4.02                           |
|   |           | <b>14.01</b>                   | (28.54)                        |
| <b>(B) Items that will be reclassified to Profit or Loss</b>                              |           |                                |                                |
| (i) Exchange Differences in translating the Financial Statements of Foreign Operation     |           | <b>(11.47)</b>                 | 9.86                           |
| (ii) Debt Instruments through OCI   |           | -                              | -                              |
| (iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge |           | -                              | -                              |
|   |           | <b>(11.47)</b>                 | 9.86                           |
| (ii) Less :- Income Tax relating to Items that will be reclassified to Profit or Loss     |           | -                              | -                              |
|   |           | <b>(11.47)</b>                 | 9.86                           |
|   |           | <b>2.55</b>                    | (18.68)                        |
| <b>X. Total Comprehensive Income for the year (VII + IX)</b>                              |           | <b>1,163.02</b>                | 1,621.00                       |
| <b>XI. Other Comprehensive Income for the year attributable to :</b>                      |           |                                |                                |
| Owners of the Parent  |           | <b>5.41</b>                    | (21.15)                        |
| Non-Controlling Interest  |           | <b>(2.87)</b>                  | 2.46                           |
|   |           | <b>2.55</b>                    | (18.68)                        |
| <b>XII. Total Comprehensive Income for the year attributable to :</b>                     |           |                                |                                |
| Owners of the Parent  |           | <b>1,334.45</b>                | 1,774.56                       |
| Non-Controlling Interest  |           | <b>(171.43)</b>                | (153.56)                       |
|   |           | <b>1,163.02</b>                | 1,621.00                       |
| <b>XIII. Earnings per Equity Share</b>  | 36        |                                |                                |
| (1) Basic & Diluted   |           | <b>10.22</b>                   | 13.81                          |
| <b>Summary of Significant Accounting Policies</b>   | 4         |                                |                                |

The Notes referred to above form an integral part of the Consolidated Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of Aries Agro Limited

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warrier**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## Statement of Changes in Equity for the year ended 31st March, 2022

Note No. 14

(Rupees in Lakhs unless stated otherwise)

| A | Equity Share Capital | Balance as at<br>31st March, 2021 | Changes in Equity<br>Capital during the year | Balance as at<br>31st March, 2022 | Non-Controlling<br>Interest - Equity |
|---|----------------------|-----------------------------------|--|-----------------------------------|--------------------------------------|
|   |                      | 1,300.43                          | -  | 1,300.43                          | 512.43                               |

Note No. 15

| B | Other Equity   | Attributable to the Equity Holders of the Parent |               |                                      |                 |                   |                                     |                                | Non-Controlling Interest - Non Equity |
|---|--|--|---------------|--------------------------------------|-----------------|-------------------|-------------------------------------|--------------------------------|---------------------------------------|
|   |  | Reserves & Surplus                               |               |                                      |                 |                   | Items of Other Comprehensive Income | Balance as at 31st March, 2022 |                                       |
|   |  | Securities Premium Reserve                       | Legal Reserve | Foreign Currency Translation Reserve | General Reserve | Retained Earnings |                                     |                                |                                       |
|   | Balance as at 1st April, 2021  | 4,900.37   | 11.22         | 1,340.58                             | 1,029.56        | 12,695.34         | 19,977.07                           | 19,755.73                      | 207.01                                |
|   | Add / (Less) :- Profit / (Loss) for the year   | -  | -             | -                                    | -               | 1,294.34          | 1,294.34                            | 1,294.34                       | -                                     |
|   | Add / (Less) :- Share of Profit / (Loss) of Associates   | -  | -             | -                                    | -               | (133.87)          | (133.87)                            | (133.87)                       | -                                     |
|   | Add / (Less) :- Share of Non-Controlling Interest in Profit & Loss                                 | -  | -             | -                                    | -               | 168.56            | 168.56                              | 168.56                         | (168.56)                              |
|   | Add / (Less) :- Remeasurements of Defined Benefits Plan  | -  | -             | -                                    | -               | -                 | -                                   | 14.01                          | -                                     |
|   | Add / (Less) :- Exchange Rate Difference on Translating Financial Statements of Foreign Operations | -  | -             | -                                    | -               | -                 | -                                   | (11.47)                        | -                                     |
|   | Add / (Less) :- Share of Non-Controlling Interest in OCI   | -  | -             | -                                    | -               | -                 | -                                   | 2.87                           | (2.87)                                |
|   | Add / (Less) :- Dividend Paid for F Y 2020-21  | -  | -             | -                                    | -               | (104.04)          | (104.04)                            | (104.04)                       | -                                     |
|   | Add / (Less) :- Foreign Currency Translation Reserve   | -  | 0.39          | 116.46                               | -               | 28.50             | 145.34                              | 137.95                         | 7.16                                  |
|   | Balance as at 31st March, 2022   | 4,900.37   | 11.60         | 1,457.04                             | 1,029.56        | 13,948.83         | 21,347.41                           | 21,124.09                      | 42.75                                 |
|   | Balance as at 1st April, 2020  | 4,900.37   | 11.57         | 1,446.91                             | 1,029.56        | 10,958.78         | 18,347.19                           | 18,121.40                      | 371.88                                |
|   | Add / (Less) :- Profit / (Loss) for the year   | -  | -             | -                                    | -               | 1,717.16          | 1,717.16                            | 1,717.16                       | -                                     |
|   | Add / (Less) :- Share of Profit / (Loss) of Associates   | -  | -             | -                                    | -               | (77.48)           | (77.48)                             | (77.48)                        | -                                     |
|   | Add / (Less) :- Share of Non-Controlling Interest in Profit & Loss                                 | -  | -             | -                                    | -               | 156.03            | 156.03                              | 156.03                         | (156.03)                              |
|   | Add / (Less) :- Remeasurements of Defined Benefits Plan  | -  | -             | -                                    | -               | -                 | -                                   | (28.54)                        | -                                     |
|   | Add / (Less) :- Exchange Rate Difference on Translating Financial Statements of Foreign Operations | -  | -             | -                                    | -               | -                 | -                                   | 9.86                           | -                                     |
|   | Add / (Less) :- Share of Non-Controlling Interest in OCI   | -  | -             | -                                    | -               | -                 | -                                   | (2.46)                         | 2.46                                  |
|   | Add / (Less) :- Adjustment on adoption of IFRS 16  | -  | -             | -                                    | -               | 0.27              | 0.27                                | 0.27                           | 0.09                                  |
|   | Add / (Less) :- Foreign Currency Translation Reserve   | -  | (0.35)        | (106.33)                             | -               | (59.41)           | (166.10)                            | (140.50)                       | (11.39)                               |
|   | Balance as at 31st March, 2021   | -  | (0.35)        | (106.33)                             | -               | 1,736.56          | 1,629.88                            | 1,634.33                       | (164.86)                              |
|   |  | 4,900.37   | 11.22         | 1,340.58                             | 1,029.56        | 12,695.34         | 19,977.07                           | 19,755.73                      | 207.01                                |

## Consolidated Statement Of Cash Flows For The Year Ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Sr. No.   | Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|-----------|---|--------------------------------|--------------------------------|
| <b>A)</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>  |                                |                                |
|           | Net Profit before tax as per Statement of Profit and Loss   | 2,028.12                       | 2,461.44                       |
|           | <b>Adjusted for :</b>   |                                |                                |
|           | Depreciation and Amortisation Expense   | 578.27                         | 644.36                         |
|           | Loss / (Profit) on Sale of Assets (net)   | (1.47)                         | (2.22)                         |
|           | Loss due to Fire  | 4.35                           | -                              |
|           | Effect of Exchange Rate change  | (43.66)                        | 23.12                          |
|           | Interest Income   | (26.26)                        | (11.80)                        |
|           | Provision for Employees Terminal Benefits   | -                              | -                              |
|           | Adjustment on Adoption of IFRS 16   | -                              | 0.36                           |
|           | Share of Loss in Associate  | 133.87                         | 77.48                          |
|           | Remeasurements of Defined Benefit Plans   | 25.74                          | (24.53)                        |
|           | Finance Costs   | 2,447.34                       | 2,596.35                       |
|           | Operating Profit before Working Capital Changes   | 5,146.30                       | 5,764.56                       |
|           | <b>Adjusted for :</b>   |                                |                                |
|           | (Increase) / Decrease in Trade Receivables  | 460.89                         | (680.41)                       |
|           | (Increase) / Decrease in Inventories  | (633.28)                       | (271.80)                       |
|           | Increase / (Decrease) in Trade Payables   | 1,712.11                       | (611.88)                       |
|           | Increase / (Decrease) in Provisions & Other Current Liabilities   | 878.92                         | 2,094.48                       |
|           | Cash Generated from Operations  | 7,564.94                       | 6,294.95                       |
|           | Income Taxes (paid) / received (Net)  | (691.25)                       | (646.45)                       |
|           | <b>Net Cash Flow from Operating Activities (A)</b>  | <b>6,873.69</b>                | <b>5,648.50</b>                |
| <b>B)</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>  |                                |                                |
|           | Purchase of Fixed Assets ( Property, Plant & Equipment, Intangible Assets, Capital work in progress (WIP) | (644.91)                       | (1,446.80)                     |
|           | Proceeds from Sale of Fixed Assets  | 59.26                          | 16.65                          |
|           | Capital Subsidy received  | 1.00                           | 25.00                          |
|           | Investments in Long Term Investments  | (133.87)                       | (77.48)                        |
|           | Movement in Short Term Loans and Advances & Other Assets  | (576.08)                       | 70.58                          |
|           | Interest Income   | 26.26                          | 11.80                          |
|           | <b>Net Cash Flow from / ( used in) Investing Activities (B)</b>   | <b>(1,268.33)</b>              | <b>(1,400.24)</b>              |
| <b>C)</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>   |                                |                                |
|           | Dividend Paid   | (104.04)                       | -                              |
|           | Non Current Borrowings ( Net )  | 581.79                         | (218.52)                       |
|           | Current Borrowings ( Net )  | (3,452.28)                     | (1,488.74)                     |
|           | Finance Costs   | (2,447.34)                     | (2,596.35)                     |
|           | Increase / (Decrease) in Lease Liabilities  | (180.82)                       | 46.95                          |
|           | <b>Net Cash ( used in ) / from financing activities (C)</b>   | <b>(5,602.69)</b>              | <b>(4,256.66)</b>              |
|           | Net Increase in Cash and Cash Equivalents   | 2.67                           | (8.40)                         |
|           | Opening Balance of Cash and Cash Equivalents  | 68.74                          | 77.13                          |
|           | Closing Balance of Cash and Cash Equivalents  | 71.41                          | 68.74                          |

**NOTE :** 1 The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".  
2 Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Qaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## NOTES to the Financial Statements for the year ended 31st March, 2022

### 1. Corporate Information

Aries Agro Limited ('Aries' or the 'Company') (CIN L99999MH1969PLC014465) was incorporated at Mumbai in 1969 for manufacturing of small range of mineral feed additives for animals & birds and then diversified into mineral additives for the agriculture use and currently is into business of manufacturing micronutrients and other nutritional products for plants and animals.

In January, 2007 the Company incorporated Aries Agro Care Private Limited as a Wholly Owned Subsidiary for carrying business in the Branch of agro protection, seeds, etc.

In January, 2007 the Company incorporated Aries Agro Equipment Private Limited as a Wholly Owned Subsidiary for carrying business in all type of farm equipment, machinery, etc.

In December, 2019 the Company incorporated Mirabelle Agro Manufacturing Private Limited as a Wholly Owned Subsidiary for carrying business in Mineral Feed Supplements.

In 2008 the Company acquired 75% Shares in Golden Harvest Middle East FZC, Sharjah, UAE, by virtue of which the said Golden Harvest Middle East FZC has become a Subsidiary of the Company. Golden Harvest Middle East FZC is in the business of trading of plant nutrients.

In the year 2010 the Company's Overseas Subsidiary viz M/S Golden Harvest Middle East FZC acquired 75% Shares of M/S Amarak Chemicals FZC based in Fujairah Free Zone, UAE by virtue of which M/S Amarak Chemicals FZC has become a Step Down Subsidiary of Aries Agro Limited. In F.Y. 2019-20, M/s. Golden Harvest Middle East FZC has reduced its stake from 75% to 49% in M/s Amarak Chemicals FZC. As a result of this, M/s. Amarak Chemicals FZC is now no more a step down subsidiary of M/s. Aries Agro Ltd.

Aries Agro Limited is an Indian Multinational Company that offers the widest range of products in the primary, secondary and micro-fertilizer sector, ranging from individual elements to mixed specialty plant nutrient fertilizers. Since 1969, Aries has pioneered several innovative concepts of farming to Indian agriculturists, including the wonder of Chelation Technology, bio-degradable complexes of plant nutrients, water soluble NPK fertilizers, value added secondary nutrients, natural and biological products and water treatment formulations.

### 2. Basis of Preparation

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read along with Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

### 3. Basis of Measurement - Historic Cost Convention

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product/activities of the Company and the normal time between acquisition of assets/ liabilities and their realization /settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 4. Significant Accounting Policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### A) Plant, Property & Equipment :

All the Property, Plant and Equipment have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

## NOTES to the Financial Statements for the year ended 31st March, 2022

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

### **B) Depreciation & Amortization :**

- a) Depreciation on property, plant & equipment is provided on a straight-line basis over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

- b) Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

### **C) Intangible Assets :**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### **D) Impairment of Non-Current Assets :**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### **E) Cash and Cash Equivalents :**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## NOTES to the Financial Statements for the year ended 31st March, 2022

### F) Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a) Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b) Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

#### c) Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### d) Waste and scrap are not separately valued being insignificant in value.

#### e) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### G) Retirement benefits :

#### a) Short Term Employee Benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b) Post-Employment Benefits :

##### i) Defined Contribution Plans :

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

##### ii) Defined Contribution Plans :

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Re-measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Re-measurements are not re-classified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

#### c) Other Long Term Employee Benefits :

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

## NOTES to the Financial Statements for the year ended 31st March, 2022

### H) Non-current assets held for sale :

Non-current assets held for sale are presented separately in the Balance Sheet when the following criteria are met: - the Company is committed to selling the asset; - the assets are available for sale immediately; - an active plan of sale has commenced; and - sale is expected to be completed within 12 months. Assets held for sale and disposal groups are measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortised or depreciated.

### I) Foreign Currency :

#### Functional and Presentation Currency

Consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional currency and Group's presentation currency. Each entity in the Group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional Currency.

#### Transactions and Balances :

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to the Statement of profit and loss.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### J) Financial Instruments :

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

#### 1) Financial Assets :

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition measurement :

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a) Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

#### Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counter party is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the shortfalls over the expected life of financial assets. The estimated impairment losses are recognized in a separate provision account and the impairment losses are recognized in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

## NOTES to the Financial Statements for the year ended 31st March, 2022

Subsequent changes in assessment of impairment are recognized in provision for impairment and changes in impairment losses are recognized in the Statement of Profit and Loss within other expenses.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

### **b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

### **c) Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

### **d) Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

### **e) Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

### **(iv) De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

## **2) Financial Liabilities:**

### **(i) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

### **(ii) Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

### **(iii) Loans and Borrowings :**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

### **(iv) Trade and Other Payables**

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent unpaid liabilities for goods and services provided to the Group till the end of financial year. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade payables are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest rate method.



## NOTES to the Financial Statements for the year ended 31st March, 2022

### (v) Derecognition of Financial Liabilities :

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

### K) Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### L) Leases :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-Use Assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 10% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

#### iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### M) Taxes :

#### (a) Current Income Tax :

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates. Accordingly, the Company has recognised Provision for Income Tax for the Financial Year ended 31<sup>st</sup> March, 2022 and remeasured its Deferred Tax Assets / Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognised in the Statement of Profit and Loss for the Financial Year ended 31<sup>st</sup> March, 2022.

## NOTES to the Financial Statements for the year ended 31st March, 2022

### (b) Deferred Tax :

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### (c) Goods & Service Tax:

Expenses and assets are recognized net of the amount of GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### (d) Minimum Alternate Tax :

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### N) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### (a) Sale of products :

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### (b) Other Income :

##### Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

## NOTES to the Financial Statements for the year ended 31st March, 2022

### Dividend Income

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### O) Dividend / Distribution :

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### P) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### Q) Segment Reporting :

#### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

### R) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where an inflow of economic benefit is possible.

### S) Government Grants:

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses. Government grants related to property, plant and equipment are presented at fair value and grants are recognised as deferred income.

### T) Research & Development Expenditure:

Revenue expenditure pertaining to research is charged to statement of profit and loss. Development costs of products are charged to the statement of Profit and loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

## NOTES to the Financial Statements for the year ended 31st March, 2022

### Note No. 5 - Property, Plant and Equipment and Intangible Assets as at 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Particulars  | PROPERTY, PLANT AND EQUIPMENT |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     | Right of Use Asset |           | Total |
|--|-------------------------------|-----------|-----------------|-------------|-----------|-------------------|--------------------------|-----------------------|-------------------|----------------------|------------------|----------|----------|---------------------|--------------------|-----------|-------|
|  | Land                          | Buildings | Office Premises | Guest House | Cylinders | Plant & Machinery | Electrical Installations | Laboratory Equipments | Office Equipments | Furniture & Fixtures | Air Conditioners | Computer | Vehicles | Commercial Vehicles | Total              |           |       |
| <b>Gross Block</b>                                       |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 1st April, 2021                                    | 449.64                        | 4,048.45  | 199.82          | -           | 31.66     | 2,790.79          | 176.16                   | 48.00                 | 104.94            | 264.95               | 49.90            | 104.02   | 143.60   | 13.61               | 8,425.54           | 9,950.47  |       |
| Add: - Addition during the year                          | 871.00                        | 315.66    | -               | 37.65       | 7.30      | 335.94            | 71.20                    | 15.28                 | 31.17             | 10.69                | 13.09            | 23.37    | 59.22    | -                   | 1,791.56           | 1,792.62  |       |
| Add: - Reclassified on account of adoption of Ind AS 116 | -                             | -         | -               | -           | -         | -                 | -                        | -                     | -                 | -                    | -                | -        | -        | -                   | 152.41             | 152.41    |       |
| Less: - Disposals / Impaired during the year             | -                             | -         | -               | -           | -         | 75.26             | 0.65                     | -                     | 3.25              | 2.03                 | 1.75             | 5.17     | 2.80     | -                   | 90.91              | 123.40    |       |
| As at 31st March, 2022                                   | 1,320.64                      | 4,364.11  | 199.82          | 37.65       | 38.95     | 3,051.47          | 246.71                   | 63.28                 | 132.86            | 273.61               | 61.24            | 122.22   | 200.02   | 13.61               | 10,126.18          | 11,772.09 |       |
| <b>Accumulated Depreciation</b>                          |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 1st April, 2021                                    | -                             | 2,199.52  | 21.39           | -           | 3.03      | 800.15            | 125.42                   | 22.87                 | 73.31             | 192.77               | 37.75            | 87.02    | 60.60    | 5.60                | 3,629.44           | 4,463.45  |       |
| Add: - Addition during the year                          | -                             | 72.33     | 6.33            | 5.04        | 2.25      | 179.73            | 16.82                    | 3.93                  | 11.91             | 10.79                | 5.32             | 10.60    | 15.51    | 0.97                | 341.53             | 346.92    |       |
| Add: - Reclassified on account of adoption of Ind AS 116 | -                             | -         | -               | -           | -         | -                 | -                        | -                     | -                 | -                    | -                | -        | -        | -                   | 231.35             | 231.35    |       |
| Less: - Disposals / Impaired during the year             | -                             | -         | -               | -           | -         | 13.63             | 0.65                     | -                     | 3.02              | 1.81                 | 1.55             | 5.17     | 1.45     | -                   | 27.29              | 43.68     |       |
| As at 31st March, 2022                                   | -                             | 2,271.85  | 27.72           | 5.04        | 5.28      | 966.25            | 141.59                   | 26.80                 | 82.20             | 201.75               | 41.52            | 92.45    | 74.66    | 6.58                | 3,943.69           | 4,990.04  |       |
| <b>Net carrying amount</b>                               |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 31st March, 2022                                   | 1,320.64                      | 2,092.26  | 172.09          | 32.61       | 33.67     | 2,085.21          | 105.12                   | 36.47                 | 50.66             | 71.86                | 19.71            | 29.77    | 125.36   | 7.04                | 6,182.49           | 6,774.05  |       |
| <b>Gross Block</b>                                       |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 1st April, 2020                                    | 449.64                        | 3,628.62  | 199.82          | -           | 21.95     | 2,370.01          | 175.76                   | 37.45                 | 90.34             | 253.29               | 43.83            | 93.44    | 142.43   | 14.92               | 7,521.52           | 8,632.58  |       |
| Add: - Addition during the year                          | -                             | 419.83    | -               | -           | 9.71      | 445.78            | 0.40                     | 10.55                 | 14.03             | 11.66                | 6.67             | 11.71    | 32.43    | 8.21                | 970.98             | 973.18    |       |
| Add: - Reclassified on account of adoption of Ind AS 116 | -                             | -         | -               | -           | -         | -                 | -                        | -                     | -                 | -                    | -                | -        | -        | -                   | 411.66             | 411.66    |       |
| Less: - Disposals / Impaired during the year             | -                             | -         | -               | -           | -         | 25.00             | -                        | -                     | -                 | -                    | 0.48             | 0.69     | 31.27    | 9.52                | 66.96              | 66.96     |       |
| As at 31st March, 2021                                   | 449.64                        | 4,048.45  | 199.82          | -           | 31.66     | 2,790.79          | 176.16                   | 48.00                 | 104.37            | 264.95               | 50.02            | 104.47   | 143.60   | 13.61               | 8,425.54           | 9,950.47  |       |
| <b>Accumulated Depreciation</b>                          |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 1st April, 2020                                    | -                             | 2,137.42  | 15.06           | -           | 1.05      | 653.76            | 112.43                   | 20.39                 | 65.87             | 183.08               | 35.18            | 80.98    | 67.55    | 13.08               | 3,385.86           | 3,846.60  |       |
| Add: - Addition during the year                          | -                             | 62.10     | 6.33            | -           | 1.98      | 146.39            | 12.99                    | 2.47                  | 7.22              | 9.68                 | 3.13             | 6.51     | 11.28    | 1.02                | 271.11             | 278.85    |       |
| Add: - Reclassified on account of adoption of Ind AS 116 | -                             | -         | -               | -           | -         | -                 | -                        | -                     | -                 | -                    | -                | -        | -        | -                   | 365.51             | 365.51    |       |
| Less: - Disposals / Impaired during the year             | -                             | -         | -               | -           | -         | -                 | -                        | -                     | -                 | -                    | 0.47             | 0.33     | 18.22    | 8.50                | 27.52              | 27.52     |       |
| As at 31st March, 2021                                   | -                             | 2,199.52  | 21.39           | -           | 3.03      | 800.15            | 125.42                   | 22.87                 | 73.09             | 192.77               | 37.84            | 87.15    | 60.60    | 5.60                | 3,629.44           | 4,463.45  |       |
| <b>Net carrying amount</b>                               |                               |           |                 |             |           |                   |                          |                       |                   |                      |                  |          |          |                     |                    |           |       |
| As at 31st March, 2021                                   | 449.64                        | 1,848.93  | 178.43          | -           | 28.62     | 1,990.64          | 50.74                    | 25.13                 | 31.27             | 72.18                | 12.17            | 17.32    | 83.00    | 8.01                | 4,796.10           | 5,487.02  |       |

Capital Work in Progress (CWIP) ageing  
Ageing for Capital Work in Progress as at 31st March, 2022 is as follows :

| CWIP                           | Amount in CWIP for a period of |                 |                 |                   | Total |
|--------------------------------|--------------------------------|-----------------|-----------------|-------------------|-------|
|                                | Less than 1 year               | 1 year - 2 year | 2 year - 3 year | More than 3 years |       |
| Projects in Progress           | -                              | -               | -               | -                 | -     |
| Projects temporarily suspended | -                              | -               | -               | -                 | -     |

Ageing for Capital Work in Progress as at 31st March, 2021 is as follows :

| CWIP                           | Amount in CWIP for a period of |                 |                 |                   | Total |
|--------------------------------|--------------------------------|-----------------|-----------------|-------------------|-------|
|                                | Less than 1 year               | 1 year - 2 year | 2 year - 3 year | More than 3 years |       |
| Projects in Progress           | 89                             | -               | -               | 1,195             | 1,284 |
| Projects temporarily suspended | -                              | -               | -               | -                 | -     |
|                                | 89                             | -               | -               | 1,195             | 1,284 |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 6 | NON-CURRENT INVESTMENTS   | No. of Shares | Face Value | As at 31st March, 2022 | No. of Shares | Face Value | As at 31st March, 2021 |
|---|---|---------------|------------|------------------------|---------------|------------|------------------------|
|   | (Unquoted and fully paid up)                                      |               |            |                        |               |            |                        |
|   | A) Equity Shares  |               |            |                        |               |            |                        |
|   | (i) <u>Associates (Investments accounted using Equity Method)</u> |               |            |                        |               |            |                        |
|   | a) Amarak Chemicals FZC   | 9,800         | AED 150    | 136.14                 | 9,800         | AED 150    | 207.85                 |
|   | Add / (Less) :- Share of Profit / (Loss) in Associates            |               |            | (136.14)               |               |            | (76.26)                |
|   |   |               |            | (0.00)                 |               |            | 131.59                 |
|   | (ii) <b>Other Investment (at Cost)</b>                            |               |            |                        |               |            |                        |
|   | a) Aries Agro Produce Pvt Ltd                                     | 1,500         | 10         | 0.15                   | 1,500         | 10         | 0.15                   |
|   |   |               |            | 0.15                   |               |            | 0.15                   |
|   |   |               |            | 0.15                   |               |            | 131.74                 |
|   | B) <b>Share Application Money</b>                                 |               |            |                        |               |            |                        |
|   | (a) Amarak Chemicals FZC  |               |            | 5,745.38               |               |            | 5,553.22               |
|   |   |               |            | 5,745.38               |               |            | 5,553.22               |
|   | <b>Total</b>  |               |            | 5,745.53               |               |            | 5,684.95               |

| 7 | INVENTORIES   | As at 31st March, 2022 | As at 31st March, 2021 |
|---|---|------------------------|------------------------|
|   | (At lower of cost or Net Realisable Value)                  |                        |                        |
|   | (As Certified and valued by the Management)                 |                        |                        |
|   | Raw Materials   | 3,909.72               | 2,477.15               |
|   | Finished Goods  | 6,256.54               | 7,472.78               |
|   | Stock-in-Trade ( in respect of Goods acquired for Trading ) | 3,699.99               | 3,154.32               |
|   | Packing Materials   | 841.90                 | 970.62                 |
|   | <b>Total</b>  | 14,708.15              | 14,074.87              |

| 8 | TRADE RECEIVABLES | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-------------------|------------------------|------------------------|
|   | Unsecured         |                        |                        |
|   | Considered Good   | 11,846.95              | 12,307.84              |
|   | <b>Total</b>      | 11,846.95              | 12,307.84              |

### 8.1 Ageing of Trade Receivables as of 31st March, 2022 is as follows :

| Particulars |                                   | Outstanding from Due Date of payment |                   |             |             |                   | Total     |
|-------------|-----------------------------------|--------------------------------------|-------------------|-------------|-------------|-------------------|-----------|
|             |                                   | Less than 6 Months                   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |           |
| i           | Un-Disputed - Considered Goods    | 10,321.93                            | 147.24            | 125.57      | -           | 1,252.21          | 11,846.95 |
| ii          | Un-Disputed - Considered Doubtful | -                                    | -                 | -           | -           | -                 | -         |
| iii         | Disputed - Considered Goods       | -                                    | -                 | -           | -           | -                 | -         |
| iv          | Disputed - Considered Doubtful    | -                                    | -                 | -           | -           | -                 | -         |
|             |                                   | 10,321.93                            | 147.24            | 125.57      | -           | 1,252.21          | 11,846.95 |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 8.2 Ageing of Trade Receivables as of 31st March, 2021 is as follows :

| Particulars |                                   | Outstanding from Due Date of payment |                   |             |             |                   | Total            |
|-------------|-----------------------------------|--------------------------------------|-------------------|-------------|-------------|-------------------|------------------|
|             |                                   | Less than 6 Months                   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |                  |
| i           | Un-Disputed - Considered Goods    | 10,197.32                            | 696.92            | -           | -           | 1,413.61          | 12,307.84        |
| ii          | Un-Disputed - Considered Doubtful | -                                    | -                 | -           | -           | -                 | -                |
| iii         | Disputed - Considered Goods       | -                                    | -                 | -           | -           | -                 | -                |
| iv          | Disputed - Considered Doubtful    | -                                    | -                 | -           | -           | -                 | -                |
|             |                                   | <b>10,197.32</b>                     | <b>696.92</b>     | <b>-</b>    | <b>-</b>    | <b>1,413.61</b>   | <b>12,307.84</b> |

### 8.3 Trade Receivables includes Amount due from Related Parties

| Particulars                                    | Maximum balance during the year | As at 31st March 2022 | Maximum balance during the year | As at 31st March 2021 |
|--|---------------------------------|-----------------------|---------------------------------|-----------------------|
| Amarak Chemicals FZC                           | <b>129.76</b>                   | <b>129.76</b>         | 125.08                          | 121.25                |
| (Associate of Golden Harvest Middle East FZC ) |                                 | <b>129.76</b>         |                                 | 121.25                |

### 8.4 Trade Receivables are non-interest bearing and receivable in normal operating cycle

|  |                               |                               |
|--|-------------------------------|-------------------------------|
| <b>9 CASH AND CASH EQUIVALENTS</b>             | <b>As at 31st March, 2022</b> | <b>As at 31st March, 2021</b> |
| Balance with Banks in Current Accounts         | <b>71.13</b>                  | 61.14                         |
| Cash on hand                                   | <b>0.28</b>                   | 7.59                          |
| <b>Total</b>                                   | <b>71.41</b>                  | 68.74                         |
| <b>10 OTHER BANK BALANCES</b>                  | <b>As at 31st March, 2022</b> | <b>As at 31st March, 2021</b> |
| Fixed Deposits with Banks held as Margin Money | <b>222.88</b>                 | 316.79                        |
| Unclaimed Dividend Accounts                    | <b>20.00</b>                  | 24.39                         |
| <b>Total</b>                                   | <b>242.87</b>                 | 341.18                        |
| <b>11 CURRENT LOANS</b>                        | <b>As at 31st March, 2022</b> | <b>As at 31st March, 2021</b> |
| <b>(Unsecured and Considered Good)</b>         |                               |                               |
| Loans to Employees                             | <b>8.41</b>                   | 6.51                          |
|  | <b>8.41</b>                   | 6.51                          |
| <b>12 OTHER CURRENT FINANCIAL ASSETS</b>       | <b>As at 31st March, 2022</b> | <b>As at 31st March, 2021</b> |
| Interest Accrued but not due                   | <b>8.82</b>                   | 9.10                          |
|  | <b>8.82</b>                   | 9.10                          |

### 12.1 Interest Accrued but not due includes Interest accrued on various Fixed Deposits with Banks

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 13 OTHER CURRENT ASSETS                | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|--|---------------------------|---------------------------|
| <b>(Unsecured and Considered Good)</b> |                           |                           |
| Advances to Related Parties            | 7,341.93                  | 7,328.07                  |
| Other Advances                         | 4,037.78                  | 3,409.33                  |
| Security Deposits                      | 118.07                    | 87.61                     |
| <b>Total</b>                           | <b>11,497.77</b>          | <b>10,825.01</b>          |

### 13.1 Other Advances includes :

| Particulars                              | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|--|---------------------------|---------------------------|
| (a) Balances with Taxation Authorities   | 1,380.00                  | 895.02                    |
| (b) Advance to Suppliers                 | 2,516.61                  | 2,460.72                  |
| (c) Advance to Staff against expenses    | 59.63                     | 13.91                     |
| (d) Imprest Advance for Vehicle Expenses | -                         | 1.05                      |
| (e) Interest Under Protest               | 44.86                     | -                         |
| (f) Prepaid Expenses                     | 36.68                     | 38.63                     |
|  | <b>4,037.78</b>           | <b>3,409.33</b>           |

| 14 EQUITY SHARE CAPITAL  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|--|---------------------------|---------------------------|
| <b>Authorised</b>  |                           |                           |
| 1,50,00,000 Equity Shares of Rs. 10/- each                                 | 1,500.00                  | 1,500.00                  |
|  | <b>1,500.00</b>           | <b>1,500.00</b>           |
| <b>Issued, Subscribed and Fully Paidup</b>                                 |                           |                           |
| 1,30,04,339 (31st March, 2021 1,30,04,339) Equity Shares of Rs. 10/- each. | 1,300.43                  | 1,300.43                  |
|  | <b>1,300.43</b>           | <b>1,300.43</b>           |

### 14.1 Reconciliation of the number of Equity Shares :

| Particulars                                     | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| Shares outstanding at the beginning of the year | 13,004,339                | 13,004,339                |
| Add : - Issued during the year                  | -                         | -                         |
| Less :- Shares cancelled during the year        | -                         | -                         |
| Shares outstanding at the end of the year       | <b>13,004,339</b>         | <b>13,004,339</b>         |

### 14.2 List of Shareholder's holding more than 5 % Shares in the Company :

| Name of the Shareholders   | As at 31st March, 2022 |               | As at 31st March, 2021 |               |
|----------------------------|------------------------|---------------|------------------------|---------------|
|                            | No of Shares           | % of Holding  | No of Shares           | % of Holding  |
| (i) Dr. Jimmy Mirchandani  | 3,074,830              | 23.64%        | 3,164,830              | 24.34%        |
| (ii) Dr. Rahul Mirchandani | 3,113,021              | 23.94%        | 3,023,021              | 23.25%        |
| <b>Total</b>               | <b>6,187,851</b>       | <b>47.58%</b> | <b>6,187,851</b>       | <b>47.58%</b> |

As per the records of the Company including register of Shareholders / Members, the above shareholding represents both legal as well as beneficial ownership of shares.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 14.3 Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as of 31st March, 2022 is as follows :

| Sr. No. | Name of the Promoter   | As at 31st March 2022 |               | As at 31st March 2021 |               | % Change during the year |
|---------|------------------------|-----------------------|---------------|-----------------------|---------------|--------------------------|
|         |                        | No of Shares          | % of Holding  | No of Shares          | % of Holding  |                          |
| (i)     | Dr. Jimmy Mirchandani  | 3,074,830             | 23.64%        | 3,164,830             | 24.34%        | -0.69%                   |
| (ii)    | Dr. Rahul Mirchandani  | 3,113,021             | 23.94%        | 3,023,021             | 23.25%        | 0.69%                    |
| (iii)   | Mr. Akshay Mirchandani | 421,175               | 3.24%         | 421,175               | 3.24%         | 0.00%                    |
| (iv)    | Mr. Amol Mirchandani   | 235,900               | 1.81%         | 235,900               | 1.81%         | 0.00%                    |
| (v)     | Mrs. Nitya Mirchandani | 3,000                 | 0.02%         | 3,000                 | 0.02%         | 0.00%                    |
|         | <b>Total</b>           | <b>6,847,926</b>      | <b>52.66%</b> | <b>6,847,926</b>      | <b>52.66%</b> | <b>0.00%</b>             |

### 15 Other Equity

- 15.1 **Securities Premium Reserve** : represents the amount received in excess of par value of securities i.e equity shares. Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.
- 15.2 **Legal Reserve** : represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.
- 15.3 **Foreign Currency Translation Reserve** : represents difference in valuation of Investment in Overseas Subsidiary
- 15.4 **General Reserve** : represents the statutory reserve, this is in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a Company can declare dividend, however under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.
- 15.5 **Retained Earnings** : represent the undistributed profits of the Company
- 15.6 **Other Comprehensive Income Reserve** : represent the balance in equity for items to be accounted in Other Comprehensive Income. Other Comprehensive Income is classified into i) items that will not be reclassified to profit and loss, ii) items that will be reclassified to profit and loss.

| 16 NON-CONTROLLING INTEREST           | As at 31st March, 2022 | As at 31st March, 2021 |
|---------------------------------------|------------------------|------------------------|
|                                       |                        |                        |
| Non-Controlling Interest - Equity     | 512.43                 | 495.29                 |
| Non-Controlling Interest - Non-Equity | 42.75                  | 207.01                 |
|                                       | <b>555.18</b>          | <b>702.30</b>          |

- 16.1 Non-Controlling Interest as at 31st March, 2022, represents that part of the profit / (Loss) and net assets of Golden Harvest Middle East FZC to the extent of 47,875 Shares (25%) held by other parties.

| 17 NON - CURRENT BORROWINGS  | As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------------|------------------------|------------------------|
|                              |                        |                        |
| <b>Secured Term Loans</b>    |                        |                        |
| Term Loans from Banks        | 183.56                 | 211.06                 |
|                              | <b>183.56</b>          | <b>211.06</b>          |
| <b>Un-Secured Term Loans</b> |                        |                        |
| Term Loans from Banks        | 1,613.58               | 1,004.29               |
|                              | <b>1,613.58</b>        | <b>1,004.29</b>        |
| <b>Total</b>                 | <b>1,797.15</b>        | <b>1,215.35</b>        |



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 17.1 Secured Term Loans from Banks referred above to the extent of :

| Sr. No. | Particulars   | As at 31st March, 2022 | As at 31st March, 2021 |
|---------|---|------------------------|------------------------|
| (a)     | Secured by way of Charge on the Company's Motor Vehicles.   | 45.16                  | 24.43                  |
| (b)     | Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.  | -                      | 19.96                  |
| (c)     | Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors | 138.40                 | 166.67                 |
|         |   | <b>183.56</b>          | <b>211.06</b>          |

### 17.2 Un-Secured Term Loans from Banks / NBFC's are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

### 17.3 Maturity Profile of Term Loans are as set out below :

| Sr. No. | Financial Years  | Secured Term Loans from Banks | Un-Secured Term Loans from Banks | Total           |
|---------|------------------|-------------------------------|----------------------------------|-----------------|
| (a)     | 2022-23          | 231.13                        | 224.23                           | 455.35          |
|         | <b>Sub-Total</b> | <b>231.13</b>                 | <b>224.23</b>                    | <b>455.35</b>   |
| (b)     | 2023-24          | 59.94                         | 240.43                           | 300.37          |
| (c)     | 2024-25          | 50.46                         | 257.82                           | 308.27          |
| (d)     | 2025-26 & Above  | 73.17                         | 1,115.33                         | 1,188.50        |
|         | <b>Sub-Total</b> | <b>183.56</b>                 | <b>1,613.58</b>                  | <b>1,797.15</b> |
|         | <b>Total</b>     | <b>414.69</b>                 | <b>1,837.81</b>                  | <b>2,252.50</b> |

17.4 Rs. 455.35 Lakhs is shown in Current Maturities ( On 31st March, 2021 Rs. 678.78.)

### 18 NON - CURRENT LEASE LIABILITIES

#### Lease Liabilities

Liability of Right to use Asset

| As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|------------------------|
| 189.76                 | 327.19                 |
| <b>189.76</b>          | <b>327.19</b>          |

### 19 NON CURRENT PROVISIONS

#### Provision for Employee Benefits (Refer Note No. 33)

Gratuity  
Leave Salary  
One Time Incentive  
**Total**

| As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|------------------------|
| 22.63                  | 42.19                  |
| 224.24                 | 266.62                 |
| 5.16                   | 7.10                   |
| <b>252.03</b>          | <b>315.91</b>          |

### 20 DEFERRED TAX LIABILITY

#### A Deferred Tax Liability

Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax  
Other Comprehensive Income  
Related to Right of Use Asset

#### B Gross Deferred Tax Liability

#### Gross Deferred Tax Asset

Disallowance under the Income Tax Act, 1961 U/s 43B  
Deferred Tax Asset on account of Carry forward of Business loss  
Realted to Lease Liability

#### C Net Deferred Tax Liability (A-B)

| As at 31st March, 2022 | As at 31st March, 2021 |
|------------------------|------------------------|
| 766.74                 | 655.22                 |
| 11.72                  | 4.02                   |
| 160.69                 | 179.92                 |
| <b>939.15</b>          | <b>839.16</b>          |
| 86.41                  | 89.87                  |
| 92.16                  | -                      |
| 178.34                 | 221.30                 |
| <b>356.91</b>          | <b>311.17</b>          |
| <b>582.24</b>          | <b>527.99</b>          |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 21 | CURRENT BORROWINGS                           | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|----|--|---------------------------|---------------------------|
|    | <b>Secured Borrowings</b>                    |                           |                           |
|    | <b>Working Capital Facilities from Banks</b> |                           |                           |
|    | Cash Credits / Working Capital Demand Loan   | 8,332.90                  | 11,559.30                 |
|    |  | 8,332.90                  | 11,559.30                 |
|    | Current Maturities of Long Term Debt         | 455.35                    | 678.78                    |
|    |  | 8,788.25                  | 12,238.08                 |
|    | <b>Un-Secured Borrowings</b>                 |                           |                           |
|    | From Related Parties                         | 4.58                      | 7.03                      |
|    |  | 4.58                      | 7.03                      |
|    | <b>Total</b>                                 | 8,792.84                  | 12,245.11                 |

21.1 Working Capital Facilities from Banks are secured by way of Charge on Company's Inventory, Book Debts, Charge on Land, Building, Plant & Machinery and all other movable fixed assets of the Company and guaranteed by Directors.

21.2 Un-Secured Borrowings from Companies / NBFCs are secured by way of personal Assets of Directors and guaranteed by Directors.

21.3 Current Maturities of Long Term Debt includes amount repayable within one year of :

| Sr.<br>No. | Particulars                               | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|------------|---|---------------------------|---------------------------|
| (a)        | Secured Term Loans from Banks             | 231.13                    | 432.83                    |
| (b)        | Un-Secured Term Loans from Banks / NBFC's | 224.23                    | 245.95                    |
|            |   | 455.35                    | 678.78                    |

21.4 Secured Term Loans from Banks included in Current Maturities of Long Term Debt to the extent of :

| Sr.<br>No. | Particulars   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|------------|---|---------------------------|---------------------------|
| (a)        | Secured by way of Charge on the Company's Motor Vehicles.   | 22.80                     | 13.05                     |
| (b)        | Secured by way of Primary Charge on Office Premises at Vastrapur, Gujarat.  | 20.09                     | 22.05                     |
| (c)        | Secured by way of All existing Stock and Book Debts and Collateral Securities (Land & Building & Plant & Machinery) and personal Guarantee of Directors | 188.24                    | 397.73                    |
|            |   | 231.13                    | 432.83                    |

21.5 Un-Secured Term Loans from Banks / NBFC's included in Current Maturities of Long Term Debt to the extent of Rs. 224.23 Lakhs (31st March, 2021, Rs. 245.95 Lakhs) are secured by way of Charge on personal Assets of Directors and guaranteed by the Directors.

21.6 Unclaimed Dividend does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

| 22 | TRADE PAYABLES  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|----|---|---------------------------|---------------------------|
|    | (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                      | 2,240.70                  | 1,691.66                  |
|    | (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises | 4,704.43                  | 3,541.36                  |
|    | <b>Total</b>  | 6,945.13                  | 5,233.02                  |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 22.1 Ageing of Trade Payables as of 31st March, 2022 is as follows :

| Particulars               | Outstanding from Due Date of payment |              |             |                   | Total           |
|---------------------------|--------------------------------------|--------------|-------------|-------------------|-----------------|
|                           | Less than 1 year                     | 1 - 2 years  | 2 - 3 years | More than 3 years |                 |
| i MSME                    | 2,240.70                             | -            | -           | -                 | 2,240.70        |
| ii Others                 | 4,681.46                             | 15.49        | 2.40        | 5.09              | 4,704.43        |
| iii Disputed Dues - MSME  | -                                    | -            | -           | -                 | -               |
| iv Disputed Dues - Others | -                                    | -            | -           | -                 | -               |
| <b>Total</b>              | <b>6,922.16</b>                      | <b>15.49</b> | <b>2.40</b> | <b>5.09</b>       | <b>6,945.13</b> |

### 22.2 Ageing of Trade Payables as of 31st March, 2021 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                   | Total           |
|---------------------------|--------------------------------------|-------------|-------------|-------------------|-----------------|
|                           | Less than 1 year                     | 1 - 2 years | 2 - 3 years | More than 3 years |                 |
| i MSME                    | 1,689.97                             | 0.47        | 0.47        | 0.75              | 1,691.66        |
| ii Others                 | 3,493.96                             | 4.60        | 3.79        | 39.00             | 3,541.36        |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                 | -               |
| iv Disputed Dues - Others | -                                    | -           | -           | -                 | -               |
| <b>Total</b>              | <b>5,183.93</b>                      | <b>5.07</b> | <b>4.26</b> | <b>39.75</b>      | <b>5,233.02</b> |

22.3 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

22.4 Contractual Terms with Micro & Small Enterprises is 120 days, hence interest not provided.

| 23 | CURRENT LEASE LIABILITIES                         | As at 31st March, 2022 | As at 31st March, 2021 |
|----|---|------------------------|------------------------|
|    | Liability of Right to use Asset - Current Portion | 448.65                 | 492.05                 |
|    |   | 448.65                 | 492.05                 |

| 24 | OTHER CURRENT FINANCIAL LIABILITIES        | As at 31st March, 2022 | As at 31st March, 2021 |
|----|--|------------------------|------------------------|
|    | Interest Accrued but not due on Borrowings | 11.22                  | 12.76                  |
|    | Unclaimed Dividend                         | 20.00                  | 24.39                  |
|    | <b>Total</b>                               | <b>31.21</b>           | <b>37.15</b>           |

| 25 | OTHER CURRENT LIABILITIES         | As at 31st March, 2022 | As at 31st March, 2021 |
|----|-----------------------------------|------------------------|------------------------|
|    | Accrued Salaries and Benefits     | 1,902.89               | 1,806.18               |
|    | Advances / Credits from Customers | 3,348.60               | 3,556.95               |
|    | Dues to Directors                 | 1.35                   | -                      |
|    | Security Deposits                 | 960.53                 | 889.44                 |
|    | Statutory Dues                    | 227.85                 | 154.98                 |
|    | Other Payables                    | 2,258.44               | 1,330.12               |
|    | <b>Total</b>                      | <b>8,699.67</b>        | <b>7,737.66</b>        |

25.1 Statutory Dues includes Goods & Service Tax, Tax Deducted at Source, Tax Collected at Source, ESIC, Provident Fund and Profession Tax.

25.2 Other Payables includes mainly Staff Expense Claims and Provision for Expenses.

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

|      |   |                                |                                |
|------|---|--------------------------------|--------------------------------|
| 26   | CURRENT PROVISIONS  | As at<br>31st March, 2022      | As at<br>31st March, 2021      |
|      | Provision for Employee Benefits (Refer Note No. 33)       |                                |                                |
|      | Gratuity  | 91.68                          | 86.63                          |
|      | Leave Salary  | 23.94                          | 23.96                          |
|      | One Time Incentive  | 3.14                           | 2.52                           |
|      | Total   | 118.75                         | 113.11                         |
| 27   | CURRENT TAX LIABILITY (NET)                               | As at<br>31st March, 2022      | As at<br>31st March, 2021      |
|      | Provision for Income Tax ( Net of Advance Tax / TDS )     | 66.82                          | 85.73                          |
|      | Total   | 66.82                          | 85.73                          |
| 28   | REVENUE FROM OPERATIONS                                   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|      | Sales of Products   | 54,808.76                      | 47,451.15                      |
|      | Less:- Discounts / Rebates                                | 10,805.45                      | 9,304.18                       |
|      | Total   | 44,003.31                      | 38,146.97                      |
| 28.1 | Particulars of Sale of Products :                         |                                |                                |
|      | Sr.<br>No.  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|      | Manufactured Products                                     |                                |                                |
|      | (a) Agricultural Mirconutrient and Speciality Fertilizers | 35,858.12                      | 26,115.33                      |
|      | (b) Insecticides and Pesticides                           | 4,966.69                       | 4,855.19                       |
|      | (c) Animal Feed and Feed Concentrates                     | 261.83                         | 287.30                         |
|      | (d) Others  | 56.48                          | 37.15                          |
|      |   | 41,143.13                      | 31,294.96                      |
|      | Traded Products   |                                |                                |
|      | (a) Agricultural Mirconutrient and Speciality Fertilizers | 12,687.03                      | 16,127.97                      |
|      | (b) Insecticides and Pesticides                           | 477.29                         | 26.89                          |
|      | (c) Others  | 501.31                         | 1.32                           |
|      |   | 13,665.63                      | 16,156.19                      |
|      |   | 54,808.76                      | 47,451.15                      |
|      | Less:- Discounts / Rebates                                | 10,805.45                      | 9,304.18                       |
|      |   | 44,003.31                      | 38,146.97                      |
| 29   | OTHER INCOME  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|      | Interest Income on :                                      |                                |                                |
|      | Bank Fixed Deposits                                       | 11.29                          | 10.42                          |
|      | Others  | 14.97                          | 1.38                           |
|      | Other Non-Operating Income                                |                                |                                |
|      | Sundry Balances Written Back                              | 2.16                           | 0.81                           |
|      | Misc. / Other Income                                      | 1.68                           | 12.17                          |
|      | Net Gain / Loss on Foreign Currency Translation           | 358.59                         | -                              |
|      | Profit on Sale of Fixed Assets                            | 1.47                           | 2.22                           |
|      | Rent Income   | 0.91                           | -                              |
|      | Total   | 391.06                         | 27.00                          |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

|   |  |  |
|---|--|--|
| <b>30 COST OF MATERIALS CONSUMED</b>  | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| 1) Opening Stock of Raw Materials   | 2,477.15                               | 3,619.20                               |
| Add : Purchases   | 13,412.18                              | 9,038.28                               |
|   | 15,889.32                              | 12,657.47                              |
| Less : Closing Stock of Raw Materials   | 3,909.72                               | 2,477.15                               |
| Raw Material Consumed   | 11,979.60                              | 10,180.33                              |
| 2) Opening Stock of Packing Materials   | 970.62                                 | 795.01                                 |
| Add : Purchases   | 2,500.11                               | 2,055.10                               |
|   | 3,470.73                               | 2,850.11                               |
| Less : Closing Stock of Packing Materials   | 841.90                                 | 970.62                                 |
| Packing Materials Consumed  | 2,628.84                               | 1,879.50                               |
| <b>Consumption of Materials (1+2)</b>   | <b>14,608.43</b>                       | <b>12,059.82</b>                       |
|   |  |  |
| <b>31 COST OF PRODUCTS TRADED</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| Opening Stock of Traded Products  | 3,154.32                               | 782.61                                 |
| Add :- Purchases of Traded Products   | 7,743.41                               | 7,961.37                               |
|   | 10,897.74                              | 8,743.98                               |
| Closing Stock of Traded Products  | 3,699.99                               | 3,154.32                               |
| Cost of Products Traded   | 7,197.75                               | 5,589.65                               |
|   |  |  |
| <b>32 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| <b>Inventories at the beginning of the year</b>   |  |  |
| Finished Goods  | 7,472.78                               | 8,606.26                               |
|   | 7,472.78                               | 8,606.26                               |
| <b>Inventories at the end of the year</b>   |  |  |
| Finished Goods  | 6,256.54                               | 7,472.78                               |
|   | 6,256.54                               | 7,472.78                               |
| <b>(Increase) / Decrease in Inventories</b>   | <b>1,216.24</b>                        | <b>1,133.48</b>                        |
|   |  |  |
| <b>33 EMPLOYEE BENEFIT EXPENSES</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| Salaries, Wages and Allowances  | 3,868.13                               | 3,470.75                               |
| Directors Remuneration  | 284.08                                 | 225.57                                 |
| Contribution to Provident & Other Funds   | 408.02                                 | 354.43                                 |
| Staff Welfare Expenses  | 55.64                                  | 56.15                                  |
| <b>Total</b>  | <b>4,615.87</b>                        | <b>4,106.89</b>                        |
|   |  |  |
| <b>33.1 As per Ind AS 19 "Employee Benefits", the disclosure of employee benefits as defined in the Indian Accounting Standard (Ind AS) are given below :</b> |  |  |
| <b>Particulars</b>  | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
| <b>Expense recognised for Defined Contribution Plan</b>   |  |  |
| Company's contribution to Provident Fund  | 311.42                                 | 266.53                                 |
|   | 311.42                                 | 266.53                                 |
|   |  |  |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

All Permanent Employees having served from the 1st day of their employment are entitled to the benefits of the contribution to Provident Fund.

The Company contributes specified percentage of the salary paid to Employees to the Defined Fund.

### Defined Benefit Plan

All Employees who have completed five years or more of service are entitled to benefits of Gratuity. The Company has the Employee's Group Gratuity scheme managed by Life Insurance Corporation of India which is a Defined Benefit Plan. The Employees Leave Encashment scheme, which is a Defined Benefit Plan is unfunded.

Below table sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Standalone Balance Sheet as at 31st March, 2021 and 31st March, 2020, being the respective measurement dates :

### I Reconciliation of opening and closing balances of the Present Value of the Defined Benefit Obligation

| Particulars  | Gratuity               |                        | Leave Encashment       |                        | OneTime Incentive      |                        |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|  | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Present Value of Defined Benefit obligation at the beginning of the year | 804.10                 | 787.94                 | 290.58                 | 292.76                 | 9.62                   | 9.90                   |
| Current Service Cost   | 85.65                  | 77.79                  | 49.97                  | 41.25                  | 0.61                   | 0.60                   |
| Interest Cost  | 52.01                  | 49.79                  | 19.08                  | 17.89                  | 0.57                   | 0.58                   |
| Actuarial (gain) / loss  | 18.08                  | 42.23                  | (39.66)                | (14.16)                | (0.60)                 | 0.11                   |
| Past Service Cost  | -                      | -                      | -                      | -                      | -                      | -                      |
| Benefits paid  | (98.11)                | (153.66)               | (71.80)                | (47.16)                | (1.91)                 | (1.57)                 |
| Present Value of Defined Benefit obligation at the end of the year       | 861.73                 | 804.10                 | 248.18                 | 290.58                 | 8.30                   | 9.62                   |

### II Reconciliation of opening and closing balances of the Fair Value of the Plan Assets

| Particulars   | Gratuity               |                        |
|---|------------------------|------------------------|
|   | As at 31st March, 2022 | As at 31st March, 2021 |
| Fair Value of Plan Assets at the beginning of the year              | 683.06                 | 665.52                 |
| Interest Income   | 46.68                  | 44.11                  |
| Return on plan assets excluding amounts included in Interest Income | 3.56                   | 3.66                   |
| Contributions   | 120.92                 | 123.42                 |
| Benefits paid   | (98.11)                | (153.66)               |
| Actuarial gain / (loss)   | -                      | -                      |
| Fair value of Plan Assets at the end of the year                    | 756.10                 | 683.06                 |

### III Expenses recognised in Profit and Loss

| Particulars   | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Current Service Cost                                | 85.65                  | 77.79                  | 49.97                  | 41.25                  | 0.61                   | 0.60                   |
| Interest Cost                                       | 5.32                   | 5.68                   | 19.08                  | 17.89                  | 0.57                   | 0.58                   |
| Net Cost recognised in Statement of Profit and Loss | 90.98                  | 83.47                  | 69.06                  | 59.13                  | 1.18                   | 1.18                   |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### IV Expenses recognised in Other Comprehensive Income

| Particulars   | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Components of actuarial gain / losses on obligations :              |                        |                        |                        |                        |                        |                        |
| Due to change in financial assumptions                              | (26.60)                | (4.02)                 | (6.88)                 | (1.36)                 | (0.16)                 | (0.03)                 |
| Due to change in demographic assumptions                            | -                      | -                      | -                      | -                      | -                      | -                      |
| Due to experience adjustments                                       | 44.67                  | 46.25                  | (32.78)                | (12.80)                | (0.44)                 | 0.14                   |
| Return on Plan Assets excluding amounts included in Interest Income | (3.56)                 | (3.66)                 | -                      | -                      | -                      | -                      |
| Net Cost recognised in Other Comprehensive Income                   | 14.52                  | 38.57                  | (39.66)                | (14.16)                | (0.60)                 | 0.11                   |

### V Assumptions used to determine the Defined Benefit Obligations :

| Particulars   | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Mortality rate  | IALM 2006-08 Ultimate  | IALM 2006-08 Ultimate  | IALM 2006-08 Ultimate  | IALM 2006-08 Ultimate  | IALM 2006-08 Ultimate  | IALM 2006-08 Ultimate  |
| Discount rate (per annum)                                     | 7.15%                  | 6.85%                  | 7.15%                  | 6.85%                  | 7.15%                  | 6.85%                  |
| Expected rate of Return on Plan Assets (per annum)            | 7.15%                  | 6.85%                  |                        |                        |                        |                        |
| Expected rate of increase in Salary (per annum)               | 5.00%                  | 5.00%                  | 5.00%                  | 5.00%                  | NA                     | NA                     |
| Expected Average remaining working lives of Employees (Years) | 23.46                  | 23.38                  | -                      | -                      | -                      | -                      |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of Plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

### VI Sensitivity Analysis :

| Particulars                                | Change in Assumption | Effect on Gratuity obligation | Change in Assumption | Effect on Leave Salary | Change in Assumption | Effect on One Time Incentive |
|--|----------------------|-------------------------------|----------------------|------------------------|----------------------|------------------------------|
| <b>For the year ended 31st March, 2021</b> |                      |                               |                      |                        |                      |                              |
| Discount Rate                              | +0.5%                | 765.74                        | +0.5%                | 277.56                 | +0.5%                | 9.37                         |
|  | -0.5%                | 845.89                        | -0.5%                | 304.66                 | -0.5%                | 9.90                         |
| Salary Growth Rate                         | +0.5%                | 840.51                        | +0.5%                | 304.85                 | +0.5%                | 9.92                         |
|  | -0.5%                | 768.20                        | -0.5%                | 277.28                 | -0.5%                | 9.35                         |
| Withdrawal Rate                            | WR x 110.0%          | 808.09                        | WR x 110.0%          | 291.10                 | -                    | -                            |
|  | WR x 90.0%           | 799.95                        | WR x 90.0%           | 290.04                 | -                    | -                            |
| <b>For the year ended 31st March, 2022</b> |                      |                               |                      |                        |                      |                              |
| Discount Rate                              | +0.5%                | 820.26                        | +0.5%                | 237.39                 | +0.5%                | 8.04                         |
|  | -0.5%                | 906.82                        | -0.5%                | 259.81                 | -0.5%                | 8.57                         |
| Salary Growth Rate                         | +0.5%                | 900.23                        | +0.5%                | 260.00                 | -                    | -                            |
|  | -0.5%                | 823.74                        | -0.5%                | 237.12                 | -                    | -                            |
| Withdrawal Rate                            | WR x 110.0%          | 866.87                        | WR x 110.0%          | 248.90                 | WR x 110.0%          | 8.10                         |
|  | WR x 90.0%           | 856.40                        | WR x 90.0%           | 247.43                 | WR x 90.0%           | 8.51                         |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

Sensitivity analysis is performed by varying a single parameter while keeping all other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the Projected Unit Credit method has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

### VII History of Experience adjustments is as follows :

| Particulars                                | Gratuity | Leave Salary | One Time Incentive |
|--|----------|--------------|--------------------|
| <b>For the year ended 31st March, 2021</b> |          |              |                    |
| Plan Liabilities - (loss) / gain           | (46.25)  | 12.80        | (0.14)             |
| Plan Assets - (loss) / gain                | -        | -            | -                  |
| <b>For the year ended 31st March, 2022</b> |          |              |                    |
| Plan Liabilities - (loss) / gain           | (46.48)  | 32.78        | 0.44               |
| Plan Assets - (loss) / gain                | -        | -            | -                  |

### VIII Estimate of Expected Benefit payments

| Particulars                                     | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|   | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| 1st April, 2021 to 31st March, 2022             | -                      | 89.73                  | -                      | 23.96                  | -                      | 2.52                   |
| 1st April, 2022 to 31st March, 2023             | 79.65                  | 62.87                  | 23.94                  | 26.00                  | 3.14                   | 1.83                   |
| 1st April, 2023 to 31st March, 2024             | 75.08                  | 67.65                  | 22.18                  | 26.90                  | 0.45                   | 0.57                   |
| 1st April, 2024 to 31st March, 2025             | 65.56                  | 57.45                  | 19.03                  | 21.13                  | 0.54                   | 0.65                   |
| 1st April, 2025 to 31st March, 2026             | 57.54                  | 51.95                  | 17.25                  | 20.27                  | 0.93                   | 0.84                   |
| 1st April, 2026 to 31st March, 2027             | 67.53                  | 253.03                 | 20.55                  | 102.90                 | 0.54                   | 2.26                   |
| 1st April, 2027 to 31st March, 2028 and Onwards | 271.63                 | -                      | 87.53                  | -                      | 1.40                   | -                      |

### IX Statement of Employee Benefit Provision

| Particulars                        | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|                                    | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Present Value of Obligation        | 861.73                 | 804.10                 | 248.18                 | 290.58                 | 8.30                   | 9.62                   |
| Fair Value of Plan Assets          | (756.10)               | (683.06)               | -                      | -                      | -                      | -                      |
| Amount recognised in Balance Sheet | 105.62                 | 121.04                 | 248.18                 | 290.58                 | 8.30                   | 9.62                   |

### X Current and Non-Current provision for Gratuity, Leave Salary and One Time Incentive

| Particulars  | Gratuity               |                        | Leave Encashment       |                        | One Time Incentive     |                        |
|--------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
|              | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 | As at 31st March, 2022 | As at 31st March, 2021 |
| Current      | 91.68                  | 86.63                  | 23.94                  | 23.96                  | 3.14                   | 2.52                   |
| Non-Current  | 13.94                  | 34.41                  | 224.24                 | 266.62                 | 5.16                   | 7.10                   |
| <b>Total</b> | <b>105.62</b>          | <b>121.04</b>          | <b>248.18</b>          | <b>290.58</b>          | <b>8.30</b>            | <b>9.62</b>            |

33.2 The above charts do not include the provisions made by Foreign Subsidiaries



## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

|           |   |  |  |
|-----------|---|--|--|
| <b>34</b> | <b>FINANCE COSTS</b>  | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | <b>Interest Expense</b>   |  |  |
|           | On Term Loans   | 215.03                                 | 158.19                                 |
|           | On Bank Borrowings  | 855.08                                 | 1,280.78                               |
|           | On Security Deposits  | 63.04                                  | 58.19                                  |
|           | Other Interest  | 1,198.71                               | 921.90                                 |
|           | Bank and Finance Charges  | 115.48                                 | 177.30                                 |
|           | <b>Total</b>  | <b>2,447.34</b>                        | <b>2,596.35</b>                        |
| <b>5</b>  | <b>DEPRECIATION &amp; AMORTISATION</b>                          | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | Depreciation  | 572.89                                 | 636.62                                 |
|           | Amortisation  | 5.39                                   | 7.74                                   |
|           | <b>Total</b>  | <b>578.27</b>                          | <b>644.36</b>                          |
| <b>35</b> | <b>OTHER EXPENSES</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | <b>Manufacturing Expenses</b>                                   |  |  |
|           | Freight Inward  | 247.82                                 | 233.01                                 |
|           | Miscellaneous Expenses  | 254.92                                 | 97.02                                  |
|           | Power & Fuel  | 218.91                                 | 181.91                                 |
|           | Processing Charges  | 798.59                                 | 547.93                                 |
|           | Rent, Rates & Taxes   | 21.59                                  | 25.73                                  |
|           | Repairs to Building   | 32.30                                  | 13.55                                  |
|           | Repairs to Machinery  | 51.91                                  | 43.13                                  |
|           | Research & Development Expenses                                 | 211.98                                 | 175.33                                 |
|           | Security Charges  | 17.39                                  | 12.18                                  |
|           | Stores & Spare Parts Consumed                                   | 21.37                                  | 17.73                                  |
|           | Wages & Allowances  | 816.87                                 | 721.49                                 |
|           |   | <b>2,693.66</b>                        | <b>2,069.00</b>                        |
|           | <b>Selling &amp; Distribution Expenses</b>                      |  |  |
|           | Advertisement and Publicity Expenses                            | 3,107.35                               | 2,358.34                               |
|           | Freight & Delivery Expenses                                     | 2,863.07                               | 2,425.10                               |
|           | Mobile Selling Expenses   | -                                      | -                                      |
|           | Selling Expenses  | 85.38                                  | 71.87                                  |
|           | Travelling Expenses   | 1,342.31                               | 1,100.40                               |
|           |   | <b>7,398.11</b>                        | <b>5,955.72</b>                        |
|           | <b>Other Administration Expenses</b>                            |  |  |
|           | Audit Fees  | 28.79                                  | 26.09                                  |
|           | Bank Charges  | 2.57                                   | 0.46                                   |
|           | Conveyance & Motor Car Expenses                                 | 540.20                                 | 434.84                                 |
|           | Corporate Social Responsibility (CSR) Expenses                  | 51.66                                  | 47.03                                  |
|           | Electricity   | 22.24                                  | 13.13                                  |
|           | General Expenses  | 76.91                                  | 53.39                                  |
|           | Insurance   | 251.38                                 | 241.80                                 |
|           | Legal & Professional Fees                                       | 304.66                                 | 259.73                                 |
|           | Legal Court Fees  | 7.19                                   | -                                      |
|           | Loss due to Fire  | 4.35                                   | -                                      |
|           | Net Gain / Loss on Foreign Currency Transaction and Translation | -                                      | 213.32                                 |
|           | Postage & Telephones  | 40.24                                  | 45.55                                  |
|           | Printing & Stationery   | 40.66                                  | 49.39                                  |
|           | Rent, Rates & Taxes   | 196.51                                 | 141.94                                 |
|           | Repairs & Maintenance   | 43.22                                  | 20.24                                  |
|           | Bad Debts Written Off   | -                                      | 10.33                                  |
|           |   | <b>1,610.58</b>                        | <b>1,557.25</b>                        |
|           | <b>Total</b>  | <b>11,702.35</b>                       | <b>9,581.97</b>                        |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 35.1 Other Disclosures

#### a) Auditors Remuneration

| Sr. No.  | Particulars                        | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|----------|------------------------------------|--------------------------------|--------------------------------|
| <b>1</b> | <b>Statutory Auditors</b>          |                                |                                |
| (i)      | Audit Fees                         | 28.79                          | 26.09                          |
| (ii)     | Limited Review Report Fees         | 0.75                           | 0.75                           |
| (iii)    | Taxation Matters                   | 0.50                           | 2.00                           |
| (iii)    | Certification and Consultancy Fees | 0.40                           | 0.60                           |
|          | <b>Total</b>                       | <b>30.44</b>                   | <b>29.44</b>                   |

#### b) Expenditure incurred on Corporate Social Responsibility

Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of the Companies Act, 2013 read with Schedule III are as below :

| Sr. No. | Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---------|--|--------------------------------|--------------------------------|
|         | Amount required to be spent by the Company during the year   | 51.35                          | 45.83                          |
|         | Amount of Expenditure incurred on :  |                                |                                |
| (i)     | Farmers Call Centre  | 9.99                           | 8.43                           |
| (ii)    | Education including Farmers  | 4.79                           | 12.29                          |
| (iii)   | Health Care  | 33.53                          | 15.99                          |
| (iv)    | Infrastructure Support   | 3.36                           | 10.33                          |
|         |  | <b>51.66</b>                   | <b>47.03</b>                   |
|         | Shortfall at the end of the year   | -                              | -                              |
|         | Total of Previous Years Shortfall  | -                              | -                              |
|         | Reason for Shortfall   | NA                             | NA                             |
|         | Details of Related Party Transaction i.e. Contribution to a Trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard | NA                             | NA                             |
|         | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision.                      | NA                             | NA                             |

### 36 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

| Sr. No. | Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---------|--|--------------------------------|--------------------------------|
| (i)     | Issued Equity Shares   | 130.04                         | 130.04                         |
|         | <b>Weighted Average Shares outstanding - Basic and Diluted</b> | <b>130.04</b>                  | <b>130.04</b>                  |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

| Sr. No. | Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---------|---|--------------------------------|--------------------------------|
| (i)     | Profit and Loss after Tax attributable to Equity Shareholders | 1,329.03                       | 1,795.71                       |
| (ii)    | Basic Earning per Equity Share                                | 10.22                          | 13.81                          |
| (iii)   | Face Value per Equity Share                                   | 10                             | 10                             |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

### 37 LEASE COMMITMENTS ( Company is a Lessee )

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

Following is the movement in lease liabilities during the year :

| Particulars                                   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|--------------------------------|--------------------------------|
| As at April 01, 2021                          | 819.24                         | 772.29                         |
| Addition on account of Adoption of IND AS 116 | -                              | -                              |
| Addition during the year                      | 152.41                         | 401.12                         |
| Lease Modifications                           | (18.28)                        | -                              |
| Interest Expenses                             | 113.52                         | 128.22                         |
| Payments                                      | 428.46                         | 482.38                         |
| As at March 31, 2022                          | 638.42                         | 819.24                         |

Following are the amounts recognised in statement of profit or loss :

| Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|--------------------------------|--------------------------------|
| Depreciation expense of right-of-use assets                     | 231.35                         | 365.51                         |
| Interest Expense on lease liabilities                           | 113.50                         | 128.26                         |
| Rent Expense - short-term leases and leases of low value assets | 168.55                         | 141.74                         |
| <b>Total amounts recognised in profit or loss</b>               | <b>513.41</b>                  | <b>635.51</b>                  |

### 38. RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

| Part - A                   |   |  |   |
|----------------------------|---|--|---|
| Details of Related Parties |   |  |   |
| Sr. No.                    | Nature of Relationship  | Name of the Related Party  | Remarks   |
| 1                          | Key Management Personnel  | a) Dr. Rahul Mirchandani<br>b) Mr. Vivek Joshi - Resigned on 30-06-2021<br>c) Mr. Kaiser P. Ansari<br>d) Mrs. Chhaya Ashok Warriar   | a) Chairman & Managing Director<br>b) Chief Financial Officer<br>c) Company Secretary & Sr. VP (Legal)<br>d) Vice President Finance ( discharging the duties & responsibilities of CFO) |
| 2                          | Entities where Control exists - Subsidiaries and Indirect Subsidiaries<br>[ Extent of Holding ] | a) Aries Agro Care Pvt Ltd [100%]<br>b) Aries Agro Equipments Pvt Ltd [100%]<br>c) Mirabelle Agro Manufacturing Pvt Ltd [100%]       | a) Date of Incorporation 5th January, 2007<br>b) Date of Incorporation 12th January, 2007<br>c) Date of Incorporation 26th December, 2019   |
| 3                          | Enterprises over which the Key Management Persons has significant Influence of Control          | a) Aries Marketing Ltd.<br>b) Blossoms International Ltd.<br>c) Sreeni Agro Chemicals Ltd.<br>d) Aries East West Nutrients Pvt. Ltd. |   |

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| 4 | Relatives of Key Management Personnel & Non-Independent Directors | Name of the Key Management Personnel | Name of the Relative   | Relationship  |
|---|---|--------------------------------------|--|---|
|   |   | a) Dr. Rahul Mirchandani             | a) Mrs. Nitya Mirchandani<br>b) Mr. Armaan Mirchandani<br>c) Dr. Jimmy Mirchandani   | Spouse<br>Son<br>Brother                                    |
|   |   | b) Mrs. Nitya Mirchandani            | a) Dr. Rahul Mirchandani<br>b) Mr. Armaan Mirchandani  | Spouse<br>Son   |
|   |   | c) Dr. Jimmy Mirchandani             | a) Dr. Rahul Mirchandani<br>b) Mr. Akshay Mirchandani<br>c) Mrs. Aparna Mirchandani<br>f) Mr. Amol Mirchandani<br>e) Mrs. Karishma Mirchandani | Brother<br>Son<br>Daughter in Law<br>Son<br>Daughter in Law |
| 5 | Associates  | a) Amarak Chemicals FZC              | Date of Incorporation 9th September, 2007  |   |

### Part - B

#### Disclosure of Transactions between the Company and Related Parties

| Sr. No. | Category  | Nature of Service  | Year Ended 31st March, 2022                  | Year Ended 31st March, 2021     |
|---------|---|--|--|---------------------------------|
| 1       | Key Management Personnel  | Directors Remuneration paid<br>Salary Paid<br>Rent   | 211.90<br>96.21<br>9.00                      | 211.17<br>90.56<br>-            |
| 2       | Relatives of Key Management Personnel & Non-Independent Directors | Legal & Professional Fees (Gross)<br>Rent<br>Sitting Fees<br>Salary Paid   | 85.15<br>12.00<br>6.20<br>40.76              | 84.42<br>13.50<br>5.00<br>31.34 |
| 3       | Associates  | Sale of Goods<br>Purchase of Goods<br>Payments (Net of Receipts) for Goods<br>Share of Loss of Associate<br>Refund of Advance (Transaction of Golden Harvest Middle East FZC with its Associate) | 4.20<br>254.13<br>231.65<br>136.14<br>239.72 | -<br>-<br>-<br>76.26<br>30.57   |

### Part - C

#### Balance Outstanding with Related Parties

| Category  | Nature of Outstanding                          | Name of the Related Party                                      | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--|--|------------------------|------------------------|
| Key Management Personnel  | Due to Directors                               | Dr. Rahul Mirchandani  | 0.68                   | -                      |
| Relatives of Key Management Personnel & Non-Independent Directors | Due to Directors (including Professional Fees) | Dr. Jimmy Mirchandani  | 37.17                  | 39.39                  |
|   | Rent   | Mrs. Nitya Mirchandani   | 0.68                   | 1.39                   |
|   |  | Mr. Akshay Mirchandani   | 0.11                   | 0.23                   |
|   |  | Mrs. Aparna Mirchandani  | 0.11                   | -                      |
| Associates  | Trade Receivables                              | Amarak Chemicals FZC   | 129.76                 | 121.25                 |
|   | Trade Payables                                 |  | 17.83                  | -                      |
|   | Loans & Advances                               | Amarak Chemicals FZC   | 7,342                  | 7,328                  |
|   | Share Investments                              | (Balance of Golden Harvest Middle East FZC with its Associate) | 5,745                  | 5,685                  |

### 39. **Gratuity**

#### **UAE Operations**

The Liability for Employees is fully provided for in the accounts.

### 40. **Contingent Liability not provided for in the accounts:**

- a) Letters of credit / guarantees given / Bills discounting Rs. 1,089.69 Lakhs..
- b) Claims against company not acknowledged as debts Rs. 4,900.42 Lakhs which includes tax dues disputed as Rs. 23.55 Lakhs towards sales Tax, Rs. 7,17.82 Lakhs towards Income Tax, Rs. 4,152.09 Lakhs towards central excise & customs and Rs. 6.97 Lakhs pertaining to pending suits regarding quality issue.
- c) 1) The Commissioner of CGST & Central Excise, Navi Mumbai, had passed an order confirming demand of Rs. 4.79 Crores and interest on the said amount on account of Central Excise duty on the classification of sixteen micronutrient fertilizers products relating to the Mumbai Factory against which the Company filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Mumbai and the same is pending before CESTAT Mumbai

2 (a). The Commissioner of Central Excise, Ahmedabad – II, had passed an order confirming demand of Rs. 3.81 Crores on account of Central Excise duty, interest on the said amount and penalty of like amount i.e. Rs.3.81 Crores on the classification of micronutrient fertilizers relating to the Sanand facility against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad and the same is pending before CESTAT, Ahmedabad..

2 (b). The Commissioner of Central GST & Central Excise, Ahmedabad, had passed an order confirming demand of Rs. 13.84 Crores on account of Central Excise duty, penalty on the said amount of Rs. 13.84 Crores on the classification nine micronutrient fertilizers products relating to the Chhatral factory against which the Company has filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), Ahmedabad.

The Central Board of Excise and Customs vide their Circular No. 1022/10/2016/CX dated 06/04/2016 have clarified that Micronutrients are not classifiable as Plant Growth Regulators and hence are not classifiable under Chapter Heading No. 38.08 of the Central Excise Act.

In view of legal pronouncement and the above referred Circular, the Show Cause-Cum-Demand Notices are liable to be dropped.

3(a). The Company has been classifying Sulphur Bentonite under Chapter Heading No. 25030090 as other forms of Sulphur. However, the Customs authorities classified Sulphur Bentonite imported under Chapter Heading No. 25030010 "as recovered byproduct in refining of crude oil". The Additional Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 25030010 and demanded an amount of Rs. 29.91 Lakhs, in addition penalty of like amount i.e. Rs. 29.91 Lakhs along with fine and penalty of Rs. 7.00 Lakhs each on the Chairman & Managing Director and Purchase Manager of the Company.

The Company preferred an appeal before the Commissioner (Appeals) who vide order dated 19/02/2016 while upholding the Department's contention of classifying the product under Chapter Heading No. 25030010 set aside the fine and penalty imposed upon the Company, the Chairman & Managing Director and the Purchase Manager. The Commissioner Appeals also directed to grant benefit vide Sr. No. 60 under Notification No. 21/2002/CUS. The Company has preferred an appeal against the said order to the Customs, Central Excise and Service Tax Tribunal, Mumbai on 19/05/2016 contesting the classification of Sulphur Bentonite under Chapter Heading No. 25030010.

3(b). The Company has been classifying Zn-EDTA & Fe-EDTA under Chapter Heading No. 31059090 as other Fertiliser for Mumbai Factory. However, the Customs authorities classified imported under Chapter Heading No. 29224990 "as Organic Chemical. The Commissioner of Customs, Nhava Sheva confirmed the classification under Chapter Heading No. 29224990 and pass order and demanded an amount of Rs. 81.84 Lakhs, on account of Custom Duty with Interest against which the Company has filed an appeal before the Customs, Excise & Service Tax Appellate Tribunal Mumbai.

**41. Segmental Reporting as per Ind AS - 108**

The Company has only One business Segment “Agri Inputs” as its primary segment and hence disclosure of segment-wise information is not required under Ind AS 108 ‘Operating Segments’ notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

**42. Events Occurring after Balance Sheet**

**Dividend proposed & paid**

**(Amount in Rupees Lakhs unless stated otherwise)**

| Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--|--------------------------------|--------------------------------|
| Dividend proposed for Equity Shareholders @ Rs. 0.80 per share | <b>104.03</b>                  | -                              |
| Dividend paid to Equity Shareholder @ Rs. 0.80 per share       | -                              | 104.03                         |
| <b>Total</b>   | <b>104.03</b>                  | 104.03                         |

**43.** The Company has no transaction with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

**44.** Previous Years figures have been regrouped, restated and rearranged wherever necessary so as to make them comparable with the current year.

***The Notes referred to above form an integral part of the Consolidated Financial Statements***

**As per our report of even date**

For and on behalf of the **Board of Directors of Aries Agro Limited**

**For Sandeep Sheth & Associates**  
Chartered Accountants  
Firm Registration No. 120685W

**Dr. Rahul Mirchandani**  
Chairman & Managing Director  
DIN 00239057

**Prof. R. S. S. Mani**  
Independent Director  
DIN 00527270

**Mrs. Chhaya Ashok Warriar**  
Vice President Finance  
(Discharging the Duties and  
Responsibilities of CFO)

**Sandeep Sheth**  
Proprietor  
Membership No 101903  
UDIN 22101903AJPPAI9472

**Dr. Jimmy Mirchandani**  
Director  
DIN 00239021

**Mr. C. B. Chhaya**  
Independent Director  
DIN 00968966

**Mr. Kaiser P. Ansari**  
Company Secretary &  
Senior VP (Legal)  
Membership No. ACS-8979

**Place :** Mumbai  
**Date :** 25th May, 2022

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Mr. Nrupang B. Dholakia**  
Independent Director  
DIN 06522711

## INDEPENDENT AUDITOR'S REPORT

**The Shareholders'**  
**Golden Harvest Middle East FZC**  
**Sharjah Airport International Free Zone**  
**Sharjah – United Arab Emirates**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Golden Harvest Middle East FZC, Sharjah Airport International Free Zone, Sharjah, United Arab Emirates** (the Company), which comprise the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, statement of changes in shareholders' funds and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board For Accountants Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS). The management is also responsible for such internal controls as it determines necessary to enable the preparation of financial statements that 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 Management is responsible for overseeing the Company's financial reporting process.

#### Auditors' responsibility 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 ISAs 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 ISAs, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ❖ 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.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the management 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.

**For Prasad Associates**  
**Chartered Accountants**

Beauty Prasad  
 Registration No. 1278

Date: 17 May 2022  
 Place: Sharjah

## STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

|  | Notes | 2022<br>AED       | 2021<br>AED       |
|--|-------|-------------------|-------------------|
| <b>ASSETS</b>                                    |       |                   |                   |
| <b>Non-current assets</b>                        |       |                   |                   |
| Investment in associates                         | 5     | 1,470,000         | 1,470,000         |
| Right-of-use assets                              | 6     | 131,283           | 224,811           |
|  |       | <b>1,601,283</b>  | <b>1,694,811</b>  |
| <b>Current assets</b>                            |       |                   |                   |
| Trade receivables                                | 7     | 6,069,843         | 7,089,301         |
| Deposits, advances and prepayments               | 8     | 775,835           | 781,572           |
| Amount due from related parties                  | 9     | 36,791,314        | 37,953,294        |
| Advance towards share application money          | 10    | 27,849,627        | 27,849,627        |
| Bank balances                                    | 11    | 7,811             | 8,600             |
| Total current assets                             |       | <b>71,494,430</b> | <b>73,682,394</b> |
| <b>TOTAL ASSETS</b>                              |       | <b>73,095,713</b> | <b>75,377,205</b> |
| <b>SHAREHOLDERS' FUNDS AND LIABILITIES</b>       |       |                   |                   |
| <b>SHAREHOLDERS' FUNDS</b>                       |       |                   |                   |
| Share capital                                    | 12    | 19,150,000        | 150,000           |
| Shareholders' current accounts                   | 13    | 211,904           | 19,211,904        |
| Retained earnings                                |       | 2,223,889         | 4,887,772         |
| Reserve fund                                     | 14    | 75,000            | 75,000            |
| Total shareholders' funds                        |       | <b>21,660,793</b> | <b>24,324,676</b> |
| <b>Non-current liabilities</b>                   |       |                   |                   |
| Provision for employees' terminal benefits       | 15    | 42,088            | 38,988            |
| Lease liability - non-current portion            | 6     | 114,971           | 200,864           |
| Total non-current liabilities                    |       | <b>157,059</b>    | <b>239,852</b>    |
| <b>Current liabilities</b>                       |       |                   |                   |
| Trade payables and accruals                      | 16    | 19,103            | 30,128            |
| Lease liability - current portion                | 6     | 10,964            | 27,174            |
| Amount due to related parties                    | 9     | 51,247,794        | 50,755,375        |
| Total current liabilities                        |       | <b>51,277,861</b> | <b>50,812,677</b> |
| Total liabilities                                |       | <b>51,434,920</b> | <b>51,052,529</b> |
| <b>TOTAL SHAREHOLDERS' FUNDS AND LIABILITIES</b> |       | <b>73,095,713</b> | <b>75,377,205</b> |

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah  
Date : 5 May 2022

Director



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

|  | Notes | 2022<br>AED        | 2021<br>AED        |
|--|-------|--------------------|--------------------|
| <b>INCOME</b>                                |       |                    |                    |
| Other income                                 |       | 3,227              | 1,352              |
| <b>Total income</b>                          |       | <b>3,227</b>       | <b>1,352</b>       |
| <b>EXPENSES</b>                              |       |                    |                    |
| Administration, selling and general expenses | 17    | 204,607            | 200,934            |
| Finance charges                              | 18    | 2,454,370          | 2,467,846          |
| Depreciation on right-of-use assets          | 6     | 8,133              | 30,656             |
| <b>Total expenses</b>                        |       | <b>2,667,110</b>   | <b>2,699,436</b>   |
| <b>Net (loss) for the year</b>               |       | <b>(2,663,883)</b> | <b>(2,698,084)</b> |

We confirm that we are responsible for these financial statements, including selecting the accounting policies and making judgements underlying them.

For Golden Harvest Middle East FZC

Place: Sharjah  
Date : 5 May 2022

Director

## STATEMENT OF CHANGES IN SHAREHOLDERS' FUNDS FOR THE YEAR ENDED 31 MARCH 2022

| Year to 31 March 2022                           | Share capital<br>AED | Shareholders'<br>current accounts<br>AED | Retained<br>earnings<br>AED | Reserve fund<br>AED | Total<br>AED |
|---|----------------------|--|-----------------------------|---------------------|--------------|
| Balance at 1 April 2021                         | 150,000              | 19,211,904                               | 4,887,772                   | 75,000              | 24,324,676   |
| Additional share capital introduced             | 19,000,000           | -  | -                           | -                   | 19,000,000   |
| Net movements in shareholders' current accounts | -                    | (19,000,000)                             | -                           | -                   | (19,000,000) |
| Net (loss) for the year                         | -                    | -  | (2,663,883)                 | -                   | (2,663,883)  |
| Balance at 31 March 2022                        | 19,150,000           | 211,904                                  | 2,223,889                   | 75,000              | 21,660,793   |
| Year to 31 March 2021                           | Share capital<br>AED | Shareholders'<br>current accounts<br>AED | Retained<br>earnings<br>AED | Reserve fund<br>AED | Total<br>AED |
| Balance at 1 April 2020                         | 150,000              | 19,211,904                               | 7,584,064                   | 75,000              | 27,020,968   |
| Adjustment on adoption of IFRS 16               | -                    | -  | 1,792                       | -                   | 1,792        |
| Restated shareholder's funds at 1 April 2020    | 150,000              | 19,211,904                               | 7,585,856                   | 75,000              | 27,022,760   |
| Net (loss) for the year                         | -                    | -  | (2,698,084)                 | -                   | (2,698,084)  |
| Balance at 31 March 2021                        | 150,000              | 19,211,904                               | 4,887,772                   | 75,000              | 24,324,676   |

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022**

|   | <b>2022</b>        | 2021        |
|---|--------------------|-------------|
|   | <b>AED</b>         | AED         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |                    |             |
| Net (loss) for the year                             | <b>(2,663,883)</b> | (2,698,084) |
| Adjustment for:                                     |                    |             |
| Provision for employees' terminal benefits          | <b>3,100</b>       | 3,100       |
| Gain on lease modifications                         | <b>(3,227)</b>     | -           |
| Interest on lease liabilities                       | <b>4,421</b>       | 13,663      |
| Depreciation on right-of-use assets                 | <b>8,133</b>       | 30,656      |
| Operating (loss) before working capital changes     | <b>(2,651,456)</b> | (2,650,665) |
| Decrease in trade receivables                       | <b>1,019,458</b>   | 51,000      |
| Decrease in deposits, advances and prepayments      | <b>5,737</b>       | 5,809       |
| Decrease in amount due from related parties         | <b>1,161,980</b>   | 153,285     |
| (Decrease)/increase in trade payables and accruals  | <b>(11,025)</b>    | 32          |
| Increase in amount due to related parties           | <b>492,419</b>     | 2,452,360   |
| <b>Net cash from operating activities</b>           | <b>17,113</b>      | 11,821      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |                    |             |
| Lease payments                                      | <b>(17,902)</b>    | (39,300)    |
| <b>Net cash (used in) financing activities</b>      | <b>(17,902)</b>    | (39,300)    |
| Net (decrease) in cash and cash equivalents         | <b>(789)</b>       | (27,479)    |
| Cash and cash equivalents at beginning of the year  | <b>8,600</b>       | 36,079      |
| <b>Cash and cash equivalents at end of the year</b> | <b>7,811</b>       | 8,600       |

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### 1. LEGAL STATUS AND ACTIVITY

**Legal status:** Golden Harvest Middle East FZC (the "Company") is a Free Zone Company with limited liability incorporated and licensed at Sharjah Airport International Free (SAIF) Zone, Sharjah pursuant to Sharjah Emiri Decree No 2 of 1995.

The Company was incorporated on 31 October 2004 and operating under Commercial License No. 17353 issued on 18 August 2017 by SAIF Zone Authorities.

During the year, the shareholding pattern of the Company has been restructured as per amendment to the Memorandum of Association of the Company dated 18 November 2021 and the share capital of the Company has been increased to AED 19,150,000 as per amendment to the Memorandum of Association of the Company dated 20 December 2021.

**Activity:** The principal activity of the Company is general trading. The principal place of the business of the Company is located at Saif Office Q1-09-084/C, P.O.Box 9267 Sharjah, United Arab Emirates.

These separate financial statements relates to the operations of M/s. Golden Harvest Middle East FZC and do not include the results of operations of its associate Company M/s. Amarak Chemicals FZC, Fujairah, United Arab Emirates.

**Management:** The Company is managed by Mr. Akshay Mirchandani, Indian national.

**Accounting period:** These financial statements relate to the period from 1 April 2021 till 31 March 2022.

### 2. APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS AND INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

#### 2.1 New standards and amendments – applicable 1 January 2021:

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2021:

##### Key Requirements

##### Covid-19-related Rent Concessions – Amendments to IFRS 16

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to IFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.

##### Effective date

1 June 2020

1 April 2021

Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognized in profit or loss arising from the rent concessions.a

\* The relief was originally limited to reduction in lease payments that were due on or before 30 June 2021. However, the IASB subsequently extended this date to 30 June 2022.

##### Interest Rate Benchmark Reform Phase 2 Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

1 January 2021

In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

- When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.
- The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

Affected entities need to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition. Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries.

#### 2.2 Forthcoming requirements

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 March 2022.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### **Key Requirements**

#### **IFRS 17 Insurance Contracts**

IFRS 17 was issued in May 2017 as replacement for IFRS 4 *Insurance Contracts*. It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognized as revenue over the coverage period.

The standard allows a choice between recognizing changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

#### **Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16**

The amendment to IAS 16 *Property, Plant and Equipment* (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

#### **Reference to the Conceptual Framework – Amendments to IFRS 3**

Minor amendments were made to IFRS 3 *Business Combinations* to update the references to the *Conceptual Framework for Financial Reporting* and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and Interpretation 21 *Levies*. The amendments also confirm that contingent assets should not be recognized at the acquisition date.

#### **Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37**

### **Effective date**

1 January 2023 (deferred from 1 January 2021)

1 January 2022

1 January 2022

1 January 2022

The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognizing a separate provision for an onerous contract, the entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract.

#### **Annual Improvements to IFRS Standards 2018–2020**

1 January 2022

The following improvements were finalized in May 2020:

- IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for de-recognition of financial liabilities.

IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.

- IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.

#### **Classification of Liabilities as Current or Non-current – Amendments to IAS 1**

1 January 2023 (deferred from 1 January 2022)

The narrow-scope amendments to IAS 1 *Presentation of Financial Statements* clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

They must be applied retrospectively in accordance with the normal requirements in IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*.

### **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 -** 1 January 2023

The IASB amended IAS 1 to require entities to disclose their *material* rather than their *significant* accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

### **Definition of Accounting Estimates – Amendments to IAS 8** 1 January 2023

The amendment to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

### **Deferred tax related to assets and liabilities arising from a single transaction – amendments to IAS 12'** 1 January 2023

The amendments to IAS 12 *Income Taxes* require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognize deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets.

The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **3.1 Compliance with IFRS**

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

### **3.2 Basis of preparation**

The financial statements have been prepared on a historical cost basis, except for the following:

- ❖ available-for-sale financial assets, financial assets and liabilities (including derivative instruments) certain classes of furniture and equipment and investment property – measured at fair value;
- ❖ assets held for sale – measured at fair value less cost of disposal, and
- ❖ defined benefit pension plans – plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The presentation of assets and liabilities in the statement of financial position are based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in normal operating cycle;
- Held primarily for the purpose of being traded;
- Expected to be realized within twelve months after the reporting date; or

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

- Cash or a cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

A liability shall be classified as current when it is:

- Expected to be settled in the entity's normal operating cycle;
- Held primarily for the purpose of being traded;
- Due to be settled within twelve months after the reporting date;
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities shall be classified as non-current.

### 3.3 Financial instruments

Financial assets and financial liabilities are recognized on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

### 3.4 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating unit ("CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount.

Impairment losses are recognized in the profit or loss. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 3.5 Investments and other financial assets

#### (i) Classification

The Company classifies its financial assets in the following measurement categories:

- ❖ those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- ❖ those to be measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity

instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are de-recognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

#### *Debt instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

### 3.6 Leases – IFRS 16

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-Use Assets**

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company has used 6% uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

### Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company presents right-of-use assets and lease liabilities separately in the statement of financial position.

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate and the weighted average rate applied is 6%.

### 3.7 Prepayments

Prepayments are carried at cost less any accumulated impairment losses.

### 3.8 Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets.

### 3.9 Revenue from contract with customers

The Company recognizes revenue from contracts with customers in accordance with IFRS 15 and based on a five-step model as stated below:

Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Entity will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Entity expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

1. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
2. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which performance obligation is satisfied.

When the Entity satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Entity and the revenue and costs, if applicable, can be measured reliably.

### Sale of goods

Under IFRS 15, revenue from sale of goods is recognized when the goods are delivered and the customer obtains control of the goods.

### 3.10 Interest income and expense

Interest income and expense are recognized within 'finance income' and 'finance costs' in profit or loss using the effective interest rate method, except for borrowing costs relating to qualifying assets, which are capitalized as part of the cost of that asset. The Company has chosen to capitalize borrowing costs on all qualifying assets irrespective of whether they are measured at fair value or not.



## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, pre-payment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

### 3.11 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### 3.12 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

### 3.13 Employees' terminal benefits

Termination benefits are paid to employees' when employment is terminated by the Company before the normal retirement date or whenever an employee accepts voluntary retirement in exchange for these benefits.

Provision is made for employees' terminal benefits on the basis prescribed under the U.A.E Labour Law based on employees' salaries and number of years of service. The terminal benefits are paid to employees on termination or completion of their term of employment.

### 3.14 Foreign currencies

#### *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency in which the majority of its transactions are denominated ("the functional currency"). The financial statements are presented in UAE Dirham (AED), which is the Company's functional and presentation currency.

#### *Transaction and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### 3.15 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from the past events that is not recognized because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

Contingent liabilities are not recognized but are disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognized as provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When an inflow is virtually certain, an asset is recognized.

## 4. ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

### Impairment losses on trade receivables and due from related parties

The Company reviews its receivables to assess impairment at least on an annual basis. The Company's credit risk is primarily attributable to its trade receivables and amounts due from related parties. In determining whether impairment losses should be reported in the profit or loss, the Company makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made in accordance with 'Expected Credit Loss' (ECL), which will require considerable judgement about how the changes in economic factors affect ECLs, which are determined on a probability weighted basis.

### Lease term and incremental borrowing rate

In determining the lease term and assessing the length of the non-cancellable period of a lease, the Company applies the definition of a contract to determine the period for which the contract is enforceable. A lease is no longer enforceable when the Company (lessee) and the lessor, both, has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

In determining the lease term where the enforceability of the option solely rests with the Company, the management considers all facts and circumstances that create an economic incentive to exercise the option. Extension/renewal options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors are most relevant:

If there are significant penalties (contractual) to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).

The Company also considers other factors including current market conditions, historical impairments on related CGUs, business plans etc.

Where the option on the lease term rests with both the Company (lessee) and the lessor, the Company considers that the option is not enforceable and that the term under the option is based on the consent of both parties is not considered in the lease term since the Company cannot enforce the extension of the lease without the agreement of the lessor. In addition, economic incentives are also considered when evaluating the enforceability rights.

The Company cannot readily determine the interest rate implicit in the lease and hence uses its incremental borrowing

rate to measure lease liabilities. To determine the incremental borrowing rate, the Company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk.

### Effect of Covid-19

In January 2020, the World Health Organization ("WHO") announced a global health emergency due to the outbreak of coronavirus ("COVID-19"). Based on the rapid increase in exposure and infections across the world, WHO, in March 2020, classified the COVID-19 outbreak as a pandemic. The pandemic nature of this disease has necessitated global travel restrictions and lockdowns in most countries of the world including the UAE, causing global disruption to business and economic activities.

Many countries have adopted extraordinary and economically costly containment measures with certain countries requiring companies to limit or even suspend normal business operations. Governments, including the Middle East, have implemented restrictions on travelling as well as strict quarantine and social distancing measures, which will/may significantly impact the results and operations of the Company.

The Company continues to closely monitor the situation to manage any business disruption. While circumstances are continually evolving, the risks are mitigated by the sales revenue preventive measures taken by management to mitigate operational risks and cost cutting measures taken to improve financial resilience in the current environment.

The Company has performed an assessment of the potential impact of the pandemic on its financial statements for the year ended 31 March 2022 in particular their estimates in determining expected credit losses, inventory provision and impairment of Property, Plant and Equipment, and has concluded that there is no material impact to the operations or the profitability of the Company. As the situation is evolving, the Company will continue to monitor the situation and adjust its critical judgements and estimates, as necessary, during the course of FY 2021-2022.

### 5. INVESTMENTS IN ASSOCIATES

|  | 2022<br>AED      | 2021<br>AED      |
|--|------------------|------------------|
| M/s. Amarak Chemicals FZC  | 1,470,000        | 1,470,000        |
| (9,800 shares of AED 150/share -<br>Percentage of holding - 49%) |                  |                  |
|  | <b>1,470,000</b> | <b>1,470,000</b> |

### 6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The statement of financial position shows the following amounts relating to lease of property:

| <b>RIGHT-OF-USE ASSETS</b>                       | 2022<br>AED    | 2021<br>AED    |
|--|----------------|----------------|
| Balance at beginning of the year                 | 224,811        | 255,467        |
| Lease modifications                              | (85,395)       | -              |
| Less: Depreciation charge of right-of use assets | (8,133)        | (30,656)       |
| Balance at end of the year                       | <b>131,283</b> | <b>224,811</b> |

NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022**LEASE LIABILITIES**

|   | 2022<br>AED | 2021<br>AED |
|---|-------------|-------------|
| Balance at beginning of the year                              | 228,038     | 253,675     |
| Lease modifications   | (88,622)    | -           |
| Add: Interest expense (included in finance charges) - note 18 | 4,421       | 13,663      |
| Less: Lease payments  | (17,902)    | (39,300)    |
| Balance at end of the year                                    | 125,935     | 228,038     |

|                                       | 2022<br>AED | 2021<br>AED |
|---------------------------------------|-------------|-------------|
| Lease liability - current portion     | 10,964      | 27,174      |
| Lease liability - Non-current portion | 114,971     | 200,864     |

Amount recognized in the statement of profit or loss and other comprehensive income

|   | 2022<br>AED | 2021<br>AED |
|---|-------------|-------------|
| Depreciation charge of right-of-use assets      | 8,133       | 30,656      |
| Interest expense on lease liabilities (Note 19) | 4,421       | 13,663      |

**7. TRADE RECEIVABLES**

|                   | 2022<br>AED | 2021<br>AED |
|-------------------|-------------|-------------|
| Trade receivables | 6,069,843   | 7,089,301   |
|                   | 6,069,843   | 7,089,301   |

- (i) In the opinion of the management, the receivables are considered good and fully recoverable.
- (ii) The aging analysis of the trade receivables are as follows:

|                            | 2022<br>AED | 2021<br>AED |
|----------------------------|-------------|-------------|
| Due for less than 6 months |             |             |
| Due for more than 6 months | 6,069,843   | 7,089,301   |
|                            | 6,069,843   | 7,089,301   |

**8. DEPOSITS, ADVANCES AND PREPAYMENTS**

|                    | 2022<br>AED | 2021<br>AED |
|--------------------|-------------|-------------|
| Prepaid expenses   | 6,250       | 23,169      |
| Deposits           | 7,825       | 7,825       |
| Loans and advances | 760,000     | 750,000     |
| Other receivables  | 1,760       | 578         |
|                    | 775,835     | 781,572     |

**9. RELATED PARTY BALANCES**

The Company has in the ordinary course of business, entered into trading, financial and service transactions with concerns in which the shareholders' /directors'/manager of the Company or their relatives have an investing / controlling interest.

The prices and terms of these transactions were approved by the management and considered comparable to those charged by third parties. The amount outstanding from/to related parties are unsecured, which attract interest and are payable

on demand. No expense has been recognized in the period for bad or doubtful debts in respect of the amounts owed by related parties.

At the end of the reporting year, amount due from/to related parties were as follows: -

| <u>Amount due from related parties</u> | 2022<br>AED | 2021<br>AED |
|--|-------------|-------------|
| Amarak Chemicals FZC, Fujairah         | 35,588,619  | 36,750,599  |
| Aries Agro Limited, Mumbai             | 1,202,695   | 1,202,695   |
|  | 36,791,314  | 37,953,294  |

| <u>Amount due to related parties</u> | 2022<br>AED | 2021<br>AED |
|--------------------------------------|-------------|-------------|
| Aries Agro Limited                   | 51,247,794  | 50,755,375  |
|                                      | 51,247,794  | 50,755,375  |

The volume of significant related party transactions during the year were as follows: -

|                   | 2022<br>AED | 2021<br>AED |
|-------------------|-------------|-------------|
| Interest expenses | 2,429,512   | 2,452,360   |

**10. ADVANCE TOWARDS SHARE APPLICATION MONEY**

This represents amount paid to the associate Company, Amarak Chemicals FZC, Fujairah Free Zone towards advance for allotment of shares. The process of allotment of shares has not yet completed and the management is expecting to complete the formalities of share allotment by the end of December 2022.

**11. BANK BALANCES**

|                            | 2022<br>AED | 2021<br>AED |
|----------------------------|-------------|-------------|
| Current account with banks | 7,811       | 8,600       |
|                            | 7,811       | 8,600       |

**12. SHARE CAPITAL**

|   | 2022<br>AED | 2021<br>AED |
|---|-------------|-------------|
| Authorised, issued and paid-up capital (191,500 shares of AED 100 each) | 19,150,000  | 150,000     |
| (2021 - 1,500 shares of AED 100 each)                                   |             |             |
|   | 19,150,000  | 150,000     |

**13. SHAREHOLDERS' CURRENT ACCOUNTS**

Shareholders' current account balances do not attract interest and there are no defined repayment arrangements.

**14. RESERVE FUND**

This represents reserve created out of profit of the Company in accordance with the provisions of Memorandum and Articles of Association of the Company.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

### 15. PROVISION FOR EMPLOYEES' TERMINAL BENEFITS

The provision for end of service benefits for employees is made in accordance with the requirements of the U.A.E. Labour Laws. This is an unfunded defined benefits retirement plan. Employees are entitled to benefits based on length of service and final remuneration. Accrued employees' terminal benefits are payable on termination of employment.

### 16. TRADE PAYABLES AND ACCRUALS

|                  | 2022<br>AED   | 2021<br>AED   |
|------------------|---------------|---------------|
| Accrued expenses | 11,550        | 8,965         |
| Other payables   | 7,553         | 21,163        |
|                  | <b>19,103</b> | <b>30,128</b> |

### 17. ADMINISTRATION, SELLING AND GENERAL EXPENSES

|                                   | 2022<br>AED    | 2021<br>AED    |
|-----------------------------------|----------------|----------------|
| Legal and professional charges    | 81,063         | 36,860         |
| Salaries and other benefits       | 72,730         | 80,054         |
| Rent expenses                     | 16,375         | -              |
| Other expenses                    | 14,516         | 62,878         |
| Communication expenses            | 10,302         | 16,323         |
| Repairs and maintenance           | 5,425          | 1,754          |
| Traveling and conveyance expenses | 3,652          | 2,104          |
| Insurance charges                 | 544            | 961            |
|                                   | <b>204,607</b> | <b>200,934</b> |

### 18. FINANCE CHARGES

|  | 2022<br>AED      | 2021<br>AED      |
|--|------------------|------------------|
| Bank charges                           | 1,837            | 1,823            |
| Interest charges                       | 2,429,512        | 2,452,360        |
| Loss on currency exchange fluctuation  | 18,600           | -                |
| Interest on lease liabilities (note 6) | 4,421            | 13,663           |
|  | <b>2,454,370</b> | <b>2,467,846</b> |

Interest charges represents interest paid to a related party (Note 9).

### 19. FINANCIAL INSTRUMENTS

Financial assets of the Company include investments, trade receivables, amount due from related parties, deposits, advances, cash and bank balances. Financial liabilities of the Company include trade payables, lease liabilities and amount due to related parties.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset and financial liability are disclosed in note 3 to the financial statements.

### (i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's credit exposure is continuously monitored and regularly reviewed by the management. The credit risk on trade receivables and related parties are subject to credit evaluations. The credit risk on liquid funds is limited because the Company's bank accounts are placed with high credit quality financial institutions.

The maximum exposure to credit risk at the reporting date was:

|                                 | 2022<br>AED       | 2021<br>AED       |
|---------------------------------|-------------------|-------------------|
| <b>Financial assets</b>         |                   |                   |
| Investments                     | 1,470,000         | 1,470,000         |
| Trade receivables               | 6,069,843         | 7,089,301         |
| Deposits and advances           | 769,585           | 758,403           |
| Amount due from related parties | 36,791,314        | 37,953,294        |
| Cash and bank balances          | 7,811             | 8,600             |
|                                 | <b>45,108,553</b> | <b>47,279,598</b> |

Amount due from related parties is considered fully recoverable by the management.

The Company has a diversified customer base and as such there is no significant concentration of credit risk. The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade receivables based on the past and the recent collection trend.

### (ii) Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates, and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all financial assets traded in the market.

### (iii) Currency risk

The Company undertakes certain transactions denominated in foreign currencies and hence exposure to exchange rate fluctuations arises.

The majority of the Company's financial assets and financial liabilities are either denominated in local currency (AED) or currencies fixed to the AED. Hence the management believes that there would not be a material impact on the profitability if these foreign currencies weakens or strengthens against the AED with all other variables held constant.

### (iii) Liquidity risk

The Company manages its liquidity risk by ensuring it has sufficient liquid cash balances to meet its payment obligations as they fall due.

## NOTES to the Financial Statements for the year ended 31<sup>st</sup> March 2022

The table below summarizes the contractual maturities of financial liabilities:

|                                     | 2022                   |                         |                            | 2021                   |                         |                            |
|-------------------------------------|------------------------|-------------------------|----------------------------|------------------------|-------------------------|----------------------------|
|                                     | Carrying amount<br>AED | Within 1<br>year<br>AED | More than<br>1 year<br>AED | Carrying amount<br>AED | Within 1<br>year<br>AED | More than<br>1 year<br>AED |
| <b><u>Financial liabilities</u></b> |                        |                         |                            |                        |                         |                            |
| Trade payables and accruals         | 19,103                 | 19,103                  | -                          | 30,128                 | 30,128                  | -                          |
| Amount due to related parties       | 51,247,794             | 51,247,794              | -                          | 50,755,375             | 50,755,375              | -                          |
| Lease liabilities                   | 125,935                | 10,964                  | 114,971                    | 228,038                | 27,174                  | 200,864                    |
|                                     | <b>51,392,832</b>      | <b>51,277,861</b>       | <b>114,971</b>             | <b>51,013,541</b>      | <b>50,812,677</b>       | <b>200,864</b>             |

### 20. CAPITAL COMMITMENTS

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known capital commitment on Company's financial statements as of reporting date.

### 21. CONTINGENT LIABILITIES

Except for the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability on Company's financial statements as of reporting date.

### 22. COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable to those of the current year.

However, such reclassification does not have impact on the previously reported loss or equity.

### 23. LEVEL OF PRECISION

All figures are rounded off to nearest Dirhams (AED).

### 24. SUBSEQUENT EVENTS

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the financial statements as at and for the year ended 31 March 2022.

### 25. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the shareholders and authorized for issue on 5 May 2022.

**For Golden Harvest Middle East FZC**

**Director**

## **NOTICE OF 16<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of **ARIES AGRO CARE PRIVATE LIMITED** will be held on Wednesday, 28<sup>th</sup> September, 2022 at 10.00 a.m. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai -400 043 to transact the following Ordinary Business:-

### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mrs. Nitya Mirchandani(DIN 00662384) who retires by rotation and being eligible offers herself for re-appointment.

**By Order of the Board  
For Aries Agro Care Private Limited**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

**Place: Mumbai  
Date: 18<sup>th</sup> May, 2022**

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

## BOARD'S REPORT

To,  
The Members of  
Aries Agro Care Private Limited.

Your Directors present their Sixteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS :

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 15.32 Lakhs as compared to the Loss of Rs. 0.05 Lakhs in the Previous Year.

### 2. CURRENT STATUS

In view of the extremely volatile nature of the seeds business, the business of the Company stood suspended during the year.

### 3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

### 4. DEPOSITS :

The Company has not accepted any Deposits from the Public.

### 5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company does not have any Subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

### 6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

The Company did not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

### 8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As there was no business activity in the Company during the Financial Year 2021-2022, there were no Contracts or Arrangements with Related Parties except the advance given by the group company to meet with the operational expenses.

### 9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

### 10. CORPORATE SOCIAL RESPONSIBILITY

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder.

### 11. MATERIAL ORDERS PASSED

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

### 12. INTERNAL FINANCIAL CONTROL

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

### 13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company did not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

### 14. DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Nitya Mirchandani (DIN 06882384) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Accordingly her re-appointment forms part of the Notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Key Managerial Personnel..

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

### 15. MEETINGS OF BOARD

5(Five) Meetings of the Board of Directors were held during the year on 20.04.2021, 24.06.2021, 23.09.2021, 27.10.2021 and 09.02.2022. The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum gap between any two meetings was less than 120 days. No resolution by circulation was passed during the year.

### 16. SECRETARIAL STANDARDS

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### 17. AUDITORS :

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 13<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2019 and being eligible continue to be the Statutory Auditors.

### 18. AUDITORS' REPORT

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

### 19. DIRECTORS' RESPONSIBILITY STATEMENTS

**Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:**

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 20. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2022 is given in **Annexure-I** and the same forms part of this Report. The Company does not have any web site.

### 21. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

### 22. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

### 23. MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

### 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable,

### 25. GENERAL DISCLOSURE

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

The Company, during the Financial Year, has neither made any application nor any proceeding are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

The Company during the Financial Year, did not do any one time settlement and hence, did not carry out any Valuation for one time settlement.

### 26. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board  
For **Aries Agro Care Private Limited**

**Dr. Rahul Mirchandani**  
Director  
DIN: 00239057

**Mrs. Nitya Mirchandani**  
Director  
DIN: 06882384

Place : Mumbai  
Date : 18<sup>th</sup> May, 2022



**FORM NO. MGT-7**

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Management and Administration) Rules, 2014]



## Annual Return

(other than OPCs and Small Companies)

Form language ☒ English ☐ Hindi

Refer the instruction kit for filing the form.

### I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U01122MH2007PTC166761

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAGCA5971P

(ii) (a) Name of the company

ARIES AGRO CARE PRIVATE LIM

(b) Registered office address

ARIES HOUSE,PLOT NO.24,DEONAR  
GOVANDI EAST, POST BOX NO. 1  
MUMBAI  
Mumbai City  
Maharashtra  
400042

(c) \* e-mail ID of the company

ariesagro@ariesagro.com

(d) \* Telephone number with STD code

02225529000

(e) Website

(iii) Date of Incorporation

05/01/2007

| (iv) | Type of the Company | Category of the Company   | Sub-category of the Company   |
|------|---------------------|---------------------------|-------------------------------|
|      | Private Company     | Company limited by shares | Indian Non-Government company |

(v) Whether company is having share capital ☒ Yes ☐ No

(vi) \* Whether shares listed on recognized Stock Exchange(s) ☐ Yes ☒ No

## Aries Agro Care Private Limited

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held ☐ Yes ☐ No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted

☐ Yes ☒ No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

| S.No | Main Activity group code | Description of Main Activity group | Business Activity Code | Description of Business Activity | % of turnover of the company |
|------|--------------------------|------------------------------------|------------------------|----------------------------------|------------------------------|
| 1    |                          |                                    |                        |                                  |                              |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

Pre-fill All

| S.No | Name of the company     | CIN / FCRN            | Holding/ Subsidiary/Associate/ Joint Venture | % of shares held |
|------|-------------------------|-----------------------|--|------------------|
| 1    | ARIES AGRO LIMITED (CN) | L99999MH1969PLC014465 | Holding                                      | 100              |

### IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

(i) \*SHARE CAPITAL

(a) Equity share capital

| Particulars                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of equity shares             | 10,000             | 10,000         | 10,000             | 10,000          |
| Total amount of equity shares (in Rupees) | 100,000            | 100,000        | 100,000            | 100,000         |

Number of classes

| Class of Shares         | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|-------------------------|--------------------|----------------|--------------------|-----------------|
| EQUITY SHARES           |                    |                |                    |                 |
| Number of equity shares | 10,000             | 10,000         | 10,000             | 10,000          |

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| Nominal value per share (in rupees)       | 10      | 10      | 10      | 10      |
| Total amount of equity shares (in rupees) | 100,000 | 100,000 | 100,000 | 100,000 |

**(b) Preference share capital**

| Particulars                                   | Authorised capital | Issued capital | Subscribed capital | Paid-up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of preference shares             | 0                  | 0              | 0                  | 0               |
| Total amount of preference shares (in rupees) | 0                  | 0              | 0                  | 0               |

Number of classes

0

| Class of shares                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
|   |                    |                |                    |                 |
| Number of preference shares                   |                    |                |                    |                 |
| Nominal value per share (in rupees)           |                    |                |                    |                 |
| Total amount of preference shares (in rupees) |                    |                |                    |                 |

**(c) Unclassified share capital**

| Particulars                         | Authorised Capital |
|-------------------------------------|--------------------|
| Total amount of unclassified shares | 0                  |

**(d) Break-up of paid-up share capital**

| Class of shares                               | Number of shares |       |       | Total nominal amount | Total Paid-up amount | Total premium |
|---|------------------|-------|-------|----------------------|----------------------|---------------|
| <b>Equity shares</b>                          | Physical         | DEMAT | Total |                      |                      |               |
| <b>At the beginning of the year</b>           | 10,000           | 0     | 10000 | 100,000              | 100,000              |               |
| <b>Increase during the year</b>               | 0                | 0     | 0     | 0                    | 0                    | 0             |
| i. Pubic Issues                               | 0                | 0     | 0     | 0                    | 0                    | 0             |
| ii. Rights issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iii. Bonus issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iv. Private Placement/ Preferential allotment | 0                | 0     | 0     | 0                    | 0                    | 0             |
| v. ESOPs                                      | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vi. Sweat equity shares allotted              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vii. Conversion of Preference share           | 0                | 0     | 0     | 0                    | 0                    | 0             |

|                                     |        |   |       |         |         |   |
|-------------------------------------|--------|---|-------|---------|---------|---|
| viii. Conversion of Debentures      | 0      | 0 | 0     | 0       | 0       | 0 |
| ix. GDRs/ADRs                       | 0      | 0 | 0     | 0       | 0       | 0 |
| x. Others, specify<br><div></div>   |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Buy-back of shares               | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 10,000 | 0 | 10000 | 100,000 | 100,000 |   |
|                                     |        |   |       |         |         |   |
| <b>Preference shares</b>            |        |   |       |         |         |   |
| <b>At the beginning of the year</b> | 0      | 0 | 0     | 0       | 0       |   |
| <b>Increase during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Issues of shares                 | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Re-issue of forfeited shares    | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Others, specify<br><div></div> |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Redemption of shares             | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 0      | 0 | 0     | 0       | 0       |   |

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

0

| Class of shares              |                      | (i) | (ii) | (iii) |
|------------------------------|----------------------|-----|------|-------|
| Before split / Consolidation | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |
| After split / Consolidation  | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |

**(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \***

☒ Nil

[Details being provided in a CD/Digital Media]

☐ Yes

☐ No

☐ Not Applicable

Separate sheet attached for details of transfers

☐ Yes

☐ No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

|  |  |   |  |
|--|--|---|--|
| Date of the previous annual general meeting        |  | <input style="width: 100%;" type="text"/>                   |  |
| Date of registration of transfer (Date Month Year) |  | <input style="width: 100%;" type="text"/>                   |  |
| Type of transfer                                   | <input style="width: 50px;" type="text"/>  | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |  |
| Number of Shares/ Debentures/ Units Transferred    | <input style="width: 100px;" type="text"/> | Amount per Share/ Debenture/Unit (in Rs.)                   | <input style="width: 100px;" type="text"/> |
| Ledger Folio of Transferor                         |  | <input style="width: 100%;" type="text"/>                   |  |
| Transferor's Name                                  | <input style="width: 150px;" type="text"/> | <input style="width: 150px;" type="text"/>                  | <input style="width: 150px;" type="text"/> |
|  | Surname                                    | middle name   | first name                                 |
| Ledger Folio of Transferee                         |  | <input style="width: 100%;" type="text"/>                   |  |

## Aries Agro Care Private Limited

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|  |  |                      |
|--|--|----------------------|
| Date of registration of transfer (Date Month Year) |  | <input type="text"/> |
|--|--|----------------------|

|                  |                      |   |
|------------------|----------------------|---|
| Type of transfer | <input type="text"/> | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |
|------------------|----------------------|---|

|   |                      |   |                      |
|---|----------------------|---|----------------------|
| Number of Shares/ Debentures/ Units Transferred | <input type="text"/> | Amount per Share/ Debenture/Unit (in Rs.) | <input type="text"/> |
|---|----------------------|---|----------------------|

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferor | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferor's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferee | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

### (iv) \*Debentures (Outstanding as at the end of financial year)

| Particulars                   | Number of units | Nominal value per unit | Total value |
|-------------------------------|-----------------|------------------------|-------------|
| Non-convertible debentures    | 0               | 0                      | 0           |
| Partly convertible debentures | 0               | 0                      | 0           |
| Fully convertible debentures  | 0               | 0                      | 0           |
| <b>Total</b>                  |                 |                        | 0           |

#### Details of debentures

| Class of debentures           | Outstanding as at the beginning of the year | Increase during the year | Decrease during the year | Outstanding as at the end of the year |
|-------------------------------|---|--------------------------|--------------------------|---------------------------------------|
| Non-convertible debentures    | 0   | 0                        | 0                        | 0                                     |
| Partly convertible debentures | 0   | 0                        | 0                        | 0                                     |
| Fully convertible debentures  | 0   | 0                        | 0                        | 0                                     |

**(v) Securities (other than shares and debentures)**

0

| Type of Securities | Number of Securities | Nominal Value of each Unit | Total Nominal Value | Paid up Value of each Unit | Total Paid up Value |
|--------------------|----------------------|----------------------------|---------------------|----------------------------|---------------------|
|                    |                      |                            |                     |                            |                     |
|                    |                      |                            |                     |                            |                     |
| Total              |                      |                            |                     |                            |                     |

**V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)**

**(i) Turnover**

0

**(ii) Net worth of the Company**

-4,753,329

**VI. (a) \*SHARE HOLDING PATTERN - Promoters**

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |

## Aries Agro Care Private Limited

|     |   |        |     |   |   |
|-----|---|--------|-----|---|---|
| 6.  | Foreign institutional investors         | 0      | 0   | 0 |   |
| 7.  | Mutual funds                            | 0      | 0   | 0 |   |
| 8.  | Venture capital                         | 0      | 0   | 0 |   |
| 9.  | Body corporate<br>(not mentioned above) | 10,000 | 100 | 0 |   |
| 10. | Others                                  | 0      | 0   | 0 |   |
|     | <b>Total</b>                            | 10,000 | 100 | 0 | 0 |

**Total number of shareholders (promoters)**

3

### (b) \*SHARE HOLDING PATTERN - Public/Other than promoters

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |
| 6.     | Foreign institutional investors         | 0                | 0          | 0                |            |
| 7.     | Mutual funds                            | 0                | 0          | 0                |            |
| 8.     | Venture capital                         | 0                | 0          | 0                |            |
| 9.     | Body corporate<br>(not mentioned above) | 0                | 0          | 0                |            |
| 10.    | Others                                  | 0                | 0          | 0                |            |



|  |              |   |   |   |   |
|--|--------------|---|---|---|---|
|  | <b>Total</b> | 0 | 0 | 0 | 0 |
|--|--------------|---|---|---|---|

Total number of shareholders (other than promoters) 0

Total number of shareholders (Promoters+Public/  
Other than promoters) 3

**VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS**  
(Details, Promoters, Members (other than promoters), Debenture holders)

| Details                        | At the beginning of the year | At the end of the year |
|--------------------------------|------------------------------|------------------------|
| Promoters                      | 3                            | 3                      |
| Members (other than promoters) | 0                            | 0                      |
| Debenture holders              | 0                            | 0                      |

**VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(A) \*Composition of Board of Directors**

| Category                                 | Number of directors at the beginning of the year |               | Number of directors at the end of the year |               | Percentage of shares held by directors as at the end of year |               |
|--|--|---------------|--|---------------|--|---------------|
|  | Executive  | Non-executive | Executive                                  | Non-executive | Executive  | Non-executive |
| <b>A. Promoter</b>                       | 0  | 3             | 0  | 3             | 0  | 0             |
| <b>B. Non-Promoter</b>                   | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Non-Independent                      | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Independent                         | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>C. Nominee Directors representing</b> | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Banks & FIs                          | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Investing institutions              | 0  | 0             | 0  | 0             | 0  | 0             |
| (iii) Government                         | 0  | 0             | 0  | 0             | 0  | 0             |
| (iv) Small share holders                 | 0  | 0             | 0  | 0             | 0  | 0             |
| (v) Others                               | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>Total</b>                             | 0  | 3             | 0  | 3             | 0  | 0             |

Number of Directors and Key managerial personnel (who is not director) as on the financial year end date 3

**(B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year**

| Name              | DIN/PAN  | Designation | Number of equity share(s) held | Date of cessation (after closure of financial year : If any) |
|-------------------|----------|-------------|--------------------------------|--|
| JIMMY MIRCHANDANI | 00239021 | Director    | 0                              |  |
| RAHUL MIRCHANDANI | 00239057 | Director    | 0                              |  |
| NITYA MIRCHANDANI | 06882384 | Director    | 0                              |  |

**(ii) Particulars of change in director(s) and Key managerial personnel during the year**

0

| Name | DIN/PAN | Designation at the beginning / during the financial year | Date of appointment/ change in designation/ cessation | Nature of change (Appointment/ Change in designation/ Cessation) |
|------|---------|--|---|--|
|      |         |  |   |  |

**IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**
**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

1

| Type of meeting        | Date of meeting | Total Number of Members entitled to attend meeting | Attendance                 |                         |
|------------------------|-----------------|--|----------------------------|-------------------------|
|                        |                 |  | Number of members attended | % of total shareholding |
| ANNUAL GENERAL MEETING | 22/09/2021      | 3  | 2                          | 100                     |

**B. BOARD MEETINGS**

\*Number of meetings held

5

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance                   |                 |
|--------|-----------------|--|------------------------------|-----------------|
|        |                 |  | Number of directors attended | % of attendance |
| 1      | 20/04/2021      | 3  | 3                            | 100             |
| 2      | 24/06/2021      | 3  | 3                            | 100             |
| 3      | 23/09/2021      | 3  | 2                            | 66.67           |
| 4      | 27/10/2021      | 3  | 3                            | 100             |
| 5      | 09/02/2022      | 3  | 2                            | 66.67           |

**C. COMMITTEE MEETINGS**

Number of meetings held

0

| S. No. | Type of meeting | Date of meeting | Total Number of Members as on the date of the meeting | Attendance                 |                 |
|--------|-----------------|-----------------|---|----------------------------|-----------------|
|        |                 |                 |   | Number of members attended | % of attendance |
| 1      |                 |                 |   |                            |                 |

**D. \*ATTENDANCE OF DIRECTORS**

| S. No. | Name of the director | Board Meetings   |                             |                 | Committee Meetings                                       |                             |                 | Whether attended AGM held on |
|--------|----------------------|--|-----------------------------|-----------------|--|-----------------------------|-----------------|------------------------------|
|        |                      | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance |                              |
|        |                      |  |                             |                 |  |                             |                 | (Y/N/NA)                     |
| 1      | JIMMY MIRCH          | 5  | 3                           | 60              | 0  | 0                           | 0               |                              |
| 2      | RAHUL MIRC           | 5  | 5                           | 100             | 0  | 0                           | 0               |                              |
| 3      | NITYA MIRCH          | 5  | 5                           | 100             | 0  | 0                           | 0               |                              |

**X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

☒ Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/ Sweat equity | Others | Total Amount |
|--------|-------|-------------|--------------|------------|----------------------------|--------|--------------|
| 1      |       |             |              |            |                            |        | 0            |
|        | Total |             |              |            |                            |        |              |

Number of CEO, CFO and Company secretary whose remuneration details to be entered

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/ Sweat equity | Others | Total Amount |
|--------|-------|-------------|--------------|------------|----------------------------|--------|--------------|
| 1      |       |             |              |            |                            |        | 0            |
|        | Total |             |              |            |                            |        |              |

Number of other directors whose remuneration details to be entered

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/ Sweat equity | Others | Total Amount |
|--------|-------|-------------|--------------|------------|----------------------------|--------|--------------|
| 1      |       |             |              |            |                            |        | 0            |
|        | Total |             |              |            |                            |        |              |

**XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES**

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year ☒ Yes ☐ No

B. If No, give reasons/observations

**XII. PENALTY AND PUNISHMENT - DETAILS THEREOF**

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which penalised / punished | Details of penalty/ punishment | Details of appeal (if any) including present status |
|--|--|---------------|--|--------------------------------|---|
|  |  |               |  |                                |   |

(B) DETAILS OF COMPOUNDING OF OFFENCES ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which offence committed | Particulars of offence | Amount of compounding (in Rupees) |
|--|--|---------------|---|------------------------|-----------------------------------|
|  |  |               |   |                        |                                   |

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

☒ Yes ☐ No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

☐ Associate ☐ Fellow

Certificate of practice number

**I/We certify that:**

- (a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.  
 (b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.  
 (c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.  
 (d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

**Declaration**

I am Authorised by the Board of Directors of the company vide resolution no. ...  dated

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
- All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

**To be digitally signed by**

Director

DIN of the director

**To be digitally signed by**

- ☐ Company Secretary  
☒ Company secretary in practice

Membership number

Certificate of practice number

**Attachments**

- List of share holders, debenture holders
- Approval letter for extension of AGM;
- Copy of MGT-8;
- Optional Attachment(s), if any

**Attach**

**Attach**

**Attach**

**Attach**

**List of attachments**

AACPL-Members Register-31-03-2022.pdf  
 List of Directors.pdf

**Remove attachment**

Modify

Check Form

Prescrutiny

Submit

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ARIES AGRO CARE PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Aries Agro Care Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, 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 (SAs). 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 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 standalone financial statements.

##### **Key Audit Matters**

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

##### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information in Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report. We have nothing to report in this regard.

Our opinion on the standalone 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.

##### **Management's Responsibility 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, total comprehensive income, 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 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 Responsibilities 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.

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

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 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 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 standalone 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 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, based on our audit 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 (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors 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, 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) 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 litigation on its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts.
    - iii. There were no amount which were 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;

- b) The Management has represented, that, 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;

- c) Based on the 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.

- v. The Board of Directors of the company has not proposed any interim dividend during the year or final dividend for the year.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN : 22032371AKWFAD9891

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai



## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2022, we report that:

- i. The Company does not have any Property, Plant and Equipment and Intangible Assets. Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii.
  - a) There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
  - 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. 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 investments in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. 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 given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the company has not provided any guarantee or security as specified under section 186 of the Companies Act, 2013. Further, the company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in relation to the loans given and investment made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposit from the Public, accordingly clause 3(v) of the Order is not applicable.
- vi. According to information and explanations given to us and on the basis of our examination of the records of the Company, pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, the Company is not required to maintain any cost records, hence reporting under clause 3(iv) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion:
  - a. The company is generally regular in depositing statutory dues including Provident Fund Employee State Insurance, Income Tax, Goods and Services Tax, Custom Duty, Cess, and any other material statutory dues except occasional/ minor delays. The undisputed liabilities as on 31<sup>st</sup> March 2022 is for a period exceeding six months from the date of it becoming payable is NIL.
  - b. There is no disputed liability in respect of tax dues on account of Income Tax, Goods and Services Tax, Custom Duty, Cess, etc.
- viii. According to information and explanations given to us and on the basis or examination records of the Company, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessment under the Income Tax, 1961 (43 of 1961).
- ix.
  - (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there is no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) 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) On 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 subsidiaries.
  - (f) The company has not raised any loans during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- 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 shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
  - (a) According to information and explanations given to us and on the basis or examination records of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.
  - (c) No whistle blower complaints have been received by the Company during the year (and upto the date of this report).
- xii. The company is not a Nidhi company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv. (a) The provisions of section 138 is not applicable to the Company hence, reporting under clause 3(xiv)(a)(b) of the Order is not applicable.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xv) of the Order is 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. Accordingly, reporting under clause 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, reporting under clause 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, reporting under clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations given to us during the course of Audit, the Group does not have any CIC. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year as follows:

| Sr. No. | Financial Year | Amount of Cash Loss |
|---------|----------------|---------------------|
| 1       | 2020-21        | 0.05 Lakhs          |
| 2       | 2021-22        | 15.46 Lakhs         |

- 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management 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. The provisions of section 135 is not applicable to the Company hence, reporting under clause 3(xx)(a) of the Order is not applicable.
- xxi. The Company is not required to prepare consolidated financial statement of the Company hence, reporting under clause 3(xxi) is not applicable.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai

(Membership No.032371)  
UDIN: 22032371AKWFAD9891

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Equipment Private Limited of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Aries Agro Equipment Private Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects 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.

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm’s Registration No. 115133W)

**Kirti D Shah**  
Proprietor

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai

(Membership No.032371)  
UDIN : 22032371AKWFAD9891

## Statement of Assets & Liabilities as on 31st March, 2022

(₹ in Lakhs)

| Particulars   | Note Nos. | As at 31st March 2022 | As at 31st March 2021 |
|---|-----------|-----------------------|-----------------------|
| <b>I. ASSETS</b>  |           |                       |                       |
| (1) <b>Current Assets</b>                                   |           |                       |                       |
| (a) Financial Assets  |           |                       |                       |
| (i) Cash & Cash Equivalents                                 | 3         | 1.33                  | 0.53                  |
| (b) Other Current Assets                                    | 4         | 33.14                 | 33.21                 |
|   |           | 34.47                 | 33.74                 |
| <b>TOTAL</b>  |           | 34.47                 | 33.74                 |
| <b>II. EQUITY AND LIABILITIES</b>                           |           |                       |                       |
| (1) <b>Equity</b>   |           |                       |                       |
| (a) Equity Share Capital                                    | 5         | 1.00                  | 1.00                  |
| (b) Other Equity  | 6         | (48.53)               | (33.21)               |
|   |           | (47.53)               | (32.21)               |
| (2) <b>Current Liabilities</b>                              |           |                       |                       |
| (a) Financial Liabilities                                   |           |                       |                       |
| (i) Current Borrowings                                      | 7         | 4.58                  | 5.57                  |
| (ii) Trade Payables - (a) Micro, Small & Medium Enterprises | 8         | 0.24                  | 0.98                  |
| Trade Payables - (b) Others                                 | 8         | -                     | 0.22                  |
| (b) Other Current Liabilities                               | 9         | 77.19                 | 59.19                 |
|   |           | 82.00                 | 65.95                 |
| <b>TOTAL</b>  |           | 34.47                 | 33.74                 |
| <b>Summary of Significant Accounting Policies</b>           | 2.1       |                       |                       |

*The Notes referred to above form an integral part of the Standalone Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
Aries Agro Care Private Limited

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Kirti D. Shah**  
Proprietor  
Membership No 032371  
UDIN 22032371AKWFAD9891

**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai  
**Date :** 18th May, 2022

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

( ₹ in Lakhs )

| Particulars   | Note Nos. | Year Ended 31st March 2022 | Year Ended 31st March 2021 |
|---|-----------|----------------------------|----------------------------|
| I. Other Income   | 10        | 0.14                       | 0.46                       |
|   |           | 0.14                       | 0.46                       |
| II. Expenses :  |           |                            |                            |
| (a) Other Expenses  | 11        | 15.46                      | 0.51                       |
| Total Expenses  |           | 15.46                      | 0.51                       |
| III. Profit / (Loss) Before Tax                           |           | (15.32)                    | (0.05)                     |
| IV. Profit / (Loss) after Tax                             |           | (15.32)                    | (0.05)                     |
| V. Profit / (Loss) for the period                         |           | (15.32)                    | (0.05)                     |
| VI. Other Comprehensive Income                            |           |                            |                            |
| (A) Items that will not be reclassified to Profit or Loss |           | -                          | -                          |
| (B) Items that will be reclassified to Profit or Loss     |           | -                          | -                          |
|   |           | -                          | -                          |
| VII. Total Comprehensive Income for the period (V + VI)   |           | (15.32)                    | (0.05)                     |
| VIII. Earnings per Equity Share                           | 12        |                            |                            |
| (1) Basic & Diluted                                       |           | (153.23)                   | (0.53)                     |
| Summary of Significant Accounting Policies                | 2.1       |                            |                            |

The Notes referred to above form an integral part of the Standalone Financial Statements

As per our report of even date

For and on behalf of the Board of Directors of  
Aries Agro Care Private Limited

For Kirti D. Shah & Associates  
Chartered Accountants  
Firm Registration No. 115133W

Dr. Rahul Mirchandani  
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Mrs. Nitya Mirchandani  
Director  
DIN 06882384

Place : Mumbai  
Date : 18th May, 2022

## Statement of Cash Flows for the year ended 31st March, 2022

(₹ in Lakhs)

| Sr. No.   | Particulars   | Year Ended<br>31st March 2022 | Year Ended<br>31st March 2021 |
|-----------|---|-------------------------------|-------------------------------|
| <b>A)</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                          |                               |                               |
|           | Net Profit before tax as per Statement of Profit and Loss           | (15.32)                       | (0.05)                        |
|           | <b>Adjusted for :</b>   |                               |                               |
|           | Finance Costs   | -                             | -                             |
|           | Operating Profit before Working Capital Changes                     | (15.32)                       | (0.05)                        |
|           | <b>Adjusted for :</b>   |                               |                               |
|           | Increase / (Decrease) in Trade Payables & Other Current Liabilities | 17.04                         | 0.29                          |
|           | Cash Generated from Operations                                      | 1.71                          | 0.23                          |
|           | <b>Net Cash Flow from Operating Activities (A)</b>                  | 1.71                          | 0.23                          |
| <b>B)</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                        |                               |                               |
|           | Movement in Short Term Loans and Advances & Other Assets            | 0.07                          | -                             |
|           | <b>Net Cash Flow from / ( used in) Investing Activities (B)</b>     | 0.07                          | -                             |
| <b>C)</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                         |                               |                               |
|           | Current Borrowings ( Net )  | (0.99)                        | 0.17                          |
|           | Finance Costs   | -                             | -                             |
|           | <b>Net Cash ( used in ) / from financing activities (C)</b>         | (0.99)                        | 0.17                          |
|           | Net Increase in Cash and Cash Equivalents                           | 0.80                          | 0.40                          |
|           | Opening Balance of Cash and Cash Equivalents                        | 0.53                          | 0.13                          |
|           | Closing Balance of Cash and Cash Equivalents                        | 1.33                          | 0.53                          |
|           |   |                               |                               |

**NOTE :**

- The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- Figures in the bracket indicate cash out flow.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**
**For Kirti D Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Kirti D Shah**  
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Membership No 032371  
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**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai  
**Date :** 18th May, 2022

## Statement of Changes in Equity for the year ended 31st March, 2022

Note No. - 5

( ₹ in Lakhs )

| A | Equity Share Capital | Balance as at 31st March, 2021 | Changes in Equity Share Capital during the year | Balance as at 31st March, 2022 |
|---|----------------------|--------------------------------|---|--------------------------------|
|   |                      | 1.00                           | -   | 1.00                           |

Note No. - 6

| B | Other Equity                                | Reatined Earnings | Items of Other Comprehensive Income         | Balance as at 31st March, 2022 |
|---|---|-------------------|---|--------------------------------|
|   |   |                   | Re-measurement of net defined benefit plans |                                |
|   | Balance as at 31 March, 2021                | (33.21)           | -   | (33.21)                        |
|   | Add / (Less) : Profit / (Loss) for the year | (15.32)           | -   | (15.32)                        |
|   |   | (15.32)           | -   | (15.32)                        |
|   | Balance as at 31 March, 2022                | (48.53)           | -   | (48.53)                        |
|   |   |                   |   |                                |
|   | Balance as at 31 March, 2020                | (33.16)           | -   | (33.16)                        |
|   | Add / (Less) : Profit / (Loss) for the year | (0.05)            | -   | (0.05)                         |
|   |   | (0.05)            | -   | (0.05)                         |
|   | Balance as at 31 March, 2021                | (33.21)           | -   | (33.21)                        |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Company Overview

Aries Agro Care Private Limited (CIN U01122MH2007PTC166761) was incorporated in January 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

#### 2. Basis of Preparation of Financial Statements

##### a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31<sup>st</sup> March 2022 have been prepared in accordance with the Ind AS as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

### Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

#### (ii) Recognition and measurement of defined benefit obligations:

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

#### (iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

#### (iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

#### (v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

#### (vi) Determining whether an arrangement contains a lease:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions.

**e. Ind - AS 115 “Revenue from Contract with Customers:**

The MCA had notified Ind - AS 115 “Revenue from Contract with Customers” in February 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

**f. Current Versus Non-Current Classification:**

(i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

(ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### 2.1 Significant Accounting Policies

#### A. Plant, Property & Equipment:

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### B. Depreciation & Amortization:

a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

#### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### D. Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### E. Leases

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

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a. Raw materials and packing materials:

Lower of cost and net realizable value. However, materials and other items held for use in

the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b. Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

#### c. Traded goods:

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### d. Waste and scrap are not separately valued being insignificant in value.

#### e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### G. Foreign Currency Transactions and Balances::

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind AS 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

#### c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure

on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### J. Employee benefits:

#### a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b. Post-Employment Benefits:

##### (i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

##### (ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

## K. Taxes :

### a. Current Income Tax:

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities

are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### c. Sales/ value added taxes

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## L. Segment reporting

### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

## M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized 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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,
  - ii. a probable outflow of resources is expected to settle the obligation; and
  - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract,

the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- ii. a present obligation arising from past events, when no reliable estimate is possible,
- iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

### P. Non-current assets held for sale:

Non-Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### Q. Financial Instruments:

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

#### a. Financial Assets:

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

#### a) Investment in Debt Instruments

#### b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

#### c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

#### d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

### e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

#### (iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### b. Financial Liabilities:

#### (i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

#### (ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

#### (iii) Loans and Borrowings:

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

### (iv) Derecognition of Financial Liabilities:

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

### R. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the

weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

### S. Investments:

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022**

(Rupees in Lakhs unless stated otherwise)

| 3 CASH AND CASH EQUIVALENTS            | As at           | As at           |
|--|-----------------|-----------------|
|  | 31st March 2022 | 31st March 2021 |
| Balance with Banks in Current Accounts | 1.33            | 0.53            |
| <b>Total</b>                           | <b>1.33</b>     | <b>0.53</b>     |

| 4 OTHER CURRENT ASSETS                  | As at           | As at           |
|---|-----------------|-----------------|
|   | 31st March 2022 | 31st March 2021 |
| <b>(Un-secured and Considered Good)</b> |                 |                 |
| Security Deposits                       | -               | 0.07            |
| Other Advances                          | 33.14           | 33.14           |
| <b>Total</b>                            | <b>33.14</b>    | <b>33.21</b>    |

- 4.1 Advance to Suppliers includes advances paid to the supplier of seeds M/s Pradham Biotech Private Limited, Hyderabad against whom the Company has filed a winding up petition to recover its dues. The Company is hopeful of positive outcome and hence no provision has been made in the accounts towards this advance.
- 4.2 Concurrently, M/s Pradham Biotech Private Limited had file a recovery suit before the City Civil Court at Hyderabad claiming amount of Rs. 1,03,63,592 against the Company had filed its written statement and a counter claim of Rs. 2,99,77,474 being the advance amount of Rs. 33,14,085 and interest amount to Rs. 23,86,140 and loss of profit of Rs. 2,42,77,250 and future interest thereon. The City Civil Court vide its order dated 06/02/2020 has dismissed the claims of both Pradham Biotech Private Limited and Aries Agro Care Private Limited.
- 4.3 Against order stated in 4.2 above, the Company has preferred an appeal before the Hon. High Court of Telerana at Hyderabad claiming the amount of Rs. 7,16,95,989 comprises of Rs. 33,14,085 towards Principal, Interest Rs. 88,10,198 thereon, Rs. 2,42,77,250 towards loss of business profits and Interest thereon Rs. 3,52,94,456, the matter is pending before the Hon. High Court for admission.

| 5 EQUITY SHARE CAPITAL                                       | As at           | As at           |
|--|-----------------|-----------------|
|  | 31st March 2022 | 31st March 2021 |
| <b>Authorised Share Capital</b>                              |                 |                 |
| 10,000 Equity Shares of Rs. 10/- each                        | 1.00            | 1.00            |
|  | <b>1.00</b>     | <b>1.00</b>     |
| <b>Issued, Subscribed and Fully Paidup</b>                   |                 |                 |
| 10,000 (Previous Year 10,000) Equity Shares of Rs 10/- each. | 1.00            | 1.00            |
|  | <b>1.00</b>     | <b>1.00</b>     |

 5.1 Reconciliation of the number of **Equity Shares** :

| Particulars                                | As at           | As at           |
|--|-----------------|-----------------|
|  | 31st March 2022 | 31st March 2021 |
| Equity Shares at the beginning of the year | 10,000          | 10,000          |
| Add : - Issued during the year             | -               | -               |
| Less :- Shares cancelled during the year   | -               | -               |
| Equity Shares at the end of the year       | <b>10,000</b>   | <b>10,000</b>   |

## 5.2 List of Shareholder's holding more than 5 % Shares in the Company :

| Name of the Share Holder | No of Shares  | As at<br>31st March 2022<br>% of Holding | No of Shares  | As at<br>31st March 2021<br>% of Holding |
|--------------------------|---------------|--|---------------|--|
| (i) Aries Agro Limited   | 10,000        | 100                                      | 10,000        | 100                                      |
|                          | <b>10,000</b> | <b>100</b>                               | <b>10,000</b> | <b>100</b>                               |



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

(Rupees in Lakhs unless stated otherwise)

|   |                                  |                                  |
|---|----------------------------------|----------------------------------|
| <b>6 OTHER EQUITY</b>   | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>Retained Earnings</b>  |                                  |                                  |
| Balance as per last Balance Sheet                                 | (33.21)                          | (33.16)                          |
| Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss | (15.32)                          | (0.05)                           |
|   | (48.53)                          | (33.21)                          |
| <b>Other Comprehensive Income</b>                                 |                                  |                                  |
| Balance as per last Balance Sheet                                 | -                                | -                                |
| Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss | -                                | -                                |
|   | -                                | -                                |
|   | (48.53)                          | (33.21)                          |
| <b>7 CURRENT BORROWINGS</b>                                       | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| <b>Un-Secured Borrowings</b>                                      |                                  |                                  |
| From Related Parties  | 4.58                             | 5.57                             |
| <b>Total</b>  | <b>4.58</b>                      | <b>5.57</b>                      |
| <b>8 TRADE PAYABLES</b>   | <b>As at<br/>31st March 2022</b> | <b>As at<br/>31st March 2021</b> |
| Trade Payables - Micro, Small & Medium Enterprises                | 0.24                             | 0.98                             |
| Trade Payables - Others   | -                                | 0.22                             |
| <b>Total</b>  | <b>0.24</b>                      | <b>1.20</b>                      |

## 8.1 Ageing of Trade Payables as of 31st March, 2022 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                   | Total       |
|---------------------------|--------------------------------------|-------------|-------------|-------------------|-------------|
|                           | Less than 1 year                     | 1 - 2 years | 2 - 3 years | More than 3 years |             |
| i MSME                    | 0.24                                 | -           | -           | -                 | 0.24        |
| ii Others                 | -                                    | -           | -           | -                 | -           |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                 | -           |
| iv Disputed Dues - Others | -                                    | -           | -           | -                 | -           |
| <b>Total</b>              | <b>0.24</b>                          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>0.24</b> |

## 8.2 Ageing of Trade Payables as of 31st March, 2021 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                   | Total       |
|---------------------------|--------------------------------------|-------------|-------------|-------------------|-------------|
|                           | Less than 1 year                     | 1 - 2 years | 2 - 3 years | More than 3 years |             |
| i MSME                    | 0.24                                 | 0.24        | 0.24        | 0.27              | 0.98        |
| ii Others                 | 0.01                                 | -           | -           | 0.21              | 0.22        |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                 | -           |
| iv Disputed Dues - Others | -                                    | -           | -           | -                 | -           |
| <b>Total</b>              | <b>0.25</b>                          | <b>0.24</b> | <b>0.24</b> | <b>0.48</b>       | <b>1.20</b> |

8.3 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2022. 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.

8.4 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

(Rupees in Lakhs unless stated otherwise)

|                                    |                        |                        |
|------------------------------------|------------------------|------------------------|
| <b>9 OTHER CURRENT LIABILITIES</b> | <b>As at</b>           | <b>As at</b>           |
|                                    | <b>31st March 2022</b> | <b>31st March 2021</b> |
| Other Payables                     | 77.19                  | 59.19                  |
|                                    | <b>77.19</b>           | <b>59.19</b>           |

|                                   |                         |                         |
|-----------------------------------|-------------------------|-------------------------|
| <b>10 OTHER INCOME</b>            | <b>Year Ended</b>       | <b>Year Ended</b>       |
|                                   | <b>31st March, 2022</b> | <b>31st March, 2021</b> |
| <b>Other Non-Operating Income</b> |                         |                         |
| Sundry Balances Written Back      | 0.14                    | 0.46                    |
|                                   | <b>0.14</b>             | <b>0.46</b>             |

|                                      |                         |                         |
|--------------------------------------|-------------------------|-------------------------|
| <b>11 OTHER EXPENSES</b>             | <b>Year Ended</b>       | <b>Year Ended</b>       |
|                                      | <b>31st March, 2022</b> | <b>31st March, 2021</b> |
| <b>Other Administration Expenses</b> |                         |                         |
| Audit Fees                           | 0.18                    | 0.18                    |
| Bank and Finance Charges             | 0.14                    | 0.23                    |
| Legal & Professional Fees            | 7.91                    | 0.07                    |
| Legal Court Fees                     | 7.19                    | -                       |
| Rent, Rates & Taxes                  | 0.04                    | 0.04                    |
| <b>Total</b>                         | <b>15.46</b>            | <b>0.51</b>             |

## 11.1 Other Disclosures

## a) Autitors Remuneration

| Sr. No.     | Particulars               | Year Ended<br>31st March 2022 | Year Ended<br>31st March 2021 |
|-------------|---------------------------|-------------------------------|-------------------------------|
| <b>1.00</b> | <b>Statutory Auditors</b> |                               |                               |
| (i)         | Audit Fee                 | 0.18                          | 0.18                          |
| (ii)        | Taxation Matters          | 0.06                          | 0.06                          |
|             |                           | <b>0.24</b>                   | <b>0.24</b>                   |

## 12 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

| Sr. No | Particulars  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--------|--|--------------------------------|--------------------------------|
| (i)    | Issued Equity Shares   | 10,000                         | 10,000                         |
|        | <b>Weighted Average Shares outstanding - Basic and Diluted</b> | <b>10,000</b>                  | <b>10,000</b>                  |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows:

| Sr. No | Particulars  | Year Ended<br>31st March 2022 | Year Ended<br>31st March 2021 |
|--------|--|-------------------------------|-------------------------------|
| (i)    | Profit and Loss after Tax attributable to Equity Shareholders (in Lakhs) | (15.32)                       | (0.05)                        |
| (ii)   | Basic Earning per Equity Share (in Rs.)                                  | (153.23)                      | (0.53)                        |
| (iii)  | Face value of Equity Share   | 10.00                         | 10.00                         |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

(Rupees in Lakhs unless stated otherwise)

## 13 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

| Part - A                   |   |   |   |                          |
|----------------------------|---|---|---|--------------------------|
| Details of Related Parties |   |   |   |                          |
| Sr. No.                    | Nature of Relationship  | Name of the Related Party   | Remarks   |                          |
| 1                          | Holding Company   | a) Aries Agro Limited   | a) Date of becoming Subsidiary of Aries Agro Limited is 5th January, 2007 (Incorporation Date)  |                          |
| 2                          | Key Management Personnel  | a) Dr. Jimmy Mirchandani<br>b) Dr. Rahul Mirchandani  | a) Director<br>b) Director  |                          |
| 3                          | Relatives of Key Management Personnel   | Name of the Key Management Personnel  | Name of the Relative  | Relationship             |
|                            |   | a) Dr. Jimmy Mirchandani  | a) Mr. Akshay Mirchandani<br>b) Mr. Amol Mirchandani<br>c) Dr. Rahul Mirchandani  | Son<br>Son<br>Brother    |
|                            |   | b) Dr. Rahul Mirchandani  | a) Mrs. Nitya Mirchandani<br>b) Mr. Armaan Mirchandani<br>c) Dr. Jimmy Mirchandani  | Spouse<br>Son<br>Brother |
| 4                          | Fellow Subsidiaries   | a) Aries Agro Equipments Pvt Ltd<br>b) Golden Harvest Middle East FZC<br>c) Mirabelle Agro Manufacturing Pvt Ltd                | a) A wholly owned Subsidiary of Aries Agro Limited<br>b) A Subsidiary of Aries Agro Limited<br>b) A wholly owned Subsidiary of Aries Agro Limited |                          |
| 5                          | Enterprises over which the Key Management Personnel have significant influence or control | a) Aries East West Nutrients Pvt Ltd<br>b) Aries Marketing Ltd<br>c) Blossoms International Ltd<br>d) Sreeni Agro Chemicals Ltd |   |                          |

| Part - B                                     |                          |                            |                                |                                |
|--|--------------------------|----------------------------|--------------------------------|--------------------------------|
| Details of Transactions with Related Parties |                          |                            |                                |                                |
| Sr. No.                                      | Category                 | Nature of Service          | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
| 1  | Holding Company          | Loans taken<br>Loan repaid | -<br>-                         | -<br>-                         |
| 2  | Key Management Personnel | Loans taken<br>Loan repaid | 17.01<br>18.00                 | 0.68<br>0.51                   |

| Part - C                                 |                           |                                       |                           |                           |
|--|---------------------------|---------------------------------------|---------------------------|---------------------------|
| Balance Outstanding with Related Parties |                           |                                       |                           |                           |
| Category                                 | Nature of outstanding     | Name of the Related Party             | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| Group Company                            | Other Current Liabilities | Aries Agro Equipments Private Limited | 77.19                     | 59.19                     |
| Key Management Personnel                 | Unsecured Loans           | Dr. Jimmy Mirchandani                 | 0.16                      | 0.16                      |
|  |                           | Dr. Rahul Mirchandani                 | 4.42                      | 5.41                      |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022

(Rupees in Lakhs unless stated otherwise)

### 14 Additional Regulatory Information

| Sr. No. | RATIOS                                      | Numerator  | Denominator  | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|---------|---|--|--|-----------------------------|-----------------------------|
| 1       | Current Ratio (in Times)                    | Total Current Assets   | Total Current Liabilities  | 0.42                        | 0.51                        |
| 2       | Debt-Equity Ratio (in Times)                | Total Debt including Current Maturities of Long Term Debt                                  | Total Equity   | (0.10)                      | (0.17)                      |
| 3       | Debt Service Coverage Ratio (in Times)      | Earning for Debt Service = Net Profit after Taxes + Non-Cash Operating Expenses + Interest | Debt Service = Debt Payable within one year + Interest & Finance Charges | (3.34)                      | (0.01)                      |
| 4       | Return on Equity (in %) *                   | Net Profit after Tax   | Net Worth  | 32.24                       | 0.16                        |
| 5       | Trade Receivables Turnover Ratio (in Times) | Revenue from Operations  | Average Trade Receivables  | -                           | -                           |
| 6       | Trade Payables Turnover Ratio (in Times)    | Net Credit Purchases   | Average Trade Payables   | -                           | -                           |
| 7       | Net Capital Turnover Ratio (in Times)       | Revenue from Operations  | Average Working Capital  | -                           | -                           |
| 8       | Net Profit Ratio (in %)                     | Profit for the year  | Revenue from Operations  | -                           | -                           |
| 9       | Return on Capital Employed (in %) *         | Profit Before Tax and Finance Cost   | Capital Employed = Net Worth + Total Debt + Deferred Tax Liabilities     | 35.68                       | (0.01)                      |
| 10      | Return on Investment (in %) *               | Net Profit Before Tax  | Net Worth  | 32.24                       | 0.16                        |

\*1. Variance in ratio is due to increase in legal expenses pertaining to matter stated in note 4.1, 4.2 & 4.3

### 15. Current Assets, Loan & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.
- The loans and advances includes Rs. 33.14 lakhs/- advanced to M/s Pradham Biotech limited for supply of seeds. The said supplier failed to supply the goods in time. The Company has filed suit for winding up the Company. The Company in view of such suit is hopeful of recovery of all dues. Hence no provision is made in the accounts in respect of such dues.
  - Concurrently, M/s Pradham Biotech Private Limited had file a recovery suit before the City Civil Court at Hyderabad claiming amount of Rs. 103.63 Lakhs against the Company had filed its written statement and a counter claim of Rs. 299.77 Lakhs being the advance amount of Rs. 33.14 Lakhs and interest amount to Rs. 23.86 Lakhs and loss of profit of Rs. 242.77 Lakhs and future interest thereon. The City Civil Court vide its order dated 06/02/2020 has dismissed the claims of both Pradham Biotech Private Limited and Aries Agro Care Private Limited.
  - Against order stated in d.ii above, the Company has preferred an appeal before the Hon. High Court of Telegana at Hyderabad claiming the amount of Rs. 716.96 comprises of Rs. 33.14 towards Principal, Interest Rs. 88.10 thereon, Rs. 242.77 towards loss of business profits and Interest thereon Rs. 352.94 the matter is pending before the Hon. High Court for admission. Further, the Company is not aware as to whether Pradham Biotech has preferred an appeal against said order stated in d.ii above.

### 16. Foreign Exchange Earnings & Outflow:

During the year there were no Foreign Exchange earnings, expenditure or outflow.

### 17. Segment Reporting

The Company has only one business segment "Agricultural Seeds" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2022**

**(Rupees in Lakhs unless stated otherwise)**

- 18.** In absence of virtual certainty that sufficient future taxable income will be available for set off of losses incurred by the company, the company has not taken credit for Deferred tax assets.
- 19.** The Previous year's figures are re-arranged and re-grouped wherever is necessary.

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Aries Agro Care Private Limited**

**For Kirti D Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Kirti D Shah**  
Proprietor  
Membership No 032371  
UDIN 22032371AKWFAD9891

**Mrs. Nitya Mirchandani**  
**Director**  
DIN 06882384

**Place :** Mumbai

**Date :** 18th May, 2022

## **NOTICE OF 16<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the Sixteenth Annual General Meeting of the Members of **ARIES AGRO EQUIPMENTS PRIVATE LIMITED** will be held on Wednesday, 28<sup>th</sup> September, 2022 at 11.00 A.M. at the Registered office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

### **ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mrs. Nitya Mirchandani(DIN 06882384) who retires by rotation and being eligible offers herself for re-appointment.

**By Order of the Board  
For Aries Agro Equipments Private Limited**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

**Place: Mumbai  
Date: 18<sup>th</sup> May, 2022**

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

## **BOARD'S REPORT**

To,  
The Members of  
Aries Agro Equipments Private Limited.

Your Directors present their Sixteenth Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

### **1. FINANCIAL RESULTS :**

During the year under review the Company did not do any business and did not have any Income. But the Company has incurred a loss of Rs. 1.45 Lakhs as compared to the Loss of Rs. 0.15 Lakhs in the Previous Year.

### **2. CURRENT STATUS :**

Due to inadequacy of Distribution Network specifically for Farm Equipments, the business of the Company stood suspended during the year.

### **3. DIVIDEND AND TRANSFER TO RESERVE :**

Since the Company has incurred losses the question of Dividend and Transfer to Reserve does not arise.

### **4. DEPOSITS :**

The Company has not accepted any Fixed Deposits from the Public.

### **5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

The Company does not have any subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

### **6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES**

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees who were in receipt of remuneration as prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013.

### **8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

As there was no business activity in the Company during the Financial Year 2021-22, there were no Contracts or Arrangements with Related Parties.

### **9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION**

Since there is no business activity in the Company and there is no risk which may affect the Company and as the Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

### **10. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

### **11. MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

### **12. INTERNAL FINANCIAL CONTROL**

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

### **13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

Since the Company does not have any business activity and there were no Foreign Exchange earning, expenditure or outflow, the Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are not applicable.

### **14. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Nitya Mirchandani(DIN 06882384) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Accordingly her re-appointment forms part of the Notice of ensuing AGM.

The Company does not have any Managing Directors or Executive/Whole Time Directors or any Employees hence question of any Key Managerial Personnel does not arise.

The Company is not required to appoint Independent Director within provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

### **15. MEETINGS OF BOARD**

6(Six) Meetings of the Board of Directors were held during the year on 20.04.2021, 13.05.2021, 24.06.2021, 23.09.2021, 27.10.2021 and 09.02.2022. The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum gap between any two meetings was less than 120 days. No resolution by circulation was passed during the year.

### **16. SECRETARIAL STANDARDS**

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **17. AUDITORS & AUDITORS REPORTS**

M/s. Kirti D. Shah & Associates, Chartered Accountants, Mumbai,(Membership No. 32371), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 13<sup>th</sup> Annual General Meeting of the Company held on 27<sup>th</sup> September, 2019 and being eligible continue to be the Statutory Auditors.

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

### 18. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 19. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2022 is given in **Annexure-I** and the same forms part of this Report. The Company does not have any web site.

### 20. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

### 21. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

### 22. MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

### 23. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company does not have any Employee, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable,

### 24. GENERAL DISCLOSURE

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

The Company, during the Financial Year, has neither made any application nor any proceeding are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

The Company during the Financial Year, did not do any one time settlement and hence, did not carry out any Valuation for one time settlement.

### 25. ACKNOWLEDGEMENT :

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies..

By Order of the Board  
For Aries Agro Equipments Pvt. Ltd.,

Dr. Rahul Mirchandani  
Director  
DIN: 00239057

Mrs. Nitya Mirchandani  
Director  
DIN: 06882384

Place : Mumbai  
Date : 18<sup>th</sup> May, 2022



**FORM NO. MGT-7**

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11 of the Companies (Management and Administration) Rules, 2014]



## Annual Return

(other than OPCs and Small Companies)

**Form language** ☒ English ☐ Hindi

Refer the instruction kit for filing the form.

### I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U01403MH2007PTC166972

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AAGCA2426H

(ii) (a) Name of the company

ARIES AGRO EQUIPMENTS PRIVATE LIMITED

(b) Registered office address

ARIES HOUSE, PLOT NO. 24, DEONAR  
GOVANDI EAST, POST BOX NO.1  
MUMBAI  
Mumbai City  
Maharashtra  
400042

(c) \*e-mail ID of the company

ariesagro@ariesagro.com

(d) \*Telephone number with STD code

02225529000

(e) Website

(iii) Date of Incorporation

12/01/2007

| (iv) | Type of the Company | Category of the Company   | Sub-category of the Company   |
|------|---------------------|---------------------------|-------------------------------|
|      | Private Company     | Company limited by shares | Indian Non-Government company |

(v) Whether company is having share capital

☒ Yes ☐ No

(vi) \*Whether shares listed on recognized Stock Exchange(s)

☐ Yes ☒ No

## Aries Agro Equipments Private Limited

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held ☐ Yes ☐ No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted ☐ Yes ☒ No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

| S.No | Main Activity group code | Description of Main Activity group | Business Activity Code | Description of Business Activity | % of turnover of the company |
|------|--------------------------|------------------------------------|------------------------|----------------------------------|------------------------------|
| 1    |                          |                                    |                        |                                  |                              |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

**Pre-fill All**

| S.No | Name of the company     | CIN / FCRN            | Holding/ Subsidiary/Associate/ Joint Venture | % of shares held |
|------|-------------------------|-----------------------|--|------------------|
| 1    | ARIES AGRO LIMITED (CN) | L99999MH1969PLC014465 | Holding                                      | 100              |

### IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

#### (i) \*SHARE CAPITAL

(a) Equity share capital

| Particulars                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of equity shares             | 10,000             | 10,000         | 10,000             | 10,000          |
| Total amount of equity shares (in Rupees) | 100,000            | 100,000        | 100,000            | 100,000         |

Number of classes

| Class of Shares         | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|-------------------------|--------------------|----------------|--------------------|-----------------|
| <b>EQUITY SHARES</b>    |                    |                |                    |                 |
| Number of equity shares | 10,000             | 10,000         | 10,000             | 10,000          |

|   |         |         |         |         |
|---|---------|---------|---------|---------|
| Nominal value per share (in rupees)       | 10      | 10      | 10      | 10      |
| Total amount of equity shares (in rupees) | 100,000 | 100,000 | 100,000 | 100,000 |

**(b) Preference share capital**

| Particulars                                   | Authorised capital | Issued capital | Subscribed capital | Paid-up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of preference shares             | 0                  | 0              | 0                  | 0               |
| Total amount of preference shares (in rupees) | 0                  | 0              | 0                  | 0               |

Number of classes

0

| Class of shares                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
|   |                    |                |                    |                 |
| Number of preference shares                   |                    |                |                    |                 |
| Nominal value per share (in rupees)           |                    |                |                    |                 |
| Total amount of preference shares (in rupees) |                    |                |                    |                 |

**(c) Unclassified share capital**

| Particulars                         | Authorised Capital |
|-------------------------------------|--------------------|
| Total amount of unclassified shares | 0                  |

**(d) Break-up of paid-up share capital**

| Class of shares                               | Number of shares |       |       | Total nominal amount | Total Paid-up amount | Total premium |
|---|------------------|-------|-------|----------------------|----------------------|---------------|
| <b>Equity shares</b>                          | Physical         | DEMAT | Total |                      |                      |               |
| <b>At the beginning of the year</b>           | 10,000           | 0     | 10000 | 100,000              | 100,000              |               |
| <b>Increase during the year</b>               | 0                | 0     | 0     | 0                    | 0                    | 0             |
| i. Pubic Issues                               | 0                | 0     | 0     | 0                    | 0                    | 0             |
| ii. Rights issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iii. Bonus issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iv. Private Placement/ Preferential allotment | 0                | 0     | 0     | 0                    | 0                    | 0             |
| v. ESOPs                                      | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vi. Sweat equity shares allotted              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vii. Conversion of Preference share           | 0                | 0     | 0     | 0                    | 0                    | 0             |

## Aries Agro Equipments Private Limited

|                                     |        |   |       |         |         |   |
|-------------------------------------|--------|---|-------|---------|---------|---|
| viii. Conversion of Debentures      | 0      | 0 | 0     | 0       | 0       | 0 |
| ix. GDRs/ADRs                       | 0      | 0 | 0     | 0       | 0       | 0 |
| x. Others, specify<br><div></div>   |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Buy-back of shares               | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 10,000 | 0 | 10000 | 100,000 | 100,000 |   |
|                                     |        |   |       |         |         |   |
| <b>Preference shares</b>            |        |   |       |         |         |   |
| <b>At the beginning of the year</b> | 0      | 0 | 0     | 0       | 0       |   |
| <b>Increase during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Issues of shares                 | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Re-issue of forfeited shares    | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Others, specify<br><div></div> |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Redemption of shares             | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 0      | 0 | 0     | 0       | 0       |   |

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

0

| Class of shares              |                      | (i) | (ii) | (iii) |
|------------------------------|----------------------|-----|------|-------|
| Before split / Consolidation | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |
| After split / Consolidation  | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |

**(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \***

☒ Nil

[Details being provided in a CD/Digital Media]

☐ Yes

☐ No

☐ Not Applicable

Separate sheet attached for details of transfers

☐ Yes

☐ No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

|  |  |   |  |
|--|--|---|--|
| Date of the previous annual general meeting        |  | <input style="width: 100%;" type="text"/>                   |  |
| Date of registration of transfer (Date Month Year) |  | <input style="width: 100%;" type="text"/>                   |  |
| Type of transfer                                   | <input style="width: 50px;" type="text"/>  | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |  |
| Number of Shares/ Debentures/ Units Transferred    | <input style="width: 100px;" type="text"/> | Amount per Share/ Debenture/Unit (in Rs.)                   | <input style="width: 100px;" type="text"/> |
| Ledger Folio of Transferor                         |  | <input style="width: 100%;" type="text"/>                   |  |
| Transferor's Name                                  | <input style="width: 100px;" type="text"/> | <input style="width: 100px;" type="text"/>                  | <input style="width: 100px;" type="text"/> |
|  | Surname                                    | middle name   | first name                                 |
| Ledger Folio of Transferee                         |  | <input style="width: 100%;" type="text"/>                   |  |

## Aries Agro Equipments Private Limited

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|  |  |                      |
|--|--|----------------------|
| Date of registration of transfer (Date Month Year) |  | <input type="text"/> |
|--|--|----------------------|

|                  |                      |   |
|------------------|----------------------|---|
| Type of transfer | <input type="text"/> | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |
|------------------|----------------------|---|

|   |                      |   |                      |
|---|----------------------|---|----------------------|
| Number of Shares/ Debentures/ Units Transferred | <input type="text"/> | Amount per Share/ Debenture/Unit (in Rs.) | <input type="text"/> |
|---|----------------------|---|----------------------|

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferor | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferor's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferee | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

### (iv) \*Debentures (Outstanding as at the end of financial year)

| Particulars                   | Number of units | Nominal value per unit | Total value |
|-------------------------------|-----------------|------------------------|-------------|
| Non-convertible debentures    | 0               | 0                      | 0           |
| Partly convertible debentures | 0               | 0                      | 0           |
| Fully convertible debentures  | 0               | 0                      | 0           |
| <b>Total</b>                  |                 |                        | 0           |

#### Details of debentures

| Class of debentures           | Outstanding as at the beginning of the year | Increase during the year | Decrease during the year | Outstanding as at the end of the year |
|-------------------------------|---|--------------------------|--------------------------|---------------------------------------|
| Non-convertible debentures    | 0   | 0                        | 0                        | 0                                     |
| Partly convertible debentures | 0   | 0                        | 0                        | 0                                     |
| Fully convertible debentures  | 0   | 0                        | 0                        | 0                                     |

**(v) Securities (other than shares and debentures)**

0

| Type of Securities | Number of Securities | Nominal Value of each Unit | Total Nominal Value | Paid up Value of each Unit | Total Paid up Value |
|--------------------|----------------------|----------------------------|---------------------|----------------------------|---------------------|
|                    |                      |                            |                     |                            |                     |
|                    |                      |                            |                     |                            |                     |
| Total              |                      |                            |                     |                            |                     |

**V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)**

**(i) Turnover**

0

**(ii) Net worth of the Company**

7,798,784

**VI. (a) \*SHARE HOLDING PATTERN - Promoters**

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |

## Aries Agro Equipments Private Limited

|     |   |        |     |   |   |
|-----|---|--------|-----|---|---|
| 6.  | Foreign institutional investors         | 0      | 0   | 0 |   |
| 7.  | Mutual funds                            | 0      | 0   | 0 |   |
| 8.  | Venture capital                         | 0      | 0   | 0 |   |
| 9.  | Body corporate<br>(not mentioned above) | 10,000 | 100 | 0 |   |
| 10. | Others                                  | 0      | 0   | 0 |   |
|     | <b>Total</b>                            | 10,000 | 100 | 0 | 0 |

**Total number of shareholders (promoters)**

3

### (b) \*SHARE HOLDING PATTERN - Public/Other than promoters

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |
| 6.     | Foreign institutional investors         | 0                | 0          | 0                |            |
| 7.     | Mutual funds                            | 0                | 0          | 0                |            |
| 8.     | Venture capital                         | 0                | 0          | 0                |            |
| 9.     | Body corporate<br>(not mentioned above) | 0                | 0          | 0                |            |
| 10.    | Others                                  | 0                | 0          | 0                |            |



|  |              |   |   |   |   |
|--|--------------|---|---|---|---|
|  | <b>Total</b> | 0 | 0 | 0 | 0 |
|--|--------------|---|---|---|---|

**Total number of shareholders (other than promoters)** 0

**Total number of shareholders (Promoters+Public/  
Other than promoters)** 3

**VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS**  
(Details, Promoters, Members (other than promoters), Debenture holders)

| Details                           | At the beginning of the year | At the end of the year |
|-----------------------------------|------------------------------|------------------------|
| Promoters                         | 3                            | 3                      |
| Members<br>(other than promoters) | 0                            | 0                      |
| Debenture holders                 | 0                            | 0                      |

**VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(A) \*Composition of Board of Directors**

| Category                                 | Number of directors at the beginning of the year |               | Number of directors at the end of the year |               | Percentage of shares held by directors as at the end of year |               |
|--|--|---------------|--|---------------|--|---------------|
|  | Executive  | Non-executive | Executive                                  | Non-executive | Executive  | Non-executive |
| <b>A. Promoter</b>                       | 0  | 3             | 0  | 3             | 0  | 0             |
| <b>B. Non-Promoter</b>                   | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Non-Independent                      | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Independent                         | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>C. Nominee Directors representing</b> | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Banks & FIs                          | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Investing institutions              | 0  | 0             | 0  | 0             | 0  | 0             |
| (iii) Government                         | 0  | 0             | 0  | 0             | 0  | 0             |
| (iv) Small share holders                 | 0  | 0             | 0  | 0             | 0  | 0             |
| (v) Others                               | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>Total</b>                             | 0  | 3             | 0  | 3             | 0  | 0             |

**Number of Directors and Key managerial personnel (who is not director) as on the financial year end date** 3

## Aries Agro Equipments Private Limited

### (B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year

| Name              | DIN/PAN  | Designation | Number of equity share(s) held | Date of cessation (after closure of financial year : If any) |
|-------------------|----------|-------------|--------------------------------|--|
| JIMMY MIRCHANDANI | 00239021 | Director    | 0                              |  |
| RAHUL MIRCHANDANI | 00239057 | Director    | 0                              |  |
| NITYA MIRCHANDANI | 06882384 | Director    | 0                              |  |

### (ii) Particulars of change in director(s) and Key managerial personnel during the year

0

| Name | DIN/PAN | Designation at the beginning / during the financial year | Date of appointment/ change in designation/ cessation | Nature of change (Appointment/ Change in designation/ Cessation) |
|------|---------|--|---|--|
|      |         |  |   |  |

## IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS

### A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS

Number of meetings held

1

| Type of meeting        | Date of meeting | Total Number of Members entitled to attend meeting | Attendance                 |                         |
|------------------------|-----------------|--|----------------------------|-------------------------|
|                        |                 |  | Number of members attended | % of total shareholding |
| ANNUAL GENERAL MEETING | 22/09/2021      | 3  | 2                          | 100                     |

### B. BOARD MEETINGS

\*Number of meetings held

6

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance                   |                 |
|--------|-----------------|--|------------------------------|-----------------|
|        |                 |  | Number of directors attended | % of attendance |
| 1      | 20/04/2021      | 3  | 3                            | 100             |
| 2      | 13/05/2021      | 3  | 3                            | 100             |
| 3      | 24/06/2021      | 3  | 3                            | 100             |
| 4      | 23/09/2021      | 3  | 2                            | 66.67           |
| 5      | 27/10/2021      | 3  | 3                            | 100             |
| 6      | 09/02/2022      | 3  | 2                            | 66.67           |

**C. COMMITTEE MEETINGS**

Number of meetings held

0

| S. No. | Type of meeting | Date of meeting | Total Number of Members as on the date of the meeting | Attendance                 |                 |
|--------|-----------------|-----------------|---|----------------------------|-----------------|
|        |                 |                 |   | Number of members attended | % of attendance |
| 1      |                 |                 |   |                            |                 |

**D. \*ATTENDANCE OF DIRECTORS**

| S. No. | Name of the director | Board Meetings   |                             |                 | Committee Meetings                                       |                             |                 | Whether attended AGM held on<br>(Y/N/NA) |
|--------|----------------------|--|-----------------------------|-----------------|--|-----------------------------|-----------------|--|
|        |                      | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance |  |
|        |                      |  |                             |                 |  |                             |                 |  |
| 1      | JIMMY MIRCH          | 6  | 4                           | 66.67           | 0  | 0                           | 0               |  |
| 2      | RAHUL MIRC           | 6  | 6                           | 100             | 0  | 0                           | 0               |  |
| 3      | NITYA MIRCH          | 6  | 6                           | 100             | 0  | 0                           | 0               |  |

**X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

☒ Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/Sweat equity | Others | Total Amount |
|--------|-------|-------------|--------------|------------|---------------------------|--------|--------------|
| 1      |       |             |              |            |                           |        | 0            |
|        | Total |             |              |            |                           |        |              |

Number of CEO, CFO and Company secretary whose remuneration details to be entered

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/Sweat equity | Others | Total Amount |
|--------|-------|-------------|--------------|------------|---------------------------|--------|--------------|
| 1      |       |             |              |            |                           |        | 0            |
|        | Total |             |              |            |                           |        |              |

Number of other directors whose remuneration details to be entered

| S. No. | Name | Designation | Gross Salary | Commission | Stock Option/Sweat equity | Others | Total Amount |
|--------|------|-------------|--------------|------------|---------------------------|--------|--------------|
| 1      |      |             |              |            |                           |        | 0            |

## Aries Agro Equipments Private Limited

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/<br>Sweat equity | Others | Total<br>Amount |
|--------|-------|-------------|--------------|------------|-------------------------------|--------|-----------------|
|        | Total |             |              |            |                               |        |                 |

### XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year ☒ Yes ☐ No

B. If No, give reasons/observations

### XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which penalised / punished | Details of penalty/ punishment | Details of appeal (if any) including present status |
|--|--|---------------|--|--------------------------------|---|
|  |  |               |  |                                |   |

(B) DETAILS OF COMPOUNDING OF OFFENCES ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which offence committed | Particulars of offence | Amount of compounding (in Rupees) |
|--|--|---------------|---|------------------------|-----------------------------------|
|  |  |               |   |                        |                                   |

### XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment

☒ Yes ☐ No

### XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

☐ Associate ☐ Fellow

Certificate of practice number

**I/We certify that:**

(a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.

(b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.

(c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.

(d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

**Declaration**

I am Authorised by the Board of Directors of the company vide resolution no. ... 11 dated 28/05/2008

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

1. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
2. All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

**To be digitally signed by**

Director

DIN of the director 00239057

**To be digitally signed by**

- ☐ Company Secretary
- ☒ Company secretary in practice

Membership number 7255 Certificate of practice number 25387

**Attachments**

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachment(s), if any

|        |
|--------|
| Attach |
| Attach |
| Attach |
| Attach |

**List of attachments**

AAEPL- Members Register-31-03-2022.pd  
 List of Directors.pdf

Remove attachment

|        |            |             |        |
|--------|------------|-------------|--------|
| Modify | Check Form | Prescrutiny | Submit |
|--------|------------|-------------|--------|

**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ARIES AGRO EQUIPMENTS PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Aries Agro Equipments Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, 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 (SAs). 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 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 standalone financial statements.

##### **Key Audit Matters**

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

##### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information in Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report. We have nothing to report in this regard.

Our opinion on the standalone 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.

##### **Management's Responsibility 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, total comprehensive income, 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 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 Responsibilities 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of financial statements may be influenced. We consider

quantitative materiality and qualitative factors in i) planning the scope of our audit work and in evaluating the results of our work; and ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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 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 standalone 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 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 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, based on our audit 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 (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors 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, 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) 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 litigation on its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts.
    - iii. There were no amount which were 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 (which are material either individually or in the aggregate) have been advanced or loaned or

invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;

- b) The Management has represented, that, 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;

- c) Based on the 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.
- v. The Board of Directors of the company has not proposed any interim dividend during the year or final dividend for the year.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN: 22032371AKWFAM6686

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai



## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2022, we report that:

- i. The Company does not have any Property, Plant and Equipment and Intangible Assets. Accordingly, reporting under clause 3(i) of the order is not applicable to the company.
- ii.
  - a) There were no inventories during the year. Accordingly, reporting under clause 3 (ii) of the order is not applicable to the company.
  - 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. 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 investments in, provided any guarantee or security or granted any loans or advance in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. 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 given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the company has not provided any guarantee or security as specified under section 186 of the Companies Act, 2013. Further, the company has complied with the provision of section 185 and 186 of the Companies Act, 2013 in relation to the loans given and investment made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposit from the Public, accordingly clause 3(v) of the Order is not applicable.
- vi. According to information and explanations given to us and on the basis of our examination of the records of the Company, pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, the Company is not required to maintain any cost records, hence reporting under clause 3(iv) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us and the records of the company examined by us, in our opinion:
  - a. The company is generally regular in depositing statutory dues including Provident Fund Employee State Insurance, Income Tax, Goods and Services Tax, Custom Duty, Cess, and any other material statutory dues except occasional/ minor delays. The undisputed liabilities as on 31<sup>st</sup> March 2022 is for a period exceeding six months from the date of it becoming payable is NIL.
  - b. There is no disputed liability in respect of tax dues on account of Income Tax, Goods and Services Tax, Custom Duty, Cess, etc.
- viii. According to information and explanations given to us and on the basis or examination records of the Company, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessment under the Income Tax, 1961 (43 of 1961).
- ix.
  - (a) The Company has not taken any loans or other borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there is no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) 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) On 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 subsidiaries.
  - (f) The company has not raised any loans during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- 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 shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
  - (a) According to information and explanations given to us and on the basis or examination records of the Company, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies 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 and upto the date of this report.
  - (c) No whistle blower complaints have been received by the Company during the year (and upto the date of this report).
- xii. The company is not a Nidhi company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv.** (a) The provisions of section 138 is not applicable to the Company hence, reporting under clause 3(xiv)(a)(b) of the Order is not applicable.
- xv.** In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xv) of the Order is 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. Accordingly, reporting under clause 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, reporting under clause 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, reporting under clause 3(xvi)(c) of the Order is not applicable.
- d) According to the information and explanations given to us during the course of Audit, the Group does not have any CIC. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii.** The Company has not incurred any cash losses during the current financial year covered by our audit, however during the preceding financial year company has incurred cash loss as follows:
- | Sr. No. | Financial Year | Amount of Cash Loss |
|---------|----------------|---------------------|
| 1       | 2020-21        | 0.15 Lakhs          |
- 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 realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management 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.** The provisions of section 135 is not applicable to the Company hence, reporting under clause 3(xx)(a) of the Order is not applicable.
- xxi.** The Company is not required to prepare consolidated financial statement of the Company hence, reporting under clause 3(xxi) is not applicable.

**For Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm's Registration No. 115133W)

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN: 22032371AKWFAM6686

## ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Aries Agro Equipment Private Limited of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Aries Agro Equipment Private Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedure that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflects 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.

#### Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Kirti D. Shah & Associates**  
Chartered Accountants  
(Firm’s Registration No. 115133W)

**Kirti D. Shah**  
Proprietor

Date: 18<sup>th</sup> May, 2022  
Place: Mumbai

(Membership No.032371)  
UDIN: 22032371AKWFM6686

## Statement of Assets & Liabilities as on 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Particulars   | Note Nos. | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-----------|------------------------|------------------------|
| <b>I. ASSETS</b>  |           |                        |                        |
| (1) <b>Current Assets</b>                                   |           |                        |                        |
| (a) Financial Assets  |           |                        |                        |
| (i) Cash & Cash Equivalents                                 | 3         | 1.04                   | 22.02                  |
| (b) Other Current Assets                                    | 4         | 77.41                  | 60.02                  |
|   |           | 78.45                  | 82.05                  |
|   |           |                        |                        |
| <b>TOTAL</b>  |           | 78.45                  | 82.05                  |
| <b>II. EQUITY AND LIABILITIES</b>                           |           |                        |                        |
| (1) <b>Equity</b>   |           |                        |                        |
| (a) Equity Share Capital                                    | 5         | 1.00                   | 1.00                   |
| (b) Other Equity  | 6         | 76.99                  | 75.54                  |
|   |           | 77.99                  | 76.54                  |
| (2) <b>Current Liabilities</b>                              |           |                        |                        |
| (a) Financial Liabilities                                   |           |                        |                        |
| (i) Current Borrowings                                      | 7         | -                      | 1.46                   |
| (ii) Trade Payables - (a) Micro, Small & Medium Enterprises | 8         | 0.24                   | 1.18                   |
| (iii) Trade Payables - (b) Others                           | 8         | -                      | 2.67                   |
| (b) Other Current Liabilities                               | 9         | -                      | 0.20                   |
| (c) Current Tax Liability (Net)                             | 10        | 0.23                   | -                      |
|   |           | 0.46                   | 5.51                   |
|   |           |                        |                        |
| <b>TOTAL</b>  |           | 78.45                  | 82.05                  |
| <b>Summary of Significant Accounting Policies</b>           | 2.1       |                        |                        |

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN: 22032371AKWFAM6686

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Place :** Mumbai  
**Date :** 18th May, 2022

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

(Rupees in Lakhs unless stated otherwise)

| Particulars  | Note Nos. | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|--|-----------|-----------------------------|-----------------------------|
| <b>I. Other Income</b>   | 11        | <b>2.02</b>                 | 0.35                        |
|  |           | <b>2.02</b>                 | 0.35                        |
| <b>II. Expenses :</b>  |           |                             |                             |
| (a) Other Expenses   | 12        | <b>0.57</b>                 | 0.51                        |
| <b>Total Expenses</b>  |           | <b>0.57</b>                 | 0.51                        |
| <b>III. Profit / (Loss) Before Tax</b>                           |           | <b>1.45</b>                 | (0.15)                      |
| <b>IV. Tax Expense</b>   |           |                             |                             |
| (a) Current Tax  |           | <b>0.23</b>                 | -                           |
| Less :- Mat Credit Entitlement                                   |           | <b>(0.23)</b>               | -                           |
| (b) Deferred Tax   |           | -                           | -                           |
|  |           | -                           | -                           |
| <b>V. Profit / (Loss) after Tax</b>                              |           | <b>1.45</b>                 | (0.15)                      |
| <b>VI. Profit / (Loss) for the period</b>                        |           | <b>1.45</b>                 | (0.15)                      |
| <b>VII. Other Comprehensive Income</b>                           |           |                             |                             |
| <b>(A)</b> Items that will not be reclassified to Profit or Loss |           | -                           | -                           |
| <b>(B)</b> Items that will be reclassified to Profit or Loss     |           | -                           | -                           |
|  |           | -                           | -                           |
| <b>VIII. Total Comprehensive Income for the period (VI+VII)</b>  |           | <b>1.45</b>                 | (0.15)                      |
| <b>IX. Earnings per Equity Share</b>                             | 13        |                             |                             |
| (1) Basic & Diluted  |           | <b>14.51</b>                | (1.54)                      |
| <b>Summary of Significant Accounting Policies</b>                | 2.1       |                             |                             |

*The Notes referred to above form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN: 22032371AKWFAM6686

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Place :** Mumbai  
**Date :** 18th May, 2022

## Statement of Cash Flows for the year ended 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Sr. No.   | Particulars   | Year Ended<br>31 March, 2022 | Year Ended<br>31 March, 2021 |
|-----------|---|------------------------------|------------------------------|
| <b>A)</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                              |                              |
|           | Net Profit before tax as per Statement of Profit and Loss       | 1.45                         | (0.15)                       |
|           | <b>Adjusted for :</b>   |                              |                              |
|           | Finance Costs   | -                            | -                            |
|           | Operating Profit before Working Capital Changes                 | 1.45                         | (0.15)                       |
|           | <b>Adjusted for :</b>   |                              |                              |
|           | (Increase) / Decrease in Trade Receivables                      | -                            | -                            |
|           | Increase / (Decrease) in Trade Payables                         | (3.61)                       | -                            |
|           | Increase / (Decrease) in Provisions & Other Current Liabilities | 0.03                         | 0.59                         |
|           | Cash Generated from Operations                                  | (2.13)                       | 0.44                         |
|           | <b>Net Cash Flow from Operating Activities (A)</b>              | <b>(2.13)</b>                | <b>0.44</b>                  |
| <b>B)</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                    |                              |                              |
|           | Movement in Short Term Loans and Advances & Other Assets        | (17.39)                      | -                            |
|           | <b>Net Cash Flow from / ( used in) Investing Activities (B)</b> | <b>(17.39)</b>               | <b>-</b>                     |
| <b>C)</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                     |                              |                              |
|           | Current Borrowings ( Net )                                      | (1.46)                       | 0.78                         |
|           | Finance Costs   | -                            | -                            |
|           | <b>Net Cash ( used in ) / from financing activities (C)</b>     | <b>(1.46)</b>                | <b>0.78</b>                  |
|           | Net Increase in Cash and Cash Equivalents                       | (20.99)                      | 1.22                         |
|           | Opening Balance of Cash and Cash Equivalents                    | 22.02                        | 20.81                        |
|           | Closing Balance of Cash and Cash Equivalents                    | 1.04                         | 22.02                        |

### NOTE :

- The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- Figures in the bracket indicate cash out flow.

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Kirti D. Shah**  
Proprietor  
(Membership No.032371)  
UDIN: 22032371AKWFAM6686

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

**Place :** Mumbai  
**Date :** 18th May, 2022

## Statement of Changes in Equity for the year ended 31st March, 2022

Note No. - 5

(Rupees in Lakhs unless stated otherwise)

| A | Equity Share Capital | Balance as at<br>31st March, 2021 | Changes in Equity Share<br>Capital during the year | Balance as at<br>31st March, 2022 |
|---|----------------------|-----------------------------------|--|-----------------------------------|
|   |                      | 1.00                              | -  | 1.00                              |

Note No. - 6

| B | Other Equity                                | Retained Earnings | Items of Other<br>Comprehensive Income         | Balance as at<br>31st March, 2021 |
|---|---|-------------------|--|-----------------------------------|
|   |   |                   | Re-measurement of net<br>defined benefit plans |                                   |
|   | Balance as at 31 March, 2021                | 75.54             | -  | 75.54                             |
|   | Add / (Less) : Profit / (Loss) for the year | 1.45              | -  | 1.45                              |
|   |   | 1.45              | -  | 1.45                              |
|   | Balance as at 31 March, 2022                | 76.99             | -  | 76.99                             |
|   |   |                   |  |                                   |
|   | Balance as at 31 March, 2020                | 75.69             | -  | 75.69                             |
|   | Add / (Less) : Profit / (Loss) for the year | (0.15)            | -  | (0.15)                            |
|   |   | (0.15)            | -  | (0.15)                            |
|   | Balance as at 31 March, 2021                | 75.54             | -  | 75.54                             |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Company Overview

Aries Agro Equipments Private Limited (CIN U01403MH2007PTC166972) was incorporated in January 2007 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business in the Branches of agro protection, agro and seeds etc.

#### 2. Basis of Preparation of Financial Statements

##### a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the year ended 31<sup>st</sup> March 2022 have been prepared in accordance with the Ind AS as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

### Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

#### (ii) Recognition and measurement of defined benefit obligations:

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

#### (iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profits will be available while recognizing deferred tax assets.

#### (iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

#### (v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

#### (vi) Determining whether an arrangement contains a lease:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements under taken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to company's operations



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions.

- e. Ind - AS 115 "Revenue from Contract with Customers:** The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

**f. Current Versus Non Current Classification:**

- (i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:
1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
  2. Held primarily for the purpose of trading.
  3. Expected to be realized within twelve months after the reporting period, or
  4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

- (ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### 2.1 Significant Accounting Policies

**A. Plant, Property & Equipment:**

All the property, plant and equipments have been carried at value in accordance with the previous GAAP. The Company has elected these value as deemed cost at the date of transition to Ind AS.

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

**B. Depreciation & Amortization:**

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight-line basis over their remaining useful life of such assets.

- b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

### D. Borrowing Costs:

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### E. Leases

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

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is

recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a. Raw materials and packing materials:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b. Work-in-progress and finished goods:

Lower of cost and net realizable value. Cost includes direct materials and labour and apportion of manufacturing overheads based on normal operating capacity.

#### c. Traded goods:

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### d. Waste and scrap are not separately valued being insignificant in value.

#### e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### G. Foreign Currency Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

1. Identify the contract with customer
2. Identify the performance obligation
3. Determine the transactions price
4. Allocate transaction price
5. Recognize Revenue when (or as) performance obligations are satisfied.

#### b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

#### c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental there to. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### J. Employee benefits:

#### a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### b. Post-Employment Benefits:

##### (i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due. The Company has no obligation other than the contribution payable to provident fund authorities.

##### (ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognized in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

### c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long –term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### K. Taxes:

#### a. Current Income Tax:

- (i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognized amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.
- (ii) Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) 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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and

are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### c. Sales/ value added taxes

Expenses and assets are recognized net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on “Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961”, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### L. Segment reporting

#### Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

### M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction is taken into account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized it 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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,
  - ii. a probable outflow of resources is expected to settle the obligation; and
  - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
  - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
  - ii. a present obligation arising from past events, when no reliable estimate is possible,
  - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

### P. Non-current assets held for sale:

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

- The appropriate level of management is committed to a plan to sell the asset,
- An active programmer to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

### Q. Financial Instruments:

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

#### a. Financial Assets:

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

The Company while applying the above criteria has classified the following at Amortized Cost:

- a) Investment in Debt Instruments
- b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

#### c. Financial Assets measured at fair value through profit or loss (FVTPL)

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

#### d. Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

#### e. Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

#### (iv) De-recognition of Financial Assets:

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### b. Financial Liabilities:

##### (i) Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

##### (ii) Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022****(iii) Loans and Borrowings:**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

**(iv) Derecognition of Financial Liabilities:**

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

**R. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**S. Investments:**

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between it carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

(Rupees in Lakhs unless stated otherwise)

| 3 | CASH AND CASH EQUIVALENTS              | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|--|---------------------------|---------------------------|
|   | Balance with Banks in Current Accounts | 1.04                      | 22.02                     |
|   | <b>Total</b>                           | <b>1.04</b>               | <b>22.02</b>              |

| 4 | OTHER CURRENT ASSETS                    | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---|---------------------------|---------------------------|
|   | <b>(Un-secured and Considered Good)</b> |                           |                           |
|   | Advances to Related Parties             | 77.19                     | 59.19                     |
|   | Other Advances                          | 0.23                      | 0.06                      |
|   | Security Deposits                       | -                         | 0.78                      |
|   | <b>Total</b>                            | <b>77.41</b>              | <b>60.02</b>              |

| 5 | EQUITY SHARE CAPITAL  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---|---------------------------|---------------------------|
|   | <b>Authorised Share Capital</b>                               |                           |                           |
|   | 10,000 Equity Shares of Rs. 10/- each                         | 1.00                      | 1.00                      |
|   | <b>Issued, Subscribed and Fully Paidup</b>                    |                           |                           |
|   | 10,000 (Previous Year 10,000) Equity Shares of Rs. 10/- each. | 1.00                      | 1.00                      |
|   |   | <b>1.00</b>               | <b>1.00</b>               |

## 5.1 Reconciliation of the number of Equity Shares :

| Particulars                                | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|--|---------------------------|---------------------------|
| Equity Shares at the beginning of the year | 10,000                    | 10,000                    |
| Add : - Issued during the year             | -                         | -                         |
| Less :- Shares cancelled during the year   | -                         | -                         |
| Equity Shares at the end of the year       | <b>10,000</b>             | <b>10,000</b>             |

## 5.2 List of Shareholder's holding more than 5 % Shares in the Company :

| Name of the Share Holder | No of Shares  | As at<br>31st March, 2022<br>% of Holding | No of Shares  | As at<br>31st March, 2021<br>% of Holding |
|--------------------------|---------------|---|---------------|---|
| (i) Aries Agro Limited   | 10,000        | 1.00                                      | 10,000        | 1.00                                      |
|                          | <b>10,000</b> | <b>1.00</b>                               | <b>10,000</b> | <b>1.00</b>                               |

| 6 | OTHER EQUITY  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---|---------------------------|---------------------------|
|   | <b>Retained Earnings</b>  |                           |                           |
|   | Balance as per last Balance Sheet                                 | 75.54                     | 75.69                     |
|   | Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss | 1.45                      | (0.15)                    |
|   |   | <b>76.99</b>              | <b>75.54</b>              |
|   | <b>Other Comprehensive Income</b>                                 |                           |                           |
|   | Balance as per last Balance Sheet                                 | -                         | -                         |
|   | Add / (Less) :- Profit / (Loss) as per Statement of Profit & Loss | -                         | -                         |
|   |   | <b>-</b>                  | <b>-</b>                  |
|   |   | <b>76.99</b>              | <b>75.54</b>              |



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

(Rupees in Lakhs unless stated otherwise)

| 7 | CURRENT BORROWINGS           | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|------------------------------|---------------------------|---------------------------|
|   | <b>Un-Secured Borrowings</b> |                           |                           |
|   | From Related Parties         | -                         | 1.46                      |
|   | <b>Total</b>                 | -                         | 1.46                      |

7.1 Un-Secured Borrowings includes amount due to Directors

| 8 | TRADE PAYABLES                                     | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|--|---------------------------|---------------------------|
|   | Trade Payables - Micro, Small & Medium Enterprises | 0.24                      | 1.18                      |
|   | Trade Payables - Others                            | -                         | 2.67                      |
|   | <b>Total</b>                                       | 0.24                      | 3.85                      |

8.1 Ageing of Trade Payables as of 31st March, 2022 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                      | Total |
|---------------------------|--------------------------------------|-------------|-------------|----------------------|-------|
|                           | Less than<br>1 year                  | 1 - 2 years | 2 - 3 years | More than<br>3 years |       |
| i MSME                    | 0.24                                 | -           | -           | -                    | 0.24  |
| ii Others                 | -                                    | -           | -           | -                    | -     |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                    | -     |
| iv Disputed Dues - Others | -                                    | -           | -           | -                    | -     |
| <b>Total</b>              | 0.24                                 | -           | -           | -                    | 0.24  |

8.2 Ageing of Trade Payables as of 31st March, 2021 is as follows :

| Particulars               | Outstanding from Due Date of payment |             |             |                      | Total |
|---------------------------|--------------------------------------|-------------|-------------|----------------------|-------|
|                           | Less than<br>1 year                  | 1 - 2 years | 2 - 3 years | More than<br>3 years |       |
| i MSME                    | 0.24                                 | 0.24        | 0.24        | 0.47                 | 1.18  |
| ii Others                 | 0.63                                 | -           | -           | 2.03                 | 2.67  |
| iii Disputed Dues - MSME  | -                                    | -           | -           | -                    | -     |
| iv Disputed Dues - Others | -                                    | -           | -           | -                    | -     |
| <b>Total</b>              | 0.87                                 | 0.24        | 0.24        | 2.51                 | 3.85  |

8.3 There are no Micro and Small Enterprises to whom Company owes dues, which are outstanding for more than 45 days as at 31st March, 2022. 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.

8.4 All Trade Payables are non-interest bearing and payable or settled within normal operating cycle of the Company.

| 9 | OTHER CURRENT LIABILITIES | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---------------------------|---------------------------|---------------------------|
|   | Security Deposits         | -                         | 0.20                      |
|   | <b>Total</b>              | -                         | 0.20                      |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

(Rupees in Lakhs unless stated otherwise)

| 10 | CURRENT TAX LIABILITY (NET)                           | As at<br>31st March 2022 | As at<br>31st March 2021 |
|----|---|--------------------------|--------------------------|
|    | Provision for Income Tax ( Net of Advance Tax / TDS ) | 0.23                     | -                        |
|    | <b>Total</b>  | <b>0.23</b>              | <b>-</b>                 |

| 11 | OTHER INCOME                      | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|----|-----------------------------------|--------------------------------|--------------------------------|
|    | <b>Other Non-Operating Income</b> |                                |                                |
|    | Sundry Balances Written Back      | 2.02                           | 0.35                           |
|    |                                   | <b>2.02</b>                    | <b>0.35</b>                    |

| 12 | OTHER EXPENSES                       | Year Ended<br>31st March, 2022 | As at<br>31st March, 2021 |
|----|--------------------------------------|--------------------------------|---------------------------|
|    | <b>Other Administration Expenses</b> |                                |                           |
|    | Audit Fees                           | 0.18                           | 0.18                      |
|    | Bank Charges                         | 0.29                           | 0.22                      |
|    | Legal & Professional Fees            | 0.06                           | 0.07                      |
|    | Rent, Rates & Taxes                  | 0.05                           | 0.04                      |
|    | <b>Total</b>                         | <b>0.57</b>                    | <b>0.51</b>               |

## 12.1 Other Disclosures

## a) Auditors Remuneration

| Sr.<br>No.  | Particulars               | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|-------------|---------------------------|--------------------------------|--------------------------------|
| <b>1.00</b> | <b>Statutory Auditors</b> |                                |                                |
| (i)         | Audit Fee                 | 0.18                           | 0.18                           |
| (ii)        | Taxation Matters          | 0.06                           | 0.06                           |
|             |                           | <b>0.24</b>                    | <b>0.24</b>                    |

## 13 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

| Sr.<br>No | Particulars  | Year Ended<br>31st March 2022 | Year Ended<br>31st March 2021 |
|-----------|--|-------------------------------|-------------------------------|
| (i)       | Issued Equity Shares   | 10,000                        | 10,000                        |
|           | <b>Weighted Average Shares outstanding - Basic and Diluted</b> | <b>10,000</b>                 | <b>10,000</b>                 |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

| Sr.<br>No | Particulars  | Year Ended<br>31st March 2022 | Year Ended<br>31st March, 2021 |
|-----------|--|-------------------------------|--------------------------------|
| (i)       | Profit and Loss after Tax attributable to Equity Shareholders (in Lakhs) | 1.45                          | (0.15)                         |
| (ii)      | Basic Earning per Equity Share (in Rs.)                                  | 14.51                         | (1.54)                         |
| (iii)     | Face Value of Equity Share   | 10.00                         | 10.00                          |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

(Rupees in Lakhs unless stated otherwise)

## 14 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

### Part - A

#### Details of Related Parties

| Sr. No. | Nature of Relationship  | Name of the Related Party   | Remarks  |
|---------|---|---|--|
| 1       | Holding Company   | a) Aries Agro Limited   | a) Date of becoming Subsidiary of Aries Agro Limited is 12th January, 2007 (Incorporation Date)  |
| 2       | Key Management Personnel  | a) Dr. Jimmy Mirchandani<br>b) Dr. Rahul Mirchandani  | a) Director<br>b) Director   |
| 3       | Relatives of Key Management Personnel   | <b>Name of the Key Management Personnel</b><br>a) Dr. Jimmy Mirchandani<br>b) Dr. Rahul Mirchandani                             | <b>Name of the Relative</b><br>a) Mr. Akshay Mirchandani<br>b) Mr. Amol Mirchandani<br>c) Dr. Rahul Mirchandani<br><b>Relationship</b><br>Son<br>Son<br>Brother<br>a) Mrs. Nitya Mirchandani<br>b) Mr Armaan Mirchandani<br>c) Dr. Jimmy Mirchandani<br>Spouse<br>Son<br>Brother |
| 4       | Fellow Subsidiaries   | a) Aries Agro Care Pvt Ltd<br>b) Golden Harvest Middle East FZC<br>c) Mirabelle Agro Manufacturing Pvt Ltd                      | a) A wholly owned Subsidiary of Aries Agro Limited<br>b) A Subsidiary of Aries Agro Limited<br>c) A wholly owned Subsidiary of Aries Agro Limited<br>A Step Down Subsidiary of Aries Agro Limited  |
| 5       | Enterprises over which the Key Management Personnel have significant influence or control | a) Aries East West Nutrients Pvt Ltd<br>b) Aries Marketing Ltd<br>c) Blossoms International Ltd<br>d) Sreeni Agro Chemicals Ltd |  |

### Part - B

#### Details of Transactions with Related Parties

| Sr. No. | Category                 | Nature of Service | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|---------|--------------------------|-------------------|-----------------------------|-----------------------------|
| 1       | Holding Company          | Loan Given        | 21.50                       | 21.50                       |
|         |                          | Loan Refund       | 21.50                       | 21.50                       |
| 2       | Key Management Personnel | Loan taken        | 1.22                        | 0.78                        |
|         |                          | Loan repaid       | 2.68                        | -                           |

### Part - C

#### Balance Outstanding with Related Parties

| Category                 | Nature of Outstanding      | Name of the Related Party       | As at 31st March, 2022 | As at 31st March, 2021 |
|--------------------------|----------------------------|---------------------------------|------------------------|------------------------|
| Group Company            | Advance to Related Parties | Aries Agro Care Private Limited | 77.19                  | 59.19                  |
| Key Management Personnel | Unsecured Loans            | Dr. Jimmy Mirchandani           | -                      | 0.16                   |
|                          |                            | Dr. Rahul Mirchandani           | -                      | 1.30                   |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022

### 15 Additional Regulatory Information

(Rupees in Lakhs unless stated otherwise)

| Sr. No. | RATIOS   | Numerator   | Denominator  | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---------|--|---|--|--------------------------------|--------------------------------|
| 1       | Current Ratio (in Times) *                     | Total Current Assets  | Total Current Liabilities  | 169.66                         | 14.89                          |
| 2       | Debt-Equity Ratio (in Times)                   | Total Debt including<br>Current Maturities of Long<br>Term Debt                                     | Total Equity   | -                              | 0.02                           |
| 3       | Debt Service Coverage<br>Ratio (in Times)      | Earning for Debt Service<br>= Net Profit after Taxes<br>+ Non-Cash Operating<br>Expenses + Interest | Debt Service = Debt<br>Payable within one year +<br>Interest & Finance Charges | -                              | (0.11)                         |
| 4       | Return on Equity (in %)                        | Net Profit after Tax  | Net Worth  | 1.86                           | (0.20)                         |
| 5       | Trade Receivables<br>Turnover Ratio (in Times) | Revenue from Operations   | Average Trade Receivables  | -                              | -                              |
| 6       | Trade Payables Turnover<br>Ratio (in Times)    | Net Credit Purchases  | Average Trade Payables   | -                              | -                              |
| 7       | Net Capital Turnover Ratio<br>(in Times)       | Revenue from Operations   | Average Working Capital  | -                              | -                              |
| 8       | Net Profit Ratio (in %)                        | Profit for the year   | Revenue from Operations  | -                              | -                              |
| 9       | Return on Capital<br>Employed (in %)           | Profit Before Tax and<br>Finance Cost   | Capital Employed = Net<br>Worth + Total Debt +<br>Deferred Tax Liabilities     | 1.86                           | (0.20)                         |
| 10      | Return on Investment (in<br>%)                 | Net Profit Before Tax   | Net Worth  | 1.86                           | (0.20)                         |

\*1. The Company has paid off its current liability during the year hence current ratio has improved.

### 16. Current Assets, Loan & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of Sundry Creditors, Sundry Debtors and Loans and Advances are subject to confirmation.

### 17. Foreign Exchange Earnings & Outflow:

During the year there was no foreign exchange earnings, expenditure or outflow.

### 18. Segment Reporting

The Company has only one business segment "Agricultural Equipments" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

### 19. Deferred Tax

In absence of virtual certainty that sufficient future taxable income will be available for setoff of losses incurred by the Company, the Company has not taken credit for Deferred Tax Assets.

20. The Previous years figures are re-arranged or re-grouped wherever is necessary.

As per our report of even date

For and on behalf of the **Board of Directors of**  
**Aries Agro Equipments Private Limited**

**For Kirti D. Shah & Associates**  
Chartered Accountants  
Firm Registration No. 115133W

**Dr. Rahul Mirchandani**  
Director  
DIN 00239057

**Kirti D. Shah**  
Proprietor  
Membership No. 032371  
UDIN : 22032371AKWFAM6686

**Mrs. Nitya Mirchandani**  
Director  
DIN 06882384

Place: Mumbai

Date : 18<sup>th</sup> May, 2022

**NOTICE OF 3<sup>rd</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 3<sup>rd</sup> Annual General Meeting of the Members of **MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED** will be held on Wednesday, 28<sup>th</sup> September, 2022 at 12.00 Noon at the Registered Office of the Company at Aries House, Plot No. 24, Deonar, Govandi (East), Mumbai-400 043 to transact the following Ordinary Business:-

**ORDINARY BUSINESS**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the period ended on 31st March, 2022, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Mr. Sundaresan Ramamurthy(DIN 00540033) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Mr. Pramod Kumar Jaiswal (DIN 09155509) who retires by rotation and being eligible offers himself for re-appointment.

**By Order of the Board  
For Mirabelle Agro Manufacturing Private Limited**

**Dr. Rahul Mirchandani  
Director  
DIN: 00239057**

**Place: Mumbai  
Date: 18<sup>th</sup> May, 2022**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

## BOARD'S REPORT

To,  
The Members of  
Mirabelle Agro Manufacturing Private Limited.

Your Directors present their Third Annual Report together with Audited Financial Statements of the Company for the period ended on 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS :

During the year under review, the Company achieved turnover of Rs. 667.79 Lakhs compared to Rs. 13.22 Lakhs in the Previous Year. The Company incurred loss of Rs. 72.66 Lakhs compared to Profit of Rs. 0.09 Lakhs in the Previous Year.

### 2. CURRENT STATUS

The Company started its Trading Activities during the Previous Financial Year while the installation process of the Manufacturing Facility to manufacture Micronutrient Fertilizer was in progress.

The Manufacturing Facility was installed and commissioned in August, 2021. The finished product output in different forms have since reached the optimum levels. The revenue from the manufactured products was at Rs. 166.48 Lakhs. The Company also continued the Trading Operations which resulted in a Top Line Revenue of Rs. 501.31 Lakhs totaling Rs. 667.79 Lakhs as Revenue of the Company for the Financial Year-2021-22.

### 3. DIVIDEND AND TRANSFER TO RESERVE :

Since the Company has incurred loss, the question of Dividend and Transfer to Reserve does not arise.

### 4. DEPOSITS :

The Company has not accepted any Deposits from the Public.

### 5. DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company does not have any Subsidiary, Associate or Joint Venture Company. The Company is a Wholly Owned Subsidiary of Aries Agro Limited.

### 6. PARTICULARS OF EMPLOYEES & RELATED DISCLOSURES

Information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 ("Act") read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are as under:

| TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE YEAR 2021-22 |                           |                     |                       |                      |                          |                                     |                            |                      |     |                        |  |  |
|---|---------------------------|---------------------|-----------------------|----------------------|--------------------------|-------------------------------------|----------------------------|----------------------|-----|------------------------|--|--|
| Sr. No.   | NAME                      | DESIGNATION         | REMUNERATION RECEIVED | NATURE OF EMPLOYMENT | OTHER TERMS & CONDITIONS | NATURE OF DUTY                      | QUALIFICATION & EXPERIENCE | DATE OF COMMENCEMENT | AGE | Last Employment held   | % of Equity Shares held as on 31.03.2020 | Whether relative of any Director or Manager and the name of such Director or Manager |
| 1.  | MR. Sundaresan Ramamurthy | Director-Commercial | 32,80,645             | Whole time Director  | N.A.                     | FINANCIAL MANAGEMENT OF THE COMPANY | B. Com., LLB, FCA          | 03.05.2021           | 68  | M/s Aries Agro Ltd.    | 0.00                                     | N.A.   |
| 2.  | Mr. Pramod Kumar Jaiswal  | Director-Marketing  | 27,33,871             | Whole Time Director  | N.A.                     | MARKETING OPERATIONS OF THE COMPANY | B.Sc                       | 03.05.2021           | 64  | M/s Aries Agro Limited | 0.00                                     | N.A.   |
| 3.  | Mr. Akshay Shinde         | Manager – Finance   | 6,34,200              | Full Time Employee   | N.A.                     | FINANCIAL MANAGEMENT OF THE COMPANY | CA, CMA, B.com             | 19.04.2021           | 28  | Self-employed          | 0.00                                     | N.A.   |

### 7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

The Company has not given any Loans or given Guarantees or made Investments in terms of provisions of Section 186 of the Companies Act, 2013

### 8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

None of the transactions with Related Parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with Related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rule, 2014 are given in **Annexure-I** in Form AOC-2 and in the Notes and the same forms part of this Report.

**9. RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION**

The Company is an Un-listed Company no Risk Management Policy has been framed. However, the Board reviews the Risk Management System from time to time under the relevant business agenda.

**10. CORPORATE SOCIAL RESPONSIBILITY**

The Company is not covered within provisions of Section 135 of the Companies Act, 2013 and rules framed thereunder.

**11. MATERIAL ORDERS PASSED**

No material Orders have been passed by any Authorities in respect of any matters with regards to the business of the Company.

**12. INTERNAL FINANCIAL CONTROL**

The Company has in place adequate Internal Financial Controls commensurate with the size of the Company with reference to Financial Statements.

**13. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The Particulars in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, as required to be disclosed by the Companies(Accounts) Rules, 2014, are as under:

**I. CONSERVATION OF ENERGY**

The Company accords great importance to conservation of energy. The main focus of the Company during the year was:

**a. Energy Conservation measures taken:-**

- i. Close monitoring of consumption of electricity, LPG, Diesel and water.
- ii. Creating awareness among Workmen to conserve energy.
- iii. Optimum use of Energy by Switching off Machines, Lights, Fans, Air Conditioners and Exhaust Systems whenever not required Impact of measures taken for reduction of energy consumption and consequent impact on the cost of production of goods

**b. Total energy consumption and energy consumption per unit of production**

Form –A

Form for disclosure of Particulars with respect to Conservation of Energy.

| Sr. No | Particulars |                     | Current Year | Previous Year |
|--------|-------------|---------------------|--------------|---------------|
|        |             |                     | 2021-2022    | 2020-2021     |
| (a)    |             | Purchased :         |              |               |
|        | I.          | Electricity         |              |               |
|        | (i)         | No. of units (KWH)  | 150862       | N.A.          |
|        | (ii)        | Total amount (Rs.)  | 13.38 Lakhs  | N.A.          |
|        | (iii)       | Rate per unit (Rs.) | 8.87         | N.A.          |

**II Form for disclosure of particulars with respect to Technology Absorption, Research and Development.**

**(A) Research & Development**

The Company did not engage in any new Research & Development activity during the Financial year 2021-22

**(B) Technology Absorption, Adaptation and Innovation**

Mirabelle Agro decided in the right interest to establish a fertilizer manufacturing unit in the state of Gujarat which is not only strategically well located but also one of the leading state in production of agricultural produce. The facility with a production capacity of 6000 M.T. was established at SURVEY NO. 2170, PART B, AT & POST RAJPUR, TAL: KADI, DIST: MEHSANA, GUJARAT – 382740. The subject site is very well connected with all-weather roads and is a strategic location for such a project.

Technology consultants were engaged to support in the determination of suitable manufacturing process and also appropriate machinery & equipment to achieve the desired goal. To determine/finalize subject goal, the following parameters were taken into consideration:

- The capacity and technology of plant should be in tune with the current day trends.
- The machineries should be of standard varieties or general purpose machines which could change in future according to need of technology.
- Check of trends of obsolescence in the concerned industry.

The plant has been envisaged to operate on continuous process for 300 days in a year after allowing for plant maintenance and capital repairs during the balance period.

**III Foreign Exchange Earnings and Outgo**

1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: International clients are located in Nepal. Sales were booked for Nepal. The total exports and global sales constituted 1.13% of our Revenue in FY 2021-22
2. Total Foreign Exchange used and earned:

Used : Rs. 20.36 Lakhs

Earned: Rs. 7.53 Lakhs

**14. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Sundaresan Ramamurthy (DIN 00540033) and Mr. Pramod Kumar Jaiswal (DIN 09155509) retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. Accordingly, their re-appointment forms part of the Notice of ensuing AGM.

Mr. Sundaresan Ramamurthy and Mr. Pramod Kumar Jaiswal are the Whole Time Directors. The Board of Directors of the Company at its Meeting held on 30<sup>th</sup> April, 2021 appointed Mr. Sundaresan Ramamurthy as a Whole Time Director of the Company designated as Director-Commercial and Mr. Pramod Kumar Jaiswal as a Whole Time Director of the Company designated as Director-Marketing, for a period of 3(Three)

years commencing from 3<sup>rd</sup> May, 2021 upto and inclusive of 2<sup>nd</sup> May, 2024, subject to the approval of the Members at the ensuing Annual General Meeting. The said appointments were approved by the Members at the 2<sup>nd</sup> Annual General Meeting of the Company held on 22<sup>nd</sup> September, 2021 by passing Special Resolutions.

The Company does not have any Managing Director or any Key Managerial Personnel.

The Company is not covered under Section 178(1) of the Companies Act, 2013.

The Company is not required to appoint Independent Director within the provisions of Section 149 of the Companies Act, 2013 and rules framed thereunder.

### 15. MEETINGS OF BOARD

During the year, 7 (Seven) Meetings of the Board of Directors were held during the year on 20.04.2021, 30.04.2021, 13.05.2021, 12.07.2021, 16.09.2021, 03.11.2021 and 08.02.2022. The proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The maximum gap between any two meetings was less than 120 days. No resolution by circulation was passed during the year.

### 16. SECRETARIAL STANDARDS

It is hereby confirmed that the Company has complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### 17. AUDITORS

M/s. Urmit Shah & Co., Chartered Accountant (Firm Regn No. 140977W, Membership No. of Proprietor Mr. Urmit Shah-152658), were appointed as the Statutory Auditors of the Company for a period of 5(five) years at the 1<sup>st</sup> Annual General Meeting of the Company held on 25<sup>th</sup> September, 2020 and being eligible continue to be the Statutory Auditors.

### 18. AUDITORS' REPORT

The Statutory Auditors' Report does not contain any qualification, reservation or adverse remark. Further that there was no fraud reported by Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

### 19. DIRECTORS' RESPONSIBILITY STATEMENTS

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability, confirm that:

1. in preparation of the Annual Accounts, applicable Accounting Standards have been followed and that there are no material departures
2. they have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the State of the Affairs of the Company at the end of the financial year and of the Loss of the Company for that year;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. they have prepared the Annual Accounts on a 'going concern' basis.
5. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 20. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2022 is given in **Annexure-II** and the same forms part of this Report. The Company does not have any web site.

### 21. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE FINANCIAL YEAR END OF THE COMPANY TO WHICH FINANCIAL RESULTS

#### RELATE

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

### 22. CHANGES IN NATURE OF BUSINESS AND REVISION IN THE BOARD'S REPORT

There is no change in the nature of business of the Company during the year. There is no revision made in the Board's Report and whatever submitted herewith is the final Report.

### 23. MAINTENANCE OF COST RECORDS

The Company is not required to maintain Cost Records as specified under Section 148 of the Companies Act, 2013 and the Rules framed thereunder.

### 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.

The Company did not have any Woman Employee during the Financial Year-2021-22, hence the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, are not applicable.

There was no complaint received during the year under review.

### 25. DISCLOSURE REGARDING ANY APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016.

The Company, during the Financial Year, has neither made any application nor any proceeding are pending against the Company under the Insolvency and Bankruptcy Code, 2016.

### 26. DISCLOSURE REGARDING ANY DIFFERENCE IN VALUATION

The Company during the Financial Year, did not do any one time settlement and hence, did not carry out any Valuation for one time settlement.



**27. GENERAL DISCLOSURE**

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares to employees under any scheme.

During the year that Authorized Share Capital of the Company was increased from Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000 Equity Shares of Rs. 10/- each to Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakhs only) divided into 25,00,000 Equity Shares of Rs. 10/- each at the Extra Ordinary General Meeting held on 17<sup>th</sup> March, 2022. Accordingly the Clause V of the Memorandum of Association of the Company was also altered by replacing the Clause V of the Memorandum of Association by the following new Sub-Clause:

*“The Share Capital of the Company is Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakhs only) divided into 25,00,000 (Twenty Five Lakhs) Equity Shares of Rs. 10/- (Rupees Ten only) each.”*

**28. ACKNOWLEDGEMENT :**

Your Directors would like to express their grateful appreciation for the co-operation and assistance received from the Holding Company i.e. M/S Aries Agro Limited and other related agencies.

By Order of the Board  
For **Mirabelle Agro Manufacturing Private Limited**

**Dr. Rahul Mirchandani**  
**Director**  
**DIN: 00239057**

**Mr. S. Ramamurthy**  
**Director-Commercial**  
**DIN: 06882384**

Place : Mumbai

Date : 18<sup>th</sup> May, 2022

## Form No. AOC -2

(Pursuant to clause(h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

Form for disclosure of Particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section(1) of section 188 of the Companies Act, 2013 including certain arm's lengths transactions under third provision thereto:

### 1 Details of Contracts or Arrangements or Transactions not at arm's length basis :

Mirabelle Agro Manufacturing Private Limited has not entered into any Contract or Arrangement with its Related Parties which is not at arm's length during the Financial Year 2021-22

### 2 Details of Contracts or Arrangements or Transactions at arm's length basis:

| Sr. No. | Particulars   |   |
|---------|---|---|
| 1       | Name(s ) of the Related Party and nature of Relationship                          | Aries Agro Limited - Holding Company  |
| 2       | Nature of contracts / Arrangements / Transactions                                 | Order based contracts   |
| 3       | Duration of Contracts / Arrangements / Transactions                               | Order based contracts   |
| 4       | Salients terms of contracts / Arrangements / Transactions including value, if any | As per the Orders from time to time   |
| 5       | Date of Approval by the Board , if any  | Not Applicable since the contract was entered into in the ordinary course of business and on arm's length basis |
| 6       | Purchases   | 106.58 Lakhs  |
| 7       | Sales   | 531.57 Lakhs  |
| 8       | Rent paid   | 2.48 Lakhs  |

For and Behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Pvt Ltd**

**Place :** Mumbai  
**Date :** 18th May, 2022

**Dr. Rahul Mirchandani**  
Director  
DIN-00239057

**S. Ramamurthy**  
Director-Commercial  
DIN-00540033

# FORM NO. MGT-7

[Pursuant to sub-Section(1) of section 92 of the Companies Act, 2013 and sub-rule (1) of rule 11of the Companies (Management and Administration) Rules, 2014]



# Annual Return (other than OPCs and Small Companies)

Form language ☒ English ☐ Hindi

Refer the instruction kit for filing the form.

## I. REGISTRATION AND OTHER DETAILS

(i) \* Corporate Identification Number (CIN) of the company

U24303MH2019PTC335076

Pre-fill

Global Location Number (GLN) of the company

\* Permanent Account Number (PAN) of the company

AANCM1914H

(ii) (a) Name of the company

MIRABELLE AGRO MANUFACTU

(b) Registered office address

ARIES HOUSE,PLOT NO-24 DEONAR,  
GOVANDI EAST, MUMBAI  
MUMBAI  
Mumbai City  
Maharashtra  
400042

(c) \*e-mail ID of the company

ariesagro@ariesagro.com

(d) \*Telephone number with STD code

+912225529000

(e) Website

(iii) Date of Incorporation

26/12/2019

| Type of the Company | Category of the Company   | Sub-category of the Company   |
|---------------------|---------------------------|-------------------------------|
| Private Company     | Company limited by shares | Indian Non-Government company |

(v) Whether company is having share capital

☒ Yes ☐ No

(vi) \*Whether shares listed on recognized Stock Exchange(s)

☐ Yes ☒ No

## Mirabelle Agro Manufacturing Private Limited

(vii) \*Financial year From date  (DD/MM/YYYY) To date  (DD/MM/YYYY)

(viii) \*Whether Annual general meeting (AGM) held ☐ Yes ☐ No

(a) If yes, date of AGM

(b) Due date of AGM

(c) Whether any extension for AGM granted

☐ Yes ☒ No

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

\*Number of business activities

| S.No | Main Activity group code | Description of Main Activity group | Business Activity Code | Description of Business Activity   | % of turnover of the company |
|------|--------------------------|------------------------------------|------------------------|--|------------------------------|
| 1    | C                        | Manufacturing                      | C13                    | Other manufacturing including jewellery, musical instruments, medical instruments, | 100                          |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

\*No. of Companies for which information is to be given

Pre-fill All

| S.No | Name of the company     | CIN / FCRN            | Holding/ Subsidiary/Associate/ Joint Venture | % of shares held |
|------|-------------------------|-----------------------|--|------------------|
| 1    | ARIES AGRO LIMITED (CN) | L99999MH1969PLC014465 | Holding                                      | 100              |

### IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

#### (i) \*SHARE CAPITAL

(a) Equity share capital

| Particulars                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of equity shares             | 2,500,000          | 10,000         | 10,000             | 10,000          |
| Total amount of equity shares (in Rupees) | 25,000,000         | 100,000        | 100,000            | 100,000         |

Number of classes

| Class of Shares         | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|-------------------------|--------------------|----------------|--------------------|-----------------|
| EQUITY SHARES           |                    |                |                    |                 |
| Number of equity shares | 2,500,000          | 10,000         | 10,000             | 10,000          |

|   |            |         |         |         |
|---|------------|---------|---------|---------|
| Nominal value per share (in rupees)       | 10         | 10      | 10      | 10      |
| Total amount of equity shares (in rupees) | 25,000,000 | 100,000 | 100,000 | 100,000 |

**(b) Preference share capital**

| Particulars                                   | Authorised capital | Issued capital | Subscribed capital | Paid-up capital |
|---|--------------------|----------------|--------------------|-----------------|
| Total number of preference shares             | 0                  | 0              | 0                  | 0               |
| Total amount of preference shares (in rupees) | 0                  | 0              | 0                  | 0               |

Number of classes

0

| Class of shares                               | Authorised capital | Issued capital | Subscribed capital | Paid up capital |
|---|--------------------|----------------|--------------------|-----------------|
|   |                    |                |                    |                 |
| Number of preference shares                   |                    |                |                    |                 |
| Nominal value per share (in rupees)           |                    |                |                    |                 |
| Total amount of preference shares (in rupees) |                    |                |                    |                 |

**(c) Unclassified share capital**

| Particulars                         | Authorised Capital |
|-------------------------------------|--------------------|
| Total amount of unclassified shares | 0                  |

**(d) Break-up of paid-up share capital**

| Class of shares                               | Number of shares |       |       | Total nominal amount | Total Paid-up amount | Total premium |
|---|------------------|-------|-------|----------------------|----------------------|---------------|
| Equity shares                                 | Physical         | DEMAT | Total |                      |                      |               |
| At the beginning of the year                  | 10,000           | 0     | 10000 | 100,000              | 100,000              |               |
| Increase during the year                      | 0                | 0     | 0     | 0                    | 0                    | 0             |
| i. Pubic Issues                               | 0                | 0     | 0     | 0                    | 0                    | 0             |
| ii. Rights issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iii. Bonus issue                              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| iv. Private Placement/ Preferential allotment | 0                | 0     | 0     | 0                    | 0                    | 0             |
| v. ESOPs                                      | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vi. Sweat equity shares allotted              | 0                | 0     | 0     | 0                    | 0                    | 0             |
| vii. Conversion of Preference share           | 0                | 0     | 0     | 0                    | 0                    | 0             |

## Mirabelle Agro Manufacturing Private Limited

|                                     |        |   |       |         |         |   |
|-------------------------------------|--------|---|-------|---------|---------|---|
| viii. Conversion of Debentures      | 0      | 0 | 0     | 0       | 0       | 0 |
| ix. GDRs/ADRs                       | 0      | 0 | 0     | 0       | 0       | 0 |
| x. Others, specify<br><div></div>   |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Buy-back of shares               | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 10,000 | 0 | 10000 | 100,000 | 100,000 |   |
| <b>Preference shares</b>            |        |   |       |         |         |   |
| <b>At the beginning of the year</b> | 0      | 0 | 0     | 0       | 0       |   |
| <b>Increase during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Issues of shares                 | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Re-issue of forfeited shares    | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Others, specify<br><div></div> |        |   |       |         |         |   |
| <b>Decrease during the year</b>     | 0      | 0 | 0     | 0       | 0       | 0 |
| i. Redemption of shares             | 0      | 0 | 0     | 0       | 0       | 0 |
| ii. Shares forfeited                | 0      | 0 | 0     | 0       | 0       | 0 |
| iii. Reduction of share capital     | 0      | 0 | 0     | 0       | 0       | 0 |
| iv. Others, specify<br><div></div>  |        |   |       |         |         |   |
| <b>At the end of the year</b>       | 0      | 0 | 0     | 0       | 0       |   |

ISIN of the equity shares of the company

(ii) Details of stock split/consolidation during the year (for each class of shares)

0

| Class of shares              |                      | (i) | (ii) | (iii) |
|------------------------------|----------------------|-----|------|-------|
| Before split / Consolidation | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |
| After split / Consolidation  | Number of shares     |     |      |       |
|                              | Face value per share |     |      |       |

**(iii) Details of shares/Debentures Transfers since closure date of last financial year (or in the case of the first return at any time since the incorporation of the company) \***

☒ Nil

[Details being provided in a CD/Digital Media]

☐ Yes

☐ No

☐ Not Applicable

Separate sheet attached for details of transfers

☐ Yes

☐ No

Note: In case list of transfer exceeds 10, option for submission as a separate sheet attachment or submission in a CD/Digital Media may be shown.

|  |  |  |  |   |  |  |  |
|--|--|--|--|---|--|--|--|
| Date of the previous annual general meeting        |  |  |  | <input style="width: 150px;" type="text"/>                  |  |  |  |
| Date of registration of transfer (Date Month Year) |  |  |  |   |  | <input style="width: 150px;" type="text"/> |  |
| Type of transfer                                   |  | <input style="width: 50px;" type="text"/>  |  | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |  |  |  |
| Number of Shares/ Debentures/ Units Transferred    |  | <input style="width: 100px;" type="text"/> |  | Amount per Share/ Debenture/Unit (in Rs.)                   |  | <input style="width: 100px;" type="text"/> |  |
| Ledger Folio of Transferor                         |  |  |  | <input style="width: 200px;" type="text"/>                  |  |  |  |
| Transferor's Name                                  |  | <input style="width: 100px;" type="text"/> |  | <input style="width: 100px;" type="text"/>                  |  | <input style="width: 100px;" type="text"/> |  |
|  |  | Surname                                    |  | middle name   |  | first name                                 |  |
| Ledger Folio of Transferee                         |  |  |  | <input style="width: 200px;" type="text"/>                  |  |  |  |

## Mirabelle Agro Manufacturing Private Limited

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|  |  |                      |
|--|--|----------------------|
| Date of registration of transfer (Date Month Year) |  | <input type="text"/> |
|--|--|----------------------|

|                  |                      |   |
|------------------|----------------------|---|
| Type of transfer | <input type="text"/> | 1 - Equity, 2- Preference Shares, 3 - Debentures, 4 - Stock |
|------------------|----------------------|---|

|   |                      |   |                      |
|---|----------------------|---|----------------------|
| Number of Shares/ Debentures/ Units Transferred | <input type="text"/> | Amount per Share/ Debenture/Unit (in Rs.) | <input type="text"/> |
|---|----------------------|---|----------------------|

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferor | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferor's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

|                            |                      |
|----------------------------|----------------------|
| Ledger Folio of Transferee | <input type="text"/> |
|----------------------------|----------------------|

|                   |                      |                      |                      |
|-------------------|----------------------|----------------------|----------------------|
| Transferee's Name | <input type="text"/> | <input type="text"/> | <input type="text"/> |
|                   | Surname              | middle name          | first name           |

### (iv) \*Debentures (Outstanding as at the end of financial year)

| Particulars                   | Number of units | Nominal value per unit | Total value |
|-------------------------------|-----------------|------------------------|-------------|
| Non-convertible debentures    | 0               | 0                      | 0           |
| Partly convertible debentures | 0               | 0                      | 0           |
| Fully convertible debentures  | 0               | 0                      | 0           |
| <b>Total</b>                  |                 |                        | 0           |

Details of debentures



| Class of debentures           | Outstanding as at the beginning of the year | Increase during the year | Decrease during the year | Outstanding as at the end of the year |
|-------------------------------|---|--------------------------|--------------------------|---------------------------------------|
| Non-convertible debentures    | 0   | 0                        | 0                        | 0                                     |
| Partly convertible debentures | 0   | 0                        | 0                        | 0                                     |
| Fully convertible debentures  | 0   | 0                        | 0                        | 0                                     |

**(v) Securities (other than shares and debentures)**

0

| Type of Securities | Number of Securities | Nominal Value of each Unit | Total Nominal Value | Paid up Value of each Unit | Total Paid up Value |
|--------------------|----------------------|----------------------------|---------------------|----------------------------|---------------------|
|                    |                      |                            |                     |                            |                     |
|                    |                      |                            |                     |                            |                     |
| Total              |                      |                            |                     |                            |                     |

**V. \*Turnover and net worth of the company (as defined in the Companies Act, 2013)**

**(i) Turnover**

66,772,294

**(ii) Net worth of the Company**

-5,314,757

**VI. (a) \*SHARE HOLDING PATTERN - Promoters**

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |

## Mirabelle Agro Manufacturing Private Limited

|     |   |        |     |   |   |
|-----|---|--------|-----|---|---|
| 6.  | Foreign institutional investors         | 0      | 0   | 0 |   |
| 7.  | Mutual funds                            | 0      | 0   | 0 |   |
| 8.  | Venture capital                         | 0      | 0   | 0 |   |
| 9.  | Body corporate<br>(not mentioned above) | 10,000 | 100 | 0 |   |
| 10. | Others                                  | 0      | 0   | 0 |   |
|     | <b>Total</b>                            | 10,000 | 100 | 0 | 0 |

**Total number of shareholders (promoters)**

2

### (b) \*SHARE HOLDING PATTERN - Public/Other than promoters

| S. No. | Category                                | Equity           |            | Preference       |            |
|--------|---|------------------|------------|------------------|------------|
|        |   | Number of shares | Percentage | Number of shares | Percentage |
| 1.     | Individual/Hindu Undivided Family       |                  |            |                  |            |
|        | (i) Indian                              | 0                | 0          | 0                |            |
|        | (ii) Non-resident Indian (NRI)          | 0                | 0          | 0                |            |
|        | (iii) Foreign national (other than NRI) | 0                | 0          | 0                |            |
| 2.     | Government                              |                  |            |                  |            |
|        | (i) Central Government                  | 0                | 0          | 0                |            |
|        | (ii) State Government                   | 0                | 0          | 0                |            |
|        | (iii) Government companies              | 0                | 0          | 0                |            |
| 3.     | Insurance companies                     | 0                | 0          | 0                |            |
| 4.     | Banks                                   | 0                | 0          | 0                |            |
| 5.     | Financial institutions                  | 0                | 0          | 0                |            |
| 6.     | Foreign institutional investors         | 0                | 0          | 0                |            |
| 7.     | Mutual funds                            | 0                | 0          | 0                |            |
| 8.     | Venture capital                         | 0                | 0          | 0                |            |
| 9.     | Body corporate<br>(not mentioned above) | 0                | 0          | 0                |            |
| 10.    | Others                                  | 0                | 0          | 0                |            |

|  |              |   |   |   |   |
|--|--------------|---|---|---|---|
|  | <b>Total</b> | 0 | 0 | 0 | 0 |
|--|--------------|---|---|---|---|

**Total number of shareholders (other than promoters)** 0

**Total number of shareholders (Promoters+Public/  
Other than promoters)** 2

**VII. \*NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS**  
(Details, Promoters, Members (other than promoters), Debenture holders)

| Details                           | At the beginning of the year | At the end of the year |
|-----------------------------------|------------------------------|------------------------|
| Promoters                         | 2                            | 2                      |
| Members<br>(other than promoters) | 0                            | 0                      |
| Debenture holders                 | 0                            | 0                      |

**VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**(A) \*Composition of Board of Directors**

| Category                                 | Number of directors at the beginning of the year |               | Number of directors at the end of the year |               | Percentage of shares held by directors as at the end of year |               |
|--|--|---------------|--|---------------|--|---------------|
|  | Executive  | Non-executive | Executive                                  | Non-executive | Executive  | Non-executive |
| <b>A. Promoter</b>                       | 0  | 2             | 2  | 3             | 0  | 0             |
| <b>B. Non-Promoter</b>                   | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Non-Independent                      | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Independent                         | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>C. Nominee Directors representing</b> | 0  | 0             | 0  | 0             | 0  | 0             |
| (i) Banks & FIs                          | 0  | 0             | 0  | 0             | 0  | 0             |
| (ii) Investing institutions              | 0  | 0             | 0  | 0             | 0  | 0             |
| (iii) Government                         | 0  | 0             | 0  | 0             | 0  | 0             |
| (iv) Small share holders                 | 0  | 0             | 0  | 0             | 0  | 0             |
| (v) Others                               | 0  | 0             | 0  | 0             | 0  | 0             |
| <b>Total</b>                             | 0  | 2             | 2  | 3             | 0  | 0             |

**Number of Directors and Key managerial personnel (who is not director) as on the financial year end date** 5

**(B) (i) \*Details of directors and Key managerial personnel as on the closure of financial year**

| Name              | DIN/PAN  | Designation | Number of equity share(s) held | Date of cessation (after closure of financial year : If any) |
|-------------------|----------|-------------|--------------------------------|--|
| RAHUL MIRCHANDAN  | 00239021 | Director    | 0                              |  |
| NITYA MIRCHANDANI | 00239057 | Director    | 0                              |  |
| SUNDARESAN RAMAN  | 00540033 | Director    | 0                              |  |
| PRAMOD KUMAR JAIS | 09155509 | Director    | 0                              |  |
| AKSHAY MIRCGHAND  | 02568831 | Director    | 0                              |  |

**(ii) Particulars of change in director(s) and Key managerial personnel during the year**

0

| Name | DIN/PAN | Designation at the beginning / during the financial year | Date of appointment/ change in designation/ cessation | Nature of change (Appointment/ Change in designation/ Cessation) |
|------|---------|--|---|--|
|      |         |  |   |  |

**IX. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS**
**A. MEMBERS/CLASS /REQUISITIONED/NCLT/COURT CONVENED MEETINGS**

Number of meetings held

2

| Type of meeting      | Date of meeting | Total Number of Members entitled to attend meeting | Attendance                 |                         |
|----------------------|-----------------|--|----------------------------|-------------------------|
|                      |                 |  | Number of members attended | % of total shareholding |
| ANNUAL GENERAL MEETI | 22/09/2021      | 2  | 2                          | 100                     |
| EXTRAORDINARY GENER  | 17/03/2022      | 2  | 2                          | 100                     |

**B. BOARD MEETINGS**

\*Number of meetings held

7

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance                   |                 |
|--------|-----------------|--|------------------------------|-----------------|
|        |                 |  | Number of directors attended | % of attendance |
| 1      | 20/04/2021      | 2  | 2                            | 100             |
| 2      | 30/04/2021      | 5  | 4                            | 80              |
| 3      | 13/05/2021      | 5  | 4                            | 80              |

## Mirabelle Agro Manufacturing Private Limited

| S. No. | Date of meeting | Total Number of directors associated as on the date of meeting | Attendance                   |                 |
|--------|-----------------|--|------------------------------|-----------------|
|        |                 |  | Number of directors attended | % of attendance |
| 4      | 12/07/2021      | 5  | 4                            | 80              |
| 5      | 16/09/2021      | 5  | 5                            | 100             |
| 6      | 03/11/2021      | 5  | 4                            | 80              |
| 7      | 08/02/2022      | 5  | 5                            | 100             |

### C. COMMITTEE MEETINGS

Number of meetings held

0

| S. No. | Type of meeting | Date of meeting | Total Number of Members as on the date of the meeting | Attendance                 |                 |
|--------|-----------------|-----------------|---|----------------------------|-----------------|
|        |                 |                 |   | Number of members attended | % of attendance |
| 1      |                 |                 |   |                            |                 |

### D. \*ATTENDANCE OF DIRECTORS

| S. No. | Name of the director | Board Meetings   |                             |                 | Committee Meetings                                       |                             |                 | Whether attended AGM held on |
|--------|----------------------|--|-----------------------------|-----------------|--|-----------------------------|-----------------|------------------------------|
|        |                      | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance | Number of Meetings which director was entitled to attend | Number of Meetings attended | % of attendance |                              |
|        |                      |  |                             |                 |  |                             |                 | (Y/N/NA)                     |
| 1      | RAHUL MIRC           | 7  | 7                           | 100             | 0  | 0                           | 0               |                              |
| 2      | NITYA MIRCH          | 7  | 7                           | 100             | 0  | 0                           | 0               |                              |
| 3      | SUNDARESA            | 6  | 5                           | 83.33           | 0  | 0                           | 0               |                              |
| 4      | PRAMOD KUI           | 6  | 3                           | 50              | 0  | 0                           | 0               |                              |
| 5      | AKSHAY MIR           | 6  | 6                           | 100             | 0  | 0                           | 0               |                              |

### X. \*REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

☐ Nil

Number of Managing Director, Whole-time Directors and/or Manager whose remuneration details to be entered

2

## Mirabelle Agro Manufacturing Private Limited

| S. No. | Name           | Designation  | Gross Salary | Commission | Stock Option/<br>Sweat equity | Others | Total<br>Amount |
|--------|----------------|--------------|--------------|------------|-------------------------------|--------|-----------------|
| 1      | SUNDARESAN RAJ | DIRECTOR-CON | 3,280,645    | 0          | 0                             | 0      | 3,280,645       |
| 2      | PRAMOD KUMAR   | DIRECTOR-MAN | 2,733,871    | 0          | 0                             | 0      | 2,733,871       |
|        | Total          |              | 6,014,516    | 0          | 0                             | 0      | 6,014,516       |

Number of CEO, CFO and Company secretary whose remuneration details to be entered

0

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/<br>Sweat equity | Others | Total<br>Amount |
|--------|-------|-------------|--------------|------------|-------------------------------|--------|-----------------|
| 1      |       |             |              |            |                               |        | 0               |
|        | Total |             |              |            |                               |        |                 |

Number of other directors whose remuneration details to be entered

0

| S. No. | Name  | Designation | Gross Salary | Commission | Stock Option/<br>Sweat equity | Others | Total<br>Amount |
|--------|-------|-------------|--------------|------------|-------------------------------|--------|-----------------|
| 1      |       |             |              |            |                               |        | 0               |
|        | Total |             |              |            |                               |        |                 |

### XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

\* A. Whether the company has made compliances and disclosures in respect of applicable provisions of the Companies Act, 2013 during the year ☒ Yes ☐ No

B. If No, give reasons/observations

### XII. PENALTY AND PUNISHMENT - DETAILS THEREOF

(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY/DIRECTORS /OFFICERS ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which penalised / punished | Details of penalty/ punishment | Details of appeal (if any) including present status |
|--|--|---------------|--|--------------------------------|---|
|  |  |               |  |                                |   |

(B) DETAILS OF COMPOUNDING OF OFFENCES ☒ Nil

| Name of the company/ directors/ officers | Name of the court/ concerned Authority | Date of Order | Name of the Act and section under which offence committed | Particulars of offence | Amount of compounding (in Rupees) |
|--|--|---------------|---|------------------------|-----------------------------------|
|  |  |               |   |                        |                                   |

**XIII. Whether complete list of shareholders, debenture holders has been enclosed as an attachment**

☒ Yes ☐ No

**XIV. COMPLIANCE OF SUB-SECTION (2) OF SECTION 92, IN CASE OF LISTED COMPANIES**

In case of a listed company or a company having paid up share capital of Ten Crore rupees or more or turnover of Fifty Crore rupees or more, details of company secretary in whole time practice certifying the annual return in Form MGT-8.

Name

Whether associate or fellow

☐ Associate ☐ Fellow

Certificate of practice number

**I/We certify that:**

(a) The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.

(b) Unless otherwise expressly stated to the contrary elsewhere in this Return, the Company has complied with all the provisions of the Act during the financial year.

(c) The company has not, since the date of the closure of the last financial year with reference to which the last return was submitted or in the case of a first return since the date of the incorporation of the company, issued any invitation to the public to subscribe for any securities of the company.

(d) Where the annual return discloses the fact that the number of members, (except in case of a one person company), of the company exceeds two hundred, the excess consists wholly of persons who under second proviso to clause (ii) of sub-section (68) of section 2 of the Act are not to be included in reckoning the number of two hundred.

**Declaration**

I am Authorised by the Board of Directors of the company vide resolution no. ...

8

dated

13/05/2021

(DD/MM/YYYY) to sign this form and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I further declare that:

- Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the company.
- All the required attachments have been completely and legibly attached to this form.

**Note: Attention is also drawn to the provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively.**

**To be digitally signed by**

Director

DIN of the director

00239057

**To be digitally signed by**

## Mirabelle Agro Manufacturing Private Limited

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- ☐ Company Secretary  
☒ Company secretary in practice

Membership number

7255

Certificate of practice number

25387

### Attachments

1. List of share holders, debenture holders
2. Approval letter for extension of AGM;
3. Copy of MGT-8;
4. Optional Attachment(s), if any

Attach

Attach

Attach

Attach

### List of attachments

MAMPL-Members Register-31-03-2022.pdf  
List of Directors.pdf

Remove attachment

Modify

Check Form

Prescrutiny

Submit

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**This eForm has been taken on file maintained by the Registrar of Companies through electronic mode and on the basis of statement of correctness given by the company**



## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of Mirabelle Agro Manufacturing Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the standalone 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 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 ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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.

There are no key audit matters to communicate in our report.

##### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of Auditor's Report.

Our opinion on the standalone 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.

##### **Management's Responsibility 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, including other comprehensive income, 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 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 Responsibilities 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 judgment and maintain professional skepticism 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 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 standalone 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 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 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, based on our audit 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 (and proper returns adequate for the purpose of our audit have been received from branches not visited by us).
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of accounts.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors 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, 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) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 on its financial position- Refer note 28 to the Ind AS Financial Statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer note 29 to the Ind AS Financial Statements;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company- Refer note 30 to the Ind AS Financial Statements;

- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 – Refer note 33(a) to the Ind AS Financial Statements ;
- (b) The Management has represented, that, 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 - Refer note 33(b) to the Ind AS Financial Statements;
- (c) Based on the 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.
- v. As stated in Note 34 to the standalone financial statements
- (a) No final dividend is being proposed and declared in the previous year by the Company and hence Section 123 of the Act is not applicable.
- (b) The interim dividend is not declared and hence Section 123 of the Act is not applicable.
- (c) The Board of Directors of the Company have not proposed final dividend for the year

**For URMIT SHAH & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 140977W**

**Urmit Shah**  
**Proprietor**  
**Membership No.: 152658**  
**UDIN: 22152658AJJPRC6475**

**Place: Mumbai**  
**Date: May 18, 2022**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE**

**ON THE INDAS FINANCIAL STATEMENTS OF**

**MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED**

(Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of the Company)

We report that:

- (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 has no intangible assets till date;
- (b) these Property, Plant and Equipment have been physically verified by the management at reasonable intervals; and no material discrepancies were noticed on such verification;
- (c) the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company,
- (d) the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
- (e) no proceedings have been initiated are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under;
- (ii) (a) physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion , the coverage and procedure of such verification by the management is appropriate;
- (b) the company has not been sanctioned working capital limits in excess of five crore rupees at any point of time during the year under audit, in aggregate, from banks or financial institutions on the basis of security of current assets;;
- (iii) the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties;
- (iv) the company has not made any investments, loans, guarantees, and security and hence compliance of the provisions of sections 185 and 186 of the Companies Act does not arise;
- (v) the company has not accepted any deposits or amounts which are deemed to be deposits and hence these clause is not applicable;
- (vi) According to the information and explanations given to us, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, the Company is not required to maintain any cost records;
- (vii) (a) the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service

- tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.;
- (b) there were no amounts with respect to income tax, value added tax, duty of excise and duty of custom which have not been deposited with the appropriate authorities on account of any dispute as at March 31, 2022.
- (viii) there are no such transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) the company is not a declared wilful defaulter by any bank or financial institution or other lender;
- (c) the term loans were applied for the purpose for which the loans were obtained;
- (d) the funds raised on short term basis have not been utilised for long term purposes;
- (e) the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,
- (x) (a) no money is being raised by way of initial public offer or further public offer (including debt instruments) during the year which can be applied for the purposes for which those are raised.;
- (b) the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year in terms of provision of Section 42 and section 62 of the Companies Act, 2013;
- xi) (a) no fraud by the company or no fraud on the company has been noticed or reported during the year;
- (b) 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) the auditor has not considered whistle-blower complaints;
- (xii) (a) the company is not a Nidhi Company and hence these clauses will not be applicable
- (xiii) all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv) (a) considering the size and nature of its business, the company is not liable to have an internal audit system;
- (xv) the company has not entered into any non-cash transactions with directors or persons connected with him ;
- (xvi) (a) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- (xvii) the company has incurred cash loss in the financial year of Rs.61.38 (in lacs) and Rs. Nil/- in the immediately preceding financial year;
- (xviii) there is no resignation of the statutory auditors during the year;
- (xix) 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, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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;
- (xx) (a) the company is not liable to comply with the provisions of section 135 of the Companies Act, 2013 and hence this clause is not applicable
- (xxi) there is no need to prepare consolidated financial statement of the company and hence this clause is not applicable to the company.

**For URMIT SHAH & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 140977W**

**Urmit Shah**  
**Proprietor**  
**Membership No.: 152658**  
**UDIN: 22152658AJJPRC6475**

**Place: Mumbai**  
**Date: May 18, 2022**

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE****ON THE FINANCIAL STATEMENTS OF****MIRABELLE AGRO MANUFACTURING PRIVATE LIMITED**

(Referred to in paragraph (ii) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members the Company)

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Ind AS Financial Statements of Mirabelle Agro Manufacturing Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS 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") and the Standards on Auditing, issued by ICAI and specified 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 Ind AS 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS Financial Statements, 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 Ind AS Financial Statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to Ind AS Financial Statements**

A company's internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS 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 the Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at March 31, 2022, based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For URMIT SHAH & CO.**  
**Chartered Accountants**  
**Firm Registration No.: 140977W**

**Urmit Shah**  
**Proprietor**  
**Membership No.: 152658**  
**UDIN: 22152658AJJPRC6475**

**Place: Mumbai**  
**Date: May 18, 2022**

## Balance Sheet as on 31st March, 2022

( Amounts in (Rs. Lakhs) unless stated otherwise )

| Particulars   | Note Nos. | As at 31st March, 2022 | As at 31st March, 2021 |
|---|-----------|------------------------|------------------------|
| <b>I. ASSETS</b>  |           |                        |                        |
| (1) <b>Non-Current Assets</b>   |           |                        |                        |
| (a) Property, Plant and Equipment   | 3         | 295.53                 | -                      |
| (b) Capital Work in Progress  |           | -                      | 62.74                  |
| (c) Deferred tax assets (net)   | 4         | 18.86                  |                        |
|   |           | <b>314.39</b>          | 62.74                  |
| (2) <b>Current Assets</b>   |           |                        |                        |
| (a) Inventories   | 5         | 47.05                  | -                      |
| (b) Financial Assets  |           |                        |                        |
| (i) Trade Receivables   | 6         | 6.69                   | 1.38                   |
| (ii) Cash & Cash Equivalents  | 7         | 1.45                   | 0.54                   |
| (c) Other Current Assets  | 8         | 56.58                  | 0.58                   |
|   |           | <b>111.76</b>          | 2.50                   |
| <b>TOTAL</b>  |           | <b>426.14</b>          | 65.24                  |
| <b>II. EQUITY AND LIABILITIES</b>   |           |                        |                        |
| (1) <b>Equity</b>   |           |                        |                        |
| (a) Equity Share Capital  | 9         | 1.00                   | 1.00                   |
| (b) Other Equity  | 10        | (54.15)                | (0.35)                 |
|   |           | <b>(53.15)</b>         | 0.65                   |
| (2) <b>Non-Current Liabilities</b>  |           |                        |                        |
| (a) Financial Liabilities   |           |                        |                        |
| Non Current Borrowings  | 11        | 148.79                 | -                      |
|   |           | <b>148.79</b>          | -                      |
| (3) <b>Current Liabilities</b>  |           |                        |                        |
| (a) Financial Liabilities   |           |                        |                        |
| (i) Current Borrowings  | 12        | 44.04                  | 63.03                  |
| (ii) (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                 | 13        | 122.97                 | -                      |
| (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises |           | 52.74                  | 1.55                   |
| (b) Other Current Liabilities   | 14        | 110.76                 | 0.02                   |
|   |           | <b>330.50</b>          | 64.59                  |
| <b>TOTAL</b>  |           | <b>426.14</b>          | 65.24                  |
| <b>Summary of Significant Accounting Policies</b>   | 2.1       |                        |                        |

**The Notes no. 1-34 form an integral part of these Financial Statements**

**As per our report of even date**

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 22152658AJJPRC6475

**Mr. S Ramamurthy**  
**Director**  
DIN 00540033

**Place : Mumbai**  
**Date : 18<sup>th</sup> May, 2022**

## Statement of Profit and Loss for the period ended 31st March, 2022

( Amounts in (Rs. Lakhs) unless stated otherwise )

| Particulars   | Note Nos. | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|---|-----------|--------------------------------|--------------------------------|
| <b>I. Revenue from Operations</b>                                 | 15        | <b>667.79</b>                  | 13.22                          |
| Less :- Discounts / Rebates                                       |           | -                              | -                              |
|   |           | <b>667.79</b>                  | 13.22                          |
| <b>II. Other Income</b>   |           | -                              | -                              |
| <b>III. Total Revenue ( I + II )</b>                              |           | <b>667.79</b>                  | 13.22                          |
| <b>IV. Expenses :</b>   |           |                                |                                |
| (a) Cost of Materials Consumed                                    | 16        | <b>157.34</b>                  | -                              |
| (b) Cost of Products Traded                                       | 16        | <b>418.82</b>                  | 11.90                          |
| (b) (Increase) / Decrease in Inventories of Finished Goods        | 17        | <b>(0.12)</b>                  | -                              |
| (c) Employee Benefits Expense                                     | 18        | <b>72.71</b>                   | -                              |
| (d) Finance Costs   | 19        | <b>11.86</b>                   | -                              |
| (e) Depreciation and Amortization                                 | 3         | <b>11.27</b>                   | -                              |
| (f) Other Expenses  | 20        | <b>68.58</b>                   | 1.23                           |
| Total Expenses  |           | <b>740.45</b>                  | 13.13                          |
| <b>V. Profit / (Loss) Before Tax - ( III - IV )</b>               |           | <b>(72.66)</b>                 | 0.09                           |
| <b>VI. Tax Expense</b>  |           |                                |                                |
| (a) Current Tax   |           | -                              | -                              |
| (b) Adjustment of Tax relating to earlier periods                 |           | -                              | -                              |
| (c) Deferred Tax  | 4         | <b>18.86</b>                   | -                              |
| Income Tax Expense  |           | <b>18.86</b>                   | -                              |
| <b>VII. Profit for the period - ( V - VI )</b>                    |           | <b>(53.79)</b>                 | 0.09                           |
| <b>VIII. Other Comprehensive Income</b>                           |           |                                |                                |
| <b>IX. Total Comprehensive Income for the period (VII + VIII)</b> |           | <b>(53.79)</b>                 | 0.09                           |
| <b>X. Earnings per Equity Share (in INR)</b>                      |           |                                |                                |
| (1) Basic & Diluted   | 21        | <b>(537.94)</b>                | <b>0.89</b>                    |
| <b>Summary of Significant Accounting Policies</b>                 | 2.1       |                                |                                |

*The Notes no. 1-34 form an integral part of these Financial Statements*

**As per our report of even date**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 22152658AJJPRC6475

**Place :** Mumbai  
**Date :** 18<sup>th</sup> May, 2022

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Mr. S Ramamurthy**  
**Director**  
DIN 00540033

**Statement of Cash Flows for the year ended 31st March, 2022**

( Amounts in (Rs. Lakhs) unless stated otherwise )

| Sr. No.   | Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|-----------|---|--------------------------------|--------------------------------|
| <b>A)</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                                |                                |
|           | Net Profit before tax as per Statement of Profit and Loss       | <b>(72.66)</b>                 | 0.09                           |
|           | <b>Adjusted for :</b>   |                                |                                |
|           | Depreciation & Amortisation                                     | <b>11.27</b>                   |                                |
|           | Finance Costs   | <b>11.86</b>                   | 0.01                           |
|           | Operating Profit before Working Capital Changes                 | <b>(49.53)</b>                 | 0.10                           |
|           | <b>Adjusted for :</b>   |                                |                                |
|           | (Increase) / Decrease in Trade Receivables                      | <b>(5.31)</b>                  | (1.38)                         |
|           | (Increase) / Decrease in Inventories                            | <b>(47.05)</b>                 |                                |
|           | Increase / (Decrease) in Trade Payables                         | <b>174.15</b>                  | 1.40                           |
|           | Increase / (Decrease) in Provisions & Other Current Liabilities | <b>110.74</b>                  | 0.02                           |
|           | Cash Generated from Operations                                  | <b>183.01</b>                  | 0.14                           |
|           | Income Taxes (paid) / received (Net)                            | <b>-</b>                       | -                              |
|           | <b>Net Cash Flow from Operating Activities (A)</b>              | <b>183.01</b>                  | 0.14                           |
| <b>B)</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES :</b>                    |                                |                                |
|           | Investment in Fixed Assets                                      | <b>(244.06)</b>                | (62.74)                        |
|           | Movement in Short Term Loans and Advances & Other Assets        | <b>(56.00)</b>                 | (0.58)                         |
|           | <b>Net Cash Flow from / ( used in) Investing Activities (B)</b> | <b>(300.05)</b>                | (63.32)                        |
| <b>C)</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                     |                                |                                |
|           | Cash Proceeds from Term Loan Disbursement                       | <b>148.79</b>                  |                                |
|           | Cash Proceeds from the Issue of Shares                          | <b>-</b>                       | -                              |
|           | Current Borrowings ( Net )                                      | <b>(18.98)</b>                 | 63.03                          |
|           | Finance Costs   | <b>(11.86)</b>                 | (0.01)                         |
|           | <b>Net Cash ( used in ) / from financing activities (C)</b>     | <b>117.95</b>                  | 63.01                          |
|           | Net Increase in Cash and Cash Equivalents                       | <b>0.90</b>                    | (0.16)                         |
|           | Opening Balance of Cash and Cash Equivalents                    | <b>0.54</b>                    | 0.70                           |
|           | Closing Balance of Cash and Cash Equivalents                    | <b>1.45</b>                    | 0.54                           |

**NOTE :**

- The above statement has been prepared under the indirect method set out in Ind AS-7 " Statement of Cash Flows ".
- Figures in the bracket indicate cash out flow.

**As per our report of even date**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 22152658AJJPRC6475

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Mr. S Ramamurthy**  
**Director**  
DIN 00540033

**Place :** Mumbai  
**Date :** 18<sup>th</sup> May, 2022



## Statement of Changes in Equity for the year ended 31st March, 2022

Note No. - 9

(Amounts in Rupees unless stated otherwise)

| A | Equity Share Capital | Balance as at<br>31st March, 2021 | Changes in Equity Share<br>Capital during the year | Balance as at<br>31st March, 2022 |
|---|----------------------|-----------------------------------|--|-----------------------------------|
|   |                      | 1.00                              | -  | 1.00                              |

Note No. - 10

| B | Other Equity                                  | Retained Earnings | Items of Other<br>Comprehensive Income | Total   |
|---|---|-------------------|--|---------|
|   | <b>Balance as at 31 March, 2021</b>           | (0.35)            | -                                      | (0.35)  |
|   | Add / (Less) : Profit / (Loss) for the year   | (53.79)           | -                                      | (53.79) |
|   |   | (53.79)           | -                                      | (53.79) |
|   | <b>Balance as at 31 March, 2022</b>           | (54.15)           | -                                      | (54.15) |
|   | <b>Balance as at 31 March, 2021</b>           | (0.35)            | -                                      | (0.35)  |
|   | Add / (Less) : Profit / (Loss) for the period | 0.09              | -                                      | 0.09    |
|   |   | (0.44)            | -                                      | 0.09    |
|   | <b>Balance as at 31 March, 2020</b>           | (0.44)            | -                                      | (0.44)  |

*The Notes no. 1-34 form an integral part of these Financial Statements*

As per our report of even date

For and on behalf of the **Board of Directors** of  
**Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 22152658AJJPRC6475

**Mr. S Ramamurthy**  
**Director**  
DIN 00540033

**Place :** Mumbai

**Date :** 18<sup>th</sup> May, 2022

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

#### 1. Company Overview

Mirabelle Agro Manufacturing Private Limited ( CIN U24303MH2019PTC335076 ) was incorporated on 26<sup>th</sup> December, 2019 as a Wholly Owned Subsidiary of Aries Agro Limited for carrying business as manufacturers and producers and dealers in Agri Inputs.

#### 2. Basis of Preparation of Financial Statements

##### a. Statement of Compliance

The Ind AS Standalone Financial Statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity, Cash Flow Statement, together with the Notes to accounts along with a summary of the significant accounting policies and other explanatory information for the period ended 31<sup>st</sup> March, 2022 have been prepared in accordance with the Ind AS as notified above.

##### b. Basis of Measurement - Historic Cost Convention

These Financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value (refer accounting policy regarding financial instruments);
- Assets held for sale – measured at fair value less cost to sale;
- Defined benefit plans – plan assets measured at fair value

All assets and liabilities has been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

##### c. Functional and Presentation Currency

Items included in the Financial Statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Indian Rupee is the Functional currency of the Company.

The Financial statements are presented in Indian Rupees, which is the Company's presentation currency.

##### d. Use of Estimates:

The preparation of Financial Statements in accordance with Ind - AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized and, if material, their effects are disclosed in the notes to the Financial Statements.

##### Estimates and assumptions are required in particular for:

- (i) Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule

II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. An assumption also needs to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

##### (ii) Recognition and measurement of defined benefit obligations:

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

##### (iii) Recognition of deferred tax assets:

A Deferred tax asset is recognized for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

##### (iv) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

##### (v) Discounting of long-term financial liabilities

All financial liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities, which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

##### (vi) Determining whether an arrangement contains a lease:

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements based on their relative fair values. If the Company concludes for a finance lease that, it is impracticable to separate the payments reliably, then an asset and a liability are recognized at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognized using the Company's incremental borrowing rate. In case of operating lease, the Company treats all payments under the arrangement as lease payments.

- e. Ind - AS 115 "Revenue from Contract with Customers: The MCA had notified Ind - AS 115 "Revenue from Contract with Customers" in February, 2015. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

### f. Current Versus Non-Current Classification:

- (i) The assets and liabilities in the Balance Sheet are based on current/ non – current classification. An asset as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle.
2. Held primarily for the purpose of trading.
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

- (ii) A liability is current when it is:

1. Expected to be settled in normal operating cycle
2. Held primarily for the purpose of trading
3. Due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

### 2.1 Significant Accounting Policies

#### A. Property, Plant & Equipment:

Property, Plant & Equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All costs, including finance costs incurred up to the date the asset is ready for its intended use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly.

All the other repair and maintenance costs are recognised in the statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision is met.

Property, Plant & Equipment are eliminated from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains and losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

Subsequent expenditure related to an item of Property, Plant & Equipment is added to its book value only if it increases the

future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing Property, Plant & Equipment, including routine repair and maintenance expenditure and cost of replacing parts, are changed to the statement of profit and loss for the period during which such expenses are incurred.

The Company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset.

Gains or losses arising from disposal of Plant, Property and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

#### B. Depreciation & Amortization:

- a. Depreciation on property, plant & equipment is provided over the useful life of assets as specified in schedule II to the companies Act, 2013 on straight line basis. In case of Property, plant & Equipment that are added/ disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/ deletion.

Leasehold improvements are being depreciated over the lease term or estimated useful life whichever is lower. Used assets acquired from third parties are depreciated on a straight line basis over their remaining useful life of such assets.

- b. Depreciation methods, useful life and residual values are reviewed at each reporting date and adjusted if appropriate.

#### C. Intangible Assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortised over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized on straight line basis over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

### D. Borrowing Costs :

Borrowing costs that are directly attributable to acquisition, construction or production of a qualifying asset (net of income earned on temporary deployment of funds) are capitalised as a part of the cost of such assets. Borrowing cost consists of interest, other cost incurred in connection with borrowings of fund and exchange differences to the extent regarded as an adjustment to the borrowing cost. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss.

### E. Leases

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

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

### F. Inventories and WIP:

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

#### a. Raw materials and packing materials :

Lower of cost and net realizable value. However, materials and other items held for use in

the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first-in-first out basis. Customs duty on imported raw materials (excluding stocks in the bonded warehouse) is treated as part of the cost of the inventories. Raw material, store and spares: Cost on FIFO basis or net realizable value, whichever is lower.

#### b. Work-in-progress and finished goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and apportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

#### c. Traded goods :

Lower of cost and net realizable value. Cost includes the purchase price and other associated costs directly incurred in bringing the inventory to its present location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### d. Waste and scrap are not separately valued being insignificant in value.

#### e. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### G. Foreign Currency Transactions and Balances:

The transactions in foreign currency are accounted at the exchange rate i.e. custom rate prevailing on the date of transaction. Exchange fluctuation between the transaction date and settlement date in respect of transactions are transferred to exchange rate difference account and written off to the statement of profit & loss. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the Statement of Profit and Loss in the period in which they arise.

Current assets and current liabilities involving transactions in foreign currency are converted at the exchange rates prevailing on the date of Balance Sheet. Any profit and loss arising out of such conversion is charged to profit and loss account.

Non-monetary items i.e. investments are converted at the rate prevalent on the date of transaction.

### H. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The specific recognition criteria described below must also be met before revenue is recognized.

#### a. Sale of products:

As stated in Ind AS 115, Revenue from sale of products is recognized when the entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The Company collects Goods and Service Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied net of discounts, returns etc. Ind As 115 is based on a five step model as mentioned below.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

1. Identify the contract with customer

2. Identify the performance obligation

3. Determine the transactions price

4. Allocate transaction price

5. Recognize Revenue when (or as) performance obligations are satisfied.

### b. Interest Income

Interest income is recognized on accrual basis at applicable interest rates. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payment or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial assets interest income is included in other income in the statement of profit & loss.

### c. Dividend income:

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

### I. Expenditure on new projects and substantial expansion:

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is directly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure. All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

### J. Employee benefits:

#### a. Short Term Employee Benefits:

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Short - term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### b. Post-Employment Benefits:

#### (i) Defined Contribution Plans:

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the government funds are due.

#### (ii) Defined Benefit Plans:

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company is administered by a trust formed for this purpose through the group gratuity scheme.

Remeasurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

### c. Other Long Term Employee Benefits:

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long -term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

### K. Taxes :

#### a. Current Income Tax:

(i) Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### b. Deferred taxes:

- (i) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.
- (ii) 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 reassessed 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 liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

### c. Sales/ value added taxes

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### d. Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset

in accordance with the Guidance Note on "Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961", the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

## L. Segment reporting

### Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and services to different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

## M. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## N. Impairment of Non Financial Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transaction are taken in to account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

### O. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized 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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized but disclosed in the Financial Statements when economic inflow is probable.

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
  - i. the Company has a present obligation as a result of past event,
  - ii. a probable outflow of resources is expected to settle the obligation; and
  - iii. the amount of obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

- b. Contingent liabilities are disclosed in case of:
  - i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
  - ii. a present obligation arising from past events, when no reliable estimate is possible,
  - iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.
- c. Contingent assets are neither recognized nor disclosed.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions and Contingent Liabilities are recognized / disclosed after an evaluation of the facts and legal aspects and the amounts are reviewed on the Balance Sheet date.

### P. Non-current assets held for sale :

Non Current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Non Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

### Q. Financial Instruments:

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

#### a. Financial Assets:

##### (i) Classification

Financial Assets comprises of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, Borrowings and other Financial Assets.

##### (ii) Initial recognition and measurement

All financial assets is recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

##### (iii) Subsequent Recognition

#### a. Financial Assets measured at amortized cost

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

**b. Financial Assets measured at fair value through other comprehensive income (FVTOCI)**

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

**c. Financial Assets measured at fair value through profit or loss (FVTPL)**

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

**e. Investment in Subsidiary and Associates**

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

**f. Investment in Debt Instruments**

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

**(iv) De-recognition of Financial Assets:**

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**b. Financial Liabilities:**

**(i) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

**(ii) Subsequent measurement:**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss.

**(iii) Loans and Borrowings:**

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking

into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

**(iv) Derecognition of Financial Liabilities:**

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

**R. Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares, that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**S. Investments:**

Investments that are readily realizable and intended to be held for not more than twelve months from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued.

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

### Note No. 3 - Property, Plant and Equipment and Intangible Assets as on 31st March, 2022

(Rupees in Lakhs unless stated otherwise)

| Particulars  |              |                   |                          |                   |                      |             |              |               |                  |
|--|--------------|-------------------|--------------------------|-------------------|----------------------|-------------|--------------|---------------|------------------|
|  | Buildings    | Plant & Machinery | Electrical Installations | Office equipments | Furniture & Fixtures | Computer    | Vehicles     | Total         | Total (in Lakhs) |
| <b>Gross Block</b>                                       |              |                   |                          |                   |                      |             |              |               |                  |
| <b>As at 1st April, 2021</b>                             | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| Add :- Addition during the year                          | 88.95        | 158.42            | 40.88                    | 0.18              | 2.08                 | 0.97        | 15.32        | 306.80        | <b>306.80</b>    |
| Add :- Reclassified on account of adoption of Ind AS 116 | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| Less :- Disposals / Impaired during the year             | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| <b>As at 31st March, 2022</b>                            | <b>88.95</b> | <b>158.42</b>     | <b>40.88</b>             | <b>0.18</b>       | <b>2.08</b>          | <b>0.97</b> | <b>15.32</b> | <b>306.80</b> | <b>306.80</b>    |
| <b>Accumulated Depreciation</b>                          |              |                   |                          |                   |                      |             |              |               |                  |
| <b>As at 1st April, 2021</b>                             | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| Add :- Addition during the year                          | 2.02         | 5.95              | 2.13                     | 0.02              | 0.11                 | 0.29        | 0.75         | 11.27         | <b>11.27</b>     |
| Add :- Reclassified on account of adoption of Ind AS 116 | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| Less :- Disposals / Impaired during the year             | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |
| <b>As at 31st March, 2022</b>                            | <b>2.02</b>  | <b>5.95</b>       | <b>2.13</b>              | <b>0.02</b>       | <b>0.11</b>          | <b>0.29</b> | <b>0.75</b>  | <b>11.27</b>  | <b>11.27</b>     |
| <b>Net carrying amount</b>                               |              |                   |                          |                   |                      |             |              |               |                  |
| <b>As at 31st March, 2022</b>                            | <b>86.93</b> | <b>152.47</b>     | <b>38.75</b>             | <b>0.16</b>       | <b>1.97</b>          | <b>0.68</b> | <b>14.57</b> | <b>295.53</b> | <b>295.53</b>    |
| As at 31st March, 2021                                   | -            | -                 | -                        | -                 | -                    | -           | -            | -             | -                |

(Rupees in Lakhs unless stated otherwise)

| PROPERTY, PLANT AND EQUIPMENT  |  | As at<br>31st March, 2022         | As at<br>31st March, 2021         |
|--|--|-----------------------------------|-----------------------------------|
| Gross Block of Property, Plant and Equipment   |  | 306.80                            | -                                 |
| Less :- Depreciation   |  | 11.27                             | -                                 |
|  |  | 295.53                            | -                                 |
| <b>CAPITAL WORK IN PROGRESS</b>  |  |                                   |                                   |
| (i) CWIP   |  | -                                 | 62.74                             |
|  |  | -                                 | -                                 |
|  |  | -                                 | 62.74                             |
| <b>4 DEFERRED TAX LIABILITY/ASSET</b>  |  | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>A Deferred Tax Liability</b>  |  |                                   |                                   |
| Related to Fixed Assets : Difference between Depreciation charged for Financial Reporting and Depreciation as per Income Tax |  | 73.30                             | -                                 |
| Other Comprehensive Income   |  | -                                 | -                                 |
| Related to Right of Use Asset  |  | -                                 | -                                 |
| <b>B Gross Deferred Tax Liability</b>  |  | <b>73.30</b>                      | <b>-</b>                          |
| <b>Gross Deferred Tax Asset</b>  |  |                                   |                                   |
| Deferred Tax Asset on account of Carry forward of Business loss as per Section 73A   |  | (92.16)                           | -                                 |
|  |  | -                                 | -                                 |
|  |  | (92.16)                           | -                                 |
| <b>C Net Deferred Tax Asset (A-B)</b>  |  | <b>18.86</b>                      | <b>-</b>                          |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

| 5 | INVENTORIES                                 | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---|---------------------------|---------------------------|
|   | (At lower of cost or Net Realisable Value)  |                           |                           |
|   | (As Certified and valued by the Management) |                           |                           |
|   | Raw Materials                               | 42.73                     | -                         |
|   | Finished Goods                              | 0.12                      | -                         |
|   | Packing Materials                           | 4.19                      | -                         |
|   | <b>Total</b>                                | <b>47.05</b>              | <b>-</b>                  |

| 6 | TRADE RECEIVABLES   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---------------------|---------------------------|---------------------------|
|   | <b>Unsecured</b>    |                           |                           |
|   | Considered Good     | 6.69                      | 1.38                      |
|   | Considered Doubtful | -                         | -                         |
|   |                     | <b>6.69</b>               | <b>1.38</b>               |
|   | Less :- Credit Loss | -                         | -                         |
|   | <b>Total</b>        | <b>6.69</b>               | <b>1.38</b>               |

Ageing for Trade Receivables as at March 31, 2022 is as follows:

| Particulars  | Outstanding for following periods from due date of payment |         |                       |                      |           |           | Total |
|--|--|---------|-----------------------|----------------------|-----------|-----------|-------|
|  | Less than 1<br>year  | Not Due | Less than 6<br>months | 6 months -<br>1 year | 1-2 years | 2-3 years |       |
| (i) Undisputed Trade Receivables - considered good                                 | -  | -       | 6.69                  | -                    | -         | -         | 6.69  |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | -  | -       | -                     | -                    | -         | -         | -     |
| (iii) Undisputed Trade Receivables - credit impaired                               | -  | -       | -                     | -                    | -         | -         | -     |
| (iv) Disputed Trade Receivables - considered good                                  | -  | -       | -                     | -                    | -         | -         | -     |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | -  | -       | -                     | -                    | -         | -         | -     |
| (vi) Disputed Trade Receivables - credit impaired                                  | -  | -       | -                     | -                    | -         | -         | -     |
| -  | -  | -       | 6.69                  | -                    | -         | -         | 6.69  |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

Ageing for Trade Receivables as at March 31, 2021 is as follows:

| Particulars  | Outstanding for following periods from due date of payment |         |                    |                   |           |           | Total |
|--|--|---------|--------------------|-------------------|-----------|-----------|-------|
|  | Less than 1 year   | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years |       |
| (i) Undisputed Trade Receivables - considered good                                 | -  | -       | 1.38               | -                 | -         | -         | 1.38  |
| (ii) Undisputed Trade Receivables - which have significant increase in credit risk | -  | -       | -                  | -                 | -         | -         | -     |
| (iii) Undisputed Trade Receivables - credit impaired                               | -  | -       | -                  | -                 | -         | -         | -     |
| (iv) Disputed Trade Receivables - considered good                                  | -  | -       | -                  | -                 | -         | -         | -     |
| (v) Disputed Trade Receivables - which have significant increase in credit risk    | -  | -       | -                  | -                 | -         | -         | -     |
| (vi) Disputed Trade Receivables - credit impaired                                  | -  | -       | -                  | -                 | -         | -         | -     |
|  | -  | -       | 1.38               | -                 | -         | -         | 1.38  |

|  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <b>7 CASH AND CASH EQUIVALENTS</b>         | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| Balance with Banks in Current Accounts     | 1.43                              | 0.50                              |
| Cash on hand                               | 0.02                              | 0.04                              |
| <b>Total</b>                               | <b>1.45</b>                       | <b>0.54</b>                       |
| <b>8 OTHER CURRENT ASSETS</b>              | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>(Unsecured and Considered Good)</b>     |                                   |                                   |
| Advances to Related Parties                |                                   | -                                 |
| Other Advances                             | 42.72                             | 0.58                              |
| Security Deposits                          | 13.85                             | -                                 |
| <b>Total</b>                               | <b>56.58</b>                      | <b>0.58</b>                       |
| <b>9 EQUITY SHARE CAPITAL</b>              | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>Authorised</b>                          |                                   |                                   |
| 25,00,000 Equity Shares of Rs. 10/- each   | 250.00                            | 1.00                              |
|  | 250.00                            | 1.00                              |
| <b>Issued, Subscribed and Fully Paidup</b> |                                   |                                   |
| 10,000 Equity Shares of Rs. 10/- each      | 1.00                              | 1.00                              |
|  | 1.00                              | 1.00                              |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

|  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <b>10 OTHER EQUITY</b>                     | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>Retained Earnings</b>                   |                                   |                                   |
| At 31st March 2021                         | (0.35)                            | (0.44)                            |
| Profit / (Loss) for the Period             | (53.79)                           | 0.09                              |
|  | (54.15)                           | (0.35)                            |
| <b>Items of Other Comprehensive Income</b> |                                   |                                   |
| At 31st March 2022                         | -                                 | -                                 |
| Increase / (Decrease) during the period    | -                                 | -                                 |
|  | (54.15)                           | (0.35)                            |

## 10.1 List of Shareholder's holding more than 5 % Shares in the Company :

| Name of the Share Holder | No of Shares | As at<br>31st March, 2022<br>% of Holding | No of Shares | As at<br>31st March, 2021<br>% of Holding |
|--------------------------|--------------|---|--------------|---|
| (i) Aries Agro Limited   | 10,000       | 100.00%                                   | 10,000       | 100.00%                                   |
|                          | 10,000       | 100.00%                                   | 10,000       | 100.00%                                   |

|                                    |                                   |                                   |
|------------------------------------|-----------------------------------|-----------------------------------|
| <b>11 NON - CURRENT BORROWINGS</b> | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>Secured Term Loans</b>          |                                   |                                   |
| Term Loans from Banks              | 148.79                            | -                                 |
|                                    | 148.79                            | -                                 |
| <b>Un-Secured Term Loans</b>       |                                   |                                   |
| Term Loans from NBFC's             | -                                 | -                                 |
| <b>Total</b>                       | <b>148.79</b>                     | <b>-</b>                          |

## 11.1 Maturity Profile of Term Loans are set out below:

| Sr. no | Financial Years    | Secured Term Loans from Banks |
|--------|--------------------|-------------------------------|
| (a)    | 2022-23            | 43.22                         |
|        | <b>Sub-Total</b>   | <b>43.22</b>                  |
| (b)    | 2023-24            | 43.43                         |
| (c)    | 2024-25            | 43.67                         |
| (d)    | 2025-26 & Above    | 61.69                         |
|        | <b>Sub-Total</b>   | <b>148.79</b>                 |
|        | <b>Grand-Total</b> | <b>192.00</b>                 |

|   |                                   |                                   |
|---|-----------------------------------|-----------------------------------|
| <b>12 CURRENT BORROWINGS</b>                | <b>As at<br/>31st March, 2022</b> | <b>As at<br/>31st March, 2021</b> |
| <b>Secured Borrowings</b>                   |                                   |                                   |
| <b>Current Maturities of Long Term Debt</b> | 43.22                             | -                                 |
| Interest Accrued but not due on Borrowings  | 0.82                              | -                                 |
|   | 44.04                             | -                                 |
| <b>Un-Secured Borrowings</b>                |                                   |                                   |
| From Related Parties                        | -                                 | 63.03                             |
|   | -                                 | 63.03                             |
| <b>Total</b>                                | <b>44.04</b>                      | <b>63.03</b>                      |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

| 13 TRADE PAYABLES   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|---|---------------------------|---------------------------|
| (a) Trade Payables - Total outstanding dues of Micro & Small Enterprises                      | 122.97                    | -                         |
| (b) Trade Payables - Total outstanding dues of Creditors other than Micro & Small Enterprises | 52.74                     | 1.55                      |
| <b>Total</b>  | <b>175.70</b>             | <b>1.55</b>               |

Ageing for Trade Payables outstanding as at March 31, 2022 is as follows:

| Particulars            | Outstanding for following periods from due date of payment |                  |           |           |                  | Total  |
|------------------------|--|------------------|-----------|-----------|------------------|--------|
|                        | Not Due  | Less than 1 year | 1-2 years | 2-3 years | More than 3 year |        |
| Trade payables         |  |                  |           |           |                  |        |
| MSME                   | -  | 122.97           | -         | -         | -                | 122.97 |
| Others                 | -  | 52.74            | -         | -         | -                | 52.74  |
| Disputed dues - MSME*  | -  | -                | -         | -         | -                | -      |
| Disputed dues - Others | -  | -                | -         | -         | -                | -      |
|                        | -  | 175.70           | -         | -         | -                | 175.70 |

\*MSME as per the Micro, Small & Medium Enterprises Development Act, 2006

Ageing for Trade Payables outstanding as at March 31, 2021 is as follows:

| Particulars            | Outstanding for following periods from due date of payment |                  |           |           |                  | Total |
|------------------------|--|------------------|-----------|-----------|------------------|-------|
|                        | Not Due  | Less than 1 year | 1-2 years | 2-3 years | More than 3 year |       |
| Trade payables         |  |                  |           |           |                  |       |
| MSME                   | -  | -                | -         | -         | -                | -     |
| Others                 | -  | 1.55             | -         | -         | -                | 1.55  |
| Disputed dues - MSME*  | -  | -                | -         | -         | -                | -     |
| Disputed dues - Others | -  | -                | -         | -         | -                | -     |
|                        | -  | 1.55             | -         | -         | -                | 1.55  |

\*MSME as per the Micro, Small & Medium Enterprises Development Act, 2006

| 14 OTHER CURRENT LIABILITIES      | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|-----------------------------------|---------------------------|---------------------------|
| Accrued Salaries and Benefits     | 4.58                      | -                         |
| Advances / Credits from Customers | 103.06                    | -                         |
| Statutory Dues                    | 1.22                      | 0.02                      |
| Other Payables                    | 1.89                      | -                         |
| <b>Total</b>                      | <b>110.76</b>             | <b>0.02</b>               |

| 15 REVENUE FROM OPERATIONS | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|----------------------------|--------------------------------|--------------------------------|
| Sales of Products          | 667.79                         | 13.22                          |
| Less:-Discounts / Rebates  | -                              | -                              |
| <b>Total</b>               | <b>667.79</b>                  | <b>13.22</b>                   |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

### 15.1 Particulars of Sale of Products :

(Rupees in Lakhs unless stated otherwise)

| Sr. Particulars No.          | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|------------------------------|-----------------------------|-----------------------------|
| <b>Traded Products</b>       |                             |                             |
| (a) Others                   | 501.31                      | 13.22                       |
| <b>Manufactured Products</b> |                             |                             |
| (a) Magnesium Sulfate        | 166.48                      |                             |
| Less:- Discounts / Rebates   | -                           | -                           |
|                              | <b>667.79</b>               | <b>13.22</b>                |

### 16 COST OF MATERIALS CONSUMED

- 1) Opening Stock of Raw Materials  
Add : Purchases

Less : Closing Stock of Raw Materials  
Raw Material Consumed

- 2) Opening Stock of Packing Materials  
Add : Purchases

Less : Closing Stock of Packing Materials  
Packing Materials Consumed

**Consumption of Materials (1+2)**

| Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|-----------------------------|-----------------------------|
|                             | -                           |
| 191.62                      | -                           |
| 191.62                      | -                           |
| 42.73                       | -                           |
| 148.89                      | -                           |
| -                           | -                           |
| 12.63                       | -                           |
| 12.63                       | -                           |
| 4.19                        | -                           |
| 8.44                        | -                           |
| 157.34                      | -                           |

### COST OF PRODUCTS TRADED

Opening Stock of Traded Products  
Add :- Purchases of Traded Products

Closing Stock of Traded Products  
Cost of Products Traded

| Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|-----------------------------|-----------------------------|
|                             | -                           |
| 418.82                      | 11.90                       |
| 418.82                      | 11.90                       |
| -                           | -                           |
| 418.82                      | 11.90                       |

### 17 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS

**Inventories at the beginning of the year**  
Finished Goods

**Inventories at the end of the year**  
Finished Goods

**(Increase) / Decrease in Inventories**

| Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|-----------------------------|-----------------------------|
| -                           | -                           |
| -                           | -                           |
| 0.12                        | -                           |
| (0.12)                      | -                           |

### 18 EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Allowances  
Directors Remuneration  
Staff Welfare Expenses

**Total**

| Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
|-----------------------------|-----------------------------|
| 17.06                       | -                           |
| 54.58                       | -                           |
| 1.07                        | -                           |
| 72.71                       | -                           |

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

|           |   |  |  |
|-----------|---|--|--|
| <b>19</b> | <b>FINANCE COST</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | <b>Interest Expense</b>   |  |  |
|           | On Term Loans   | 11.86                                  | -                                      |
|           | <b>Total</b>  | <b>11.86</b>                           | <b>-</b>                               |
| <b>3</b>  | <b>DEPRECIATION &amp; AMORTISATION</b>                            | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | Depreciation  | 11.27                                  | -                                      |
|           | <b>Total</b>  | <b>11.27</b>                           | <b>-</b>                               |
| <b>20</b> | <b>OTHER EXPENSES</b>   | <b>Year Ended<br/>31st March, 2022</b> | <b>Year Ended<br/>31st March, 2021</b> |
|           | <b>Manufacturing Expenses</b>                                     |  |  |
|           | Consumption of Stores & Spare Parts                               | 2.91                                   | -                                      |
|           | Freight Inward  | 0.25                                   | -                                      |
|           | Miscellaneous Expenses  | 2.71                                   | -                                      |
|           | Power & Fuel  | 13.89                                  | -                                      |
|           | Processing Charges  | 21.90                                  | -                                      |
|           | Rent, Rates & Taxes   | 1.35                                   | 0.29                                   |
|           | Repairs to Building   | 0.62                                   | -                                      |
|           | Repairs to Machinery  | 1.08                                   | -                                      |
|           | Security Charges  | 1.42                                   | -                                      |
|           | Wages & Allowances  | 2.99                                   | -                                      |
|           |   | <b>49.12</b>                           | <b>0.29</b>                            |
|           | <b>Selling &amp; Distribution Expenses</b>                        |  |  |
|           | Advertisement and Publicity Expenses                              | 0.54                                   | -                                      |
|           | Freight & Delivery Expenses                                       | 4.32                                   | -                                      |
|           | Travelling Expenses   | 3.99                                   | -                                      |
|           |   | <b>8.85</b>                            | <b>-</b>                               |
|           | <b>Other Administration Expenses</b>                              |  |  |
|           | Audit Fees  | 0.08                                   | 0.13                                   |
|           | Bank Charges  | 2.14                                   | 0.01                                   |
|           | Conveyance & Motor Car Expenses                                   | 2.66                                   | -                                      |
|           | General Expenses  | 2.00                                   | 0.40                                   |
|           | Insurance   | 0.40                                   | -                                      |
|           | Legal & Professional Fees   | 2.15                                   | 0.18                                   |
|           | Net (Gain) / Loss on Foreign Currency Transaction and Translation | 0.07                                   | -                                      |
|           | Postage & Telephones  | 0.27                                   | -                                      |
|           | Printing & Stationery   | 0.48                                   | 0.04                                   |
|           | Rent, Rates & Taxes   | 0.36                                   | 0.18                                   |
|           | Repairs & Maintenance   | -                                      | -                                      |
|           |   | <b>10.62</b>                           | <b>0.94</b>                            |
|           | <b>Total</b>  | <b>68.58</b>                           | <b>1.23</b>                            |

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

## 20.1 Other Disclosures

| a) Auditors Remuneration |                    |                                |                                |
|--------------------------|--------------------|--------------------------------|--------------------------------|
| Sr. No.                  | Particulars        | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
| 1                        | Statutory Auditors |                                |                                |
| (i)                      | Audit Fee          | 0.08                           | 0.08                           |
|                          |                    | 0.08                           | 0.08                           |

## 21 EARNINGS PER SHARE (EPS)

The following is a reconciliation of the Equity Shares used in the computation of basic and diluted earnings per Equity Share :

| Sr. No | Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--------|---|--------------------------------|--------------------------------|
| (i)    | Issued Equity Shares                                    | 10,000                         | 10,000                         |
|        | Weighted Average Shares outstanding - Basic and Diluted | 10,000                         | 10,000                         |

Net Profit available to Equity Shareholders of the Company used in the basic and diluted earnings per share was determined as follows :

| Sr. No | Particulars   | Year Ended<br>31st March, 2022 | Year Ended<br>31st March, 2021 |
|--------|---|--------------------------------|--------------------------------|
| (i)    | Profit and Loss after Tax attributable to Equity Shareholders | (54)                           | 0.09                           |
| (ii)   | Basic Earning per Equity Share (in INR)                       | (537.94)                       | 0.89                           |
| (iii)  | Face value of Equity Share                                    | 10                             | 10                             |

## 22 RELATED PARTY DISCLOSURES

Related Party Disclosures as per Ind AS 24 issued by the Institute of Chartered Accountants of India

| Part - A                   |   |   |  |                     |
|----------------------------|---|---|--|---------------------|
| Details of Related Parties |   |   |  |                     |
| Sr. No.                    | Nature of Relationship  | Name of the Related Party                   | Remarks  |                     |
| 1                          | Holding Company   | a) Aries Agro Limited                       | a) Date of becoming Subsidiary of Aries Agro Limited is 26th December, 2019 (Incorporation Date) |                     |
| 2                          | Key Management Personnel  | a) Dr. Rahul Mirchandani                    | a) Director  |                     |
|                            |   | b) Mrs. Nitya Mirchandani                   | b) Director  |                     |
| 3                          | Relatives of Key Management Personnel   | <b>Name of the Key Management Personnel</b> | <b>Name of the Relative</b>  | <b>Relationship</b> |
|                            |   | a) Dr. Rahul Mirchandani                    | a) Mrs. Nitya Mirchandani  | Spouse              |
|                            |   |   | b) Mr. Armaan Mirchandani  | Son                 |
|                            |   |   | c) Dr. Jimmy Mirchandani   | Brother             |
|                            |   | b) Mrs. Nitya Mirchandani                   | a) Dr. Rahul Mirchandani   | Spouse              |
|                            |   |   | b) Mr. Armaan Mirchandani  | Son                 |
| 4                          | Fellow Subsidiaries   | a) Aries Agro Care Private Limited          | a) A wholly owned Subsidiary of Aries Agro Limited   |                     |
|                            |   | b) Aries Agro Equipments Private Limited    | b) A wholly owned Subsidiary of Aries Agro Limited   |                     |
|                            |   | c) Golden Harvest Middle East FZC           | c) A Subsidiary of Aries Agro Limited  |                     |
| 5                          | Enterprises over which the Key Management Personnel have significant influence or control | a) Aries East West Nutrients Pvt Ltd        |  |                     |
|                            |   | b) Aries Marketing Ltd                      |  |                     |
|                            |   | c) Blossoms International Ltd               |  |                     |
|                            |   | d) Sreeni Agro Chemicals Ltd                |  |                     |



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022

(Rupees in Lakhs unless stated otherwise)

| Part - B                                     |                 |                   |                               |                               |
|--|-----------------|-------------------|-------------------------------|-------------------------------|
| Details of Transactions with Related Parties |                 |                   |                               |                               |
| Sr. No.                                      | Category        | Nature of Service | Period Ended 31st March, 2022 | Period Ended 31st March, 2021 |
| 1  | Holding Company | Loans taken       | -                             | 63.03                         |
|  |                 | Loan repaid       | 63.03                         | -                             |
|  |                 | Purchases         | 106.58                        | 11.90                         |
|  |                 | Sales             | 531.57                        | -                             |
|  |                 | Rent              | 2.48                          | 0.40                          |

| Part - C                                 |                        |                           |                        |                        |
|--|------------------------|---------------------------|------------------------|------------------------|
| Balance Outstanding with Related Parties |                        |                           |                        |                        |
| Category                                 | Nature of outstanding  | Name of the Related Party | As at 31st March, 2022 | As at 31st March, 2021 |
| Holding Company                          | Unsecured Loans        | Aries Agro Limited        | -                      | 63.03                  |
|  | Advance from Customers | Aries Agro Limited        | 91.32                  | -                      |
|  | Advance to Suppliers   | Aries Agro Limited        | -                      | 0.42                   |

### 23. Current Assets, Loan & Advances and Provisions

- The current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.
- The provision for all known liabilities is not in excess of the amounts considered reasonably necessary.
- The balances of sundry creditors, sundry debtors and loans and advances are subject to confirmation.

### 24. Foreign Exchange Earnings & Outflow:

- Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: International clients are located in Nepal. Sales were booked for Nepal. The total exports and global sales constituted 1.13% of our Revenue in FY 2021-22
- Total Foreign Exchange used and earned:  
Used : Rs. 20.36 Lakhs  
Earned: Rs. 7.53 Lakhs

### 25. Micro and Small Scale Business Entities

The details of micro and small Enterprises to whom company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2022 are enlisted below:

|    | Particulars                     | Amount (in Rs.)  |
|----|---------------------------------|------------------|
| 1. | Swaroop Agrochemical Industries | Rs.1,00,71,171/- |

The Company's credit policy is 90 days.

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.

### 26. Segment Reporting

The Company has only one business segment "Agri Inputs" as its primary segment and hence disclosure of segment-wise information is not required under Indian Accounting Standard (Ind AS) 108 – Operating Segments' notified pursuant to the Companies (Indian Accounting Standard) Rules, 2016 (as amended).

- All the accounting policies as mentioned above will be made applicable at relevant times.
- The Company has no pending litigations.
- The Company did not have any long term contract including derivative contracts for which there were any material foreseeable losses
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

## Mirabelle Agro Manufacturing Private Limited

31. The Previous years figures are re-grouped or re-arranged wherever is necessary.

32. Additional Regulatory Information

### Ratios

(Rupees in Lakhs unless stated otherwise)

|     | Ratio                                       | Numerator   | Denominator  | Current year | Previous year | Variance |
|-----|---|---|--|--------------|---------------|----------|
| 1)  | Current Ratio (in times)                    | Total Current Assets  | Total Current Liabilities  | 0.34         | 0.04          | 0.30     |
| 2)  | Debt-Equity Ratio (in times)                | Debts consisting of Borrowings  | Total Equity   | -2.80        | 97.5          | -100.32  |
| 3)  | Debt Service coverage ratio (in times)      | Earning for Debt Service = Net Profit after Taxes + Non-cash operating expenses + Interest + Other Non-Cash adjustments | Debt Service = Interest and Lease payments + Principal Repayments                  | 0.00         | -             | 0.00     |
| 4)  | Return on equity ratio (in %)               | Profit for the Year   | Average Total Equity   | -204.92      | 14.73         | -219.65  |
| 5)  | Trade Receivables turnover ratio (in times) | Trade Receivables   | Revenue from Operations  | 0.01         | -             | 0.01     |
| 6)  | Trade Payables turnover ratio (in times)    | Cost of Materials Consumed + Cost of Traded Products  | Average Trade Payables   | 3.74         | 8.49          | -4.76    |
| 7)  | Inventory Turnover Ratio                    | Cost of Goods Sold  | Average Inventory  | 12.24        | -             | 12.24    |
| 8)  | Net Capital Turnover Ratio (in times)       | Revenue from Operations   | Average working capital (i.e. Total Current Assets less Total Current liabilities) | -3.05        | -0.21         | -2.84    |
| 9)  | Net Profit Ratio (in %)                     | Profit for the Year   | Revenue from Operations  | -8.06        | 0.67          | -8.73    |
| 10) | Return on Capital Employed (in %)           | Profit before tax and Finance costs   | Capital Employed = Net worth + Deferred Tax Liabilities+ Interest                  | 16.52        | 0.14          | 16.38    |

(\*) There is a variation of more than 25% for ratios number 1) to 10) because the Company commenced commercial production at its newly constructed Magnesium Sulphate plant in Chhatral, in the State of Gujarat on 26th August 2021. Company expects Revenue growth coupled with higher efficiency and working capital improvement which will lead to improved ratios in the forthcoming financial years commencing 2022-23.

33. (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
- (b) 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;
34. a) The Final dividend is not declared in the previous year and hence Section 123 of the Act is not applicable.
- b) The interim dividend is not declared and the same is in compliance with Section 123 of the Act.
- c) The Board of Directors of the Company have not proposed final dividend for the year

### As per our report of even date

For and on behalf of the **Board of Directors of Mirabelle Agro Manufacturing Private Limited**

**For Urmit Shah & Co**  
Chartered Accountants  
Firm Registration No. 140977W

**Dr. Rahul Mirchandani**  
**Director**  
DIN 00239057

**Urmit Shah**  
Proprietor  
Membership No 152658  
UDIN 22152658AJJPRC6475

**Mr. S Ramamurthy**  
**Director**  
DIN 00540033

Place : Mumbai  
Date : 18<sup>th</sup> May, 2022

# Aries Drone Yatra



## एरीज एग्रो ने ड्रोन से कराया खेतों में स्प्रे



## एरीज एग्रो कंपनी ने ड्रोन से कराया खेतों में स्प्रे



खेत में किसानों के लिए पहले बार ड्रोन ड्रा स्प्रेडिंग पोषक तत्वों का प्रयोग किया गया।

आगरा, 10 अक्टूबर (एनआईएन)। आगरा में एरीज एग्रो कंपनी ने ड्रोन ड्रा स्प्रेडिंग पोषक तत्वों का प्रयोग किया गया। इस कार्यक्रम में एरीज एग्रो के अधिकारी, किसान, और अन्य लोग शामिल थे। ड्रोन ड्रा स्प्रेडिंग पोषक तत्वों का प्रयोग करने से किसानों को बचत हो सकती है और खेती में उत्पादन बढ़ सकता है।

## 100 रोज़ाबल ड्रोन यात्रा प्रारंभ



ड्रोन यात्रा प्रारंभ कार्यक्रम में भाग लेने वाले लोग।





## Foundation Day



## Ground Breaking Ceremony Saykha Gujarat





## **HYDERABAD Factory Phase 3 Opening**

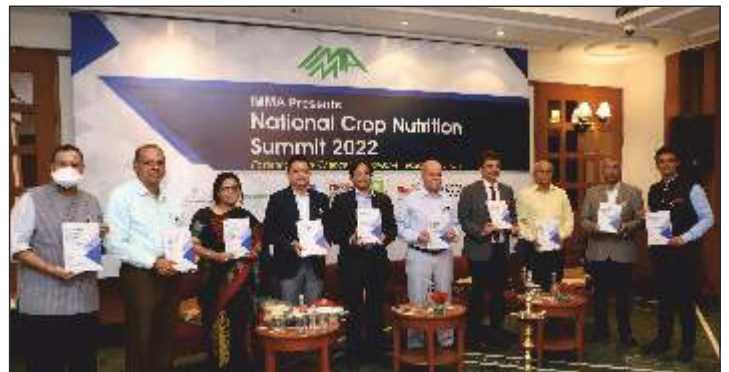


## **Aries Northern Region Team Visits Kartarpur, Pakistan**





# IMMA National Crop Nutrition Summit





# Manufacturing Excellence Award









19 ARIES BRANDS  
ARE NOW  
ORGANIC  
CERTIFIED





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