

15TH ANNUAL REPORT

2024-25

NOVA AGRI SCIENCES PRIVATE LIMITED



Corporate Information

Board of Directors:

- Kiran Kumar Atukuri (DIN: 08143781) Director
- Ramesh Babu Nemani (DIN: 08089820) Independent Director
- Rajesh Cherukuri (DIN: 09840611) Director

Corporate Identity Number: U01403TG2010PTC068405

Registered Office:

Sy.No.251/A/1., Singannaguda Village
Mulugu Mandal Siddipet
Medak TG 502279 IN
E-Mail: nova.agritech@gmail.com

Statutory Auditors:

M/s. NSVR and Associates LLP
Chartered Accountants,
FRN: 008801S/S200060
Address: House No. 1-89/1/42,
2nd Floor, Plot No. 41 & 43, Sri
Ram Nagar Colony, Kavuri Hills,
Guttala Begumpet, Madhapur
Hyderabad-500081, Telangana.

Secretarial Auditors:

M/s. P. S. Rao & Associates
Practicing Company
Secretaries,
Address: 403, Nirmal
Towers, Dwarkapuri
Colony, Punjagutta
Hyderabad - 500082

Cost Auditors:

M/s M P R & Associates
Cost Accountants,
Firm Reg. No. 000413
Address: H. No. 6-3
349/15/17, Flat :301, 3rd
Floor, Sri Sai Brundavan
Apartments, Saibaba
Temple Rd, Dwarkapuri
Colony, Punjagutta
Hyderabad - 500082,



NOVA AGRI SCIENCES PRIVATE LIMITED

CIN: U01403TG2010PTC068405

Email ID: nova.agritech@gmail.com, Ph. No. 09177985789

Regd. Office: Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet
Medak 502279, Telangana

NOTICE

Notice is hereby given that the 15th Annual General Meeting of the members of '**NOVA AGRI SCIENCES PRIVATE LIMITED**' ("THE COMPANY") will be held on Friday, the 19th day of September 2025 at 1.30 P.M. at its registered office situated at Sy.No.251/A/1, Singannaguda Village Mulugu Mandal Siddipet, Medak TG 502279 IN, for transacting the following business:

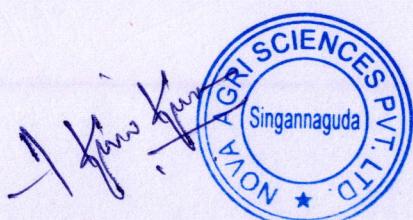
ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements of the Company for the financial year ended 31st March, 2025 and the reports of the Auditors and Board of Directors thereon.

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 section 129 and all other applicable provisions of the Companies Act, 2013 and Rules made there under the Audited Financial Statements of the Company for the financial year ended 31st March, 2025, together with the Report of the Board of Directors and the Auditors thereon, be and are hereby considered, approved and adopted."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid resolution."



2. To Appoint a director in place of Mr. Kiran Kumar Atukuri (DIN:08143781) who retires by rotation:

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

“RESOLVED THAT Mr. Kiran Kumar Atukuri (DIN:08143781), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby appointed as Director of the Company, liable to be retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do or cause to be done all such acts, deeds and things as may be required or considered necessary or incidental thereto for giving effect to the aforesaid resolution.”

SPECIAL BUSINESS:

3. Ratification of Remuneration of Cost Auditors :

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

“RESOLVED THAT pursuant to the provisions of Section 148 Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactments thereof and pursuant to the recommendation of the Audit Committee, the remuneration payable to **M/s M P R & Associates**, Cost Accountants (Firm Reg. No. 000413) appointed by the Board of Directors as the Cost Auditor of the company to conduct the audit of the cost records maintained by the company for financial year commencing on 01 April 2025 and ending on 31 March 2026, amounting to Rs.50,000/- (Rupees Fifty Thousand Only) exclusive of GST as may be applicable and out of pocket expenses if any, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall deem to include any committee of the Board), is authorized to do all such acts, deeds, matters and things as may be considered



necessary, desirable or expedient to give effect to this resolution.”

4. Approval of Material Related Party Transactions for the Year 2025-26:

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other provisions, if any of the Companies Act, 2013 (the Act) read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 based on the recommendation of the Board of Directors, consent of the Members of the Company be and is hereby accorded to enter into and/or carry out and/or continue contract(s)/ arrangement(s)/ transaction(s) with ‘Related Parties’ within the definition as per Section 2(76) of the Act and ruled made thereunder such that the maximum value of transaction(s) does not exceed as specified and detailed in the table forming part of the Explanatory Statement, annexed hereto in the ordinary course of business and at arm’s length basis, and on such terms and conditions as mutually agreed between such related party and the Company.”

“RESOLVED FURTHER THAT all actions taken by the Board (which term shall deem to include any Committee of the Board) or any person so authorised by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall deem to include any Committee of the Board), be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. Appointment of Secretarial Auditors for a period of 5 years:

To consider and if thought fit, to pass the following resolutions with or without modification(s) as a Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 204(1) of Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Personnel)



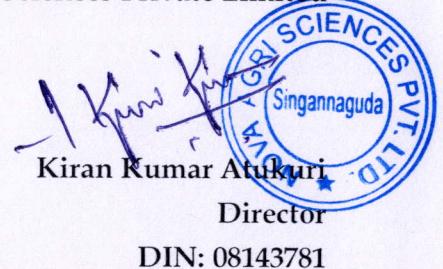
Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, including any modification(s) or re-enactment(s) thereof for the time being in force, pursuant to the recommendations of Board of Directors of the Company, **P. S. Rao & Associates**, Practicing Company Secretaries, be and is hereby appointed as Secretarial Auditors of the Company, for a period of five years commencing from the financial year 2025-26 till Financial Year 2029-30, to undertake Secretarial Audit for each of the said years at such remuneration as may be decided by the Board of Directors from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to decide and finalize the terms and conditions of appointment, including remuneration and to do all such acts, deeds and things, and execute all such documents and writings, as they may in their absolute discretion deem necessary or incidental thereto, including paying such fees and incurring such expenses, in relation thereto as they may deem appropriate, and to file such documents, forms, etc., as required with the regulatory/statutory authorities, and authorize the officials of the Company for the aforesaid purpose, as may be deemed fit to give effect to this resolution."

By Order of the Board
For Nova Agri Sciences Private Limited

Date: 9th August, 2025

Place: Singannaguda



Kiran Kumar Atukuri
Director
DIN: 08143781

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 15TH ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS / HER BEHALF ONLY ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE AGM.
2. As required under SS-2 issued by the ICSI, a route map, including a prominent landmark, showing directions to reach the AGM venue is annexed to the Annual Report.
3. Pursuant to Section 113 of the Companies Act, 2013 and Rules framed there under, the corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution and Power of Attorney, if any, authorizing their representative(s) to attend and vote, on their behalf, at the AGM.
4. The Ministry of Corporate Affairs (MCA), Government of India has introduced a 'Green initiative in Corporate Governance' by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act, 2013 and Rules framed there under.
5. Members are requested to bring and produce the Attendance Slip duly signed as per the specimen signature recorded with the Company for admission to the AGM venue.



EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO.3:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

The Board of Directors of the Company at its meeting held on 5 May 2025, considered and approved the appointment of M/s M P R & Associates, Cost Accountants (Firm Reg. No. 000413) as the cost auditor for the financial year 2025-26 at a remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) exclusive of GST as may be applicable and out of pocket expenses if any.

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. 3 of the Notice.

The Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4:

Pursuant to Regulation 23(4) of SEBI (LODR) Regulations, 2015, all material Related Party Transactions of Material Subsidiaries require the approval of the shareholders. However, the said approval of shareholders for material Related Party Transactions is not required for the transactions entered into between a holding company and its wholly-owned subsidiary, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval, in terms of Regulation 23(5) of SEBI (LODR) Regulations, 2015.

The company being material subsidiary of Nova Agritech Limited and in view of the changes in the threshold for determining the related party transactions that require prior shareholder approval, and to facilitate seamless contracting and rendering/availing of products and services between the Company and related parties, the Company seeks the shareholders' approval for the said transactions by way of Ordinary Resolution, to approve entering into contracts/arrangements within the thresholds and conditions mentioned below.



The particulars of Material Related Party Transactions are as follows:

[Amounts are in INR Lakhs]

| Related Party Transactions u/s Section 188(1) of the Companies Act, 2013 | <i>Nova Agritech Limited</i> | <i>Nova Agri Seeds India Private Limited</i> | <i>Suraksha Agri Retails India Private Limited</i> | <i>Zeit Systems</i> |
|--|--|--|---|-------------------------------|
| Nature of Relationship | Holding Company | Associate Company | Associate Company | Proprietorship of Director |
| Name of interest Director(s)/KMP | 1. Malathi Sirirpurapu 2. Kiran Kumar Atukuri 3. Rajesh Cherukuri 4. Ramesh Babu Nemani | 1. Malathi Sirirpurapu 2. Kiran Kumar Atukuri 3. Rajesh Cherukuri 4. Ramesh Babu Nemani | 1. Malathi Sirirpurap u 2. Kiran Kumar Atukuri 3. Rajesh Cherukuri | Rajesh Cherukuri |
| Sale, purchase or supply of any goods or materials | 3500 | 1000 | 1000 | 1000 |
| Purchase of any goods or materials | 3500 | 1000 | 1000 | 1000 |
| Availing or rendering of any services, directly or through appointment of agent | 1000 | 100 | - | - |
| Selling or otherwise disposing of or buying property of any kind | 2500 | 500 | - | - |
| Total | 10500 | 2600 | 2000 | 2000 |

Material terms of the aforesaid transactions:

- 1) These transactions are based on sales / purchase orders issued from time to time, and prices are negotiated and agreed mutually based on product specification.
- 2) Going forward, your Company expects significant growth in business volumes with certain related parties, as a result of which transactions with those related parties may become material related party transactions. Right now, all these transactions are not material in nature, carried on with due approval of the Board.
- 3) All such transactions carried may or may not be in the ordinary course of business and at arm's length basis.
- 4) The limits mentioned above are for each category of transaction.



The Board recommends the resolution set forth in item no. 4 of the notice for approval of the members by passing an Ordinary Resolution. All related parties of the Company shall abstain from voting on the said resolution, pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Kiran Kumar Atukuri, Mr. Rajesh Cherukuri and Mr. Ramesh Babu Nemani are interested in the resolution set out in Item No. 4 of the Notice, with regard to this resolution.

No Key Managerial Personnel or their relative is, directly or indirectly, concerned or interested, financially or otherwise, in the resolution as set out in Item No. 4 of the Notice.

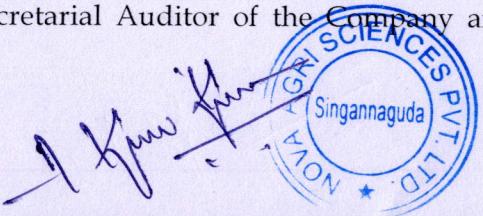
ITEM NO. 5:

Regulation 24A of SEBI (LODR) Regulation, 2015 stipulates the requirement of appointing a Company Secretary in Practice or a firm of Company Secretary(ies) in practice who shall be a Peer Reviewed, for a period of not more than one term of five consecutive years in case of an individual; or for a period of not more than two terms of five consecutive years in case of a Secretarial Audit firm as Secretarial Auditor, with the approval of its shareholders in its Annual General Meeting, to conduct the Secretarial Audit of the Company.

The Company is a Material Subsidiary of Nova Agritech Limited (a listed entity) under SEBI (LODR) Regulation, 2015. Accordingly, the Board of Directors of the Company, considering the experience, competency, efficiency, independence, etc. at its meeting held on **5th May, 2025, subject to approval of members of the Company in the ensuing AGM**, has appointed **P. S. Rao & Associates**, Practicing Company Secretaries as Secretarial Auditors for a period of 5 years commencing from FY 2025-26 till FY 2029-30, at a remuneration of ₹ 3,00,000/- (plus taxes) for the FY 2025-26 and at such remuneration as may be decided by the Board of Directors of the Company in consultation with the Secretarial Auditors, for subsequent years.

P. S. Rao & Associates, Practicing Company Secretaries, established in 1994, has been dedicated to providing comprehensive secretarial, legal, and consultancy services to diverse clients and is specialized in Corporate Laws, Corporate Governance, Secretarial Audits, Compliances etc. With over three decades of experience, the team at P. S. Rao & Associates comprises of experienced professionals, in delivering various aspects of corporate affairs.

The firm has given its consent to act as the Secretarial Auditor of the Company and has confirmed that the said appointment.



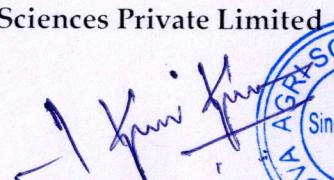
None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members.

By Order of the Board
For Nova Agri Sciences Private Limited

Date: 9th August, 2025

Place: Singannaguda


Kiran Kumar Atukuri
Director
DIN: 08143781


NOVA AGRI SCIENCES PVT. LTD.
Singannaguda

NOVA AGRI SCIENCES PRIVATE LIMITED

CIN: U01403TG2010PTC068405,

Email ID: nova.agritech@gmail.com, Ph. No. 09177985789

Regd. Office: Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet
Medak 502279, Telangana

Form No. MGT-11 PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s) :

Registered Address :

E-mail Id :

Folio No./ Client ID :

DP ID:

I/ We, being the member(s) of _____ shares of the above named Company, hereby appoint:

- 1) Name: _____
Address: _____
Email ID: _____
Signature _____ or failing him/her;
- 2) Name: _____
Address: _____
Email ID: _____
Signature _____ or failing him/her;
- 3) Name: _____
Address: _____
Email ID: _____
Signature _____ or failing him/her;

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 15th Annual General Meeting of the Company, to be held on Friday, the 19th day of September 2025 at 1.30 P.M. at its registered office situated at Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet Medak TG 502279 IN India and at any adjournment thereof in respect of the following resolutions:

| Resolution No. | Ordinary and Special Business: |
|----------------|---|
| 1 | Adoption of Audited Financial Statements of the Company for the financial year ended 31 st March, 2025 and the reports of the Auditors and Board of Directors thereon. |
| 2 | To Appoint a director in place of Mr. Kiran Kumar Atukuri (DIN:08143781) who retires by rotation. |
| 3 | Ratification of remuneration of Cost Auditors |
| 4 | Approval of Material Related Party Transactions for the Year 2025-26 |
| 5 | Appointment of Secretarial Auditors for a period of 5 years |

Affix
Revenue
Stamp

Signed this _____ day of September, 2025

Signature of Shareholder: _____

Signature of Proxy holder: _____



NOVA AGRI SCIENCES PRIVATE LIMITED

CIN: U01403TG2010PTC068405,

Email ID: nova.agritech@gmail.com, Ph. No. 09177985789

Regd. Office: Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet
Medak 502279, Telangana, Phone No: _____

ATTENDANCE SLIP

| | |
|-------------------------|--|
| DP.ID* | |
| Master Folio No. | |

| | |
|---------------------------|--|
| Client ID* | |
| No. of Shares held | |

I hereby record my presence at the 15th Annual General Meeting of the Company on Friday, the 19th day of September 2025 at 1.30 P.M. at its registered office situated at Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet Medak TG 502279 IN.

| | |
|---|--|
| MEMBER'S/PROXY'S NAME IN BLOCK LETTER | |
| MEMBER'S/PROXY'S/AUTHORIZED REPRESENTATIVE'S SIGNATURE | |

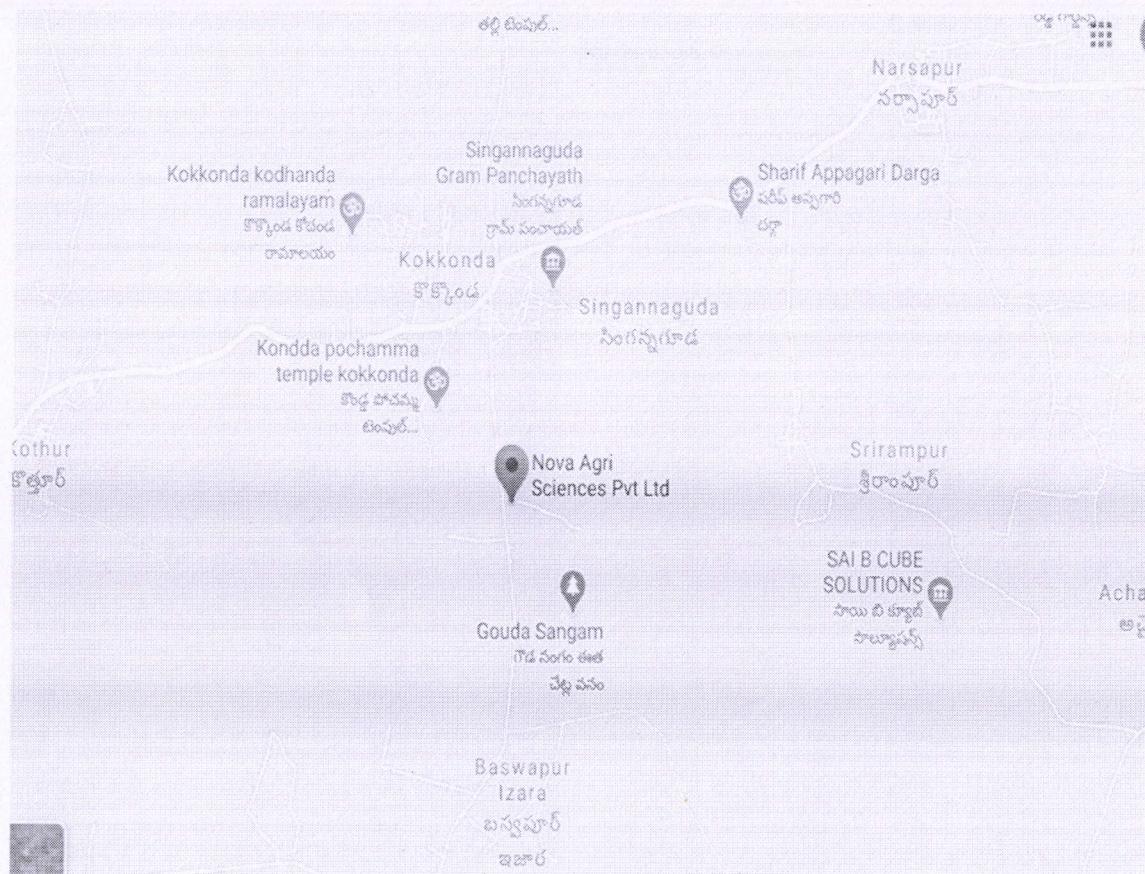
NOTES:

1. Please complete the DP ID- Client ID No. and name of the Member/Proxy, sign this attendance slip and hand it over, duly signed, at the entrance of the meeting hall.
2. Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of the notice of Annual General Meeting for reference at the meeting.

* Applicable for shareholders holding shares in electronic form.



ROUTE MAP FOR THE 15th ANNUAL GENERAL MEETING



NOVA AGRI SCIENCES PRIVATE LIMITED

CIN: U01403TG2010PTC068405,

Email ID: nova.agritech@gmail.com, Ph. No. 09177985789

Regd. Office: Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet
Medak 502279, Telangana

DIRECTORS' REPORT

Your Directors have pleasure in presenting the **15th ANNUAL REPORT** on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2025 ("the financial year under review")

FINANCIAL PERFORMANCE:

(Rs. In Lakhs)

| Particulars | Year Ended March 31, 2025 | Year Ended March 31, 2024 |
|--------------------------|------------------------------|------------------------------|
| Income from Operations | 14045.70 | 11166.34 |
| Other income | 3.21 | 2.74 |
| Total income | 14048.91 | 11169.08 |
| Total Expenditure | 12441.09 | 9872.14 |
| Profit Before Tax | 1067.82 | 1296.94 |
| Less: Tax expenses | 500.71 | 322.08 |
| Net Profit/Loss | 1107.11 | 974.86 |

SUMMARY OF OPERATIONS & STATE OF COMPANY'S AFFAIRS:

During the financial year under review your company recorded a profit for the FY 2024-25 as **Rs. 1107.11 Lakhs** as against a profit of **Rs. 974.86 Lakhs** for the FY 2023-24. The affairs of the Company are conducted in accordance with the accepted nature of business practices and within the purview of the applicable legislations.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any Subsidiary Company, Joint Ventures. However, your



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Company is a Whollw-Owned Subsidiary Company of Nova Agritech Limited. During the year under review no Company has become its Subsidiary, Joint Venture or Associate of Company.

SHARE CAPITAL:

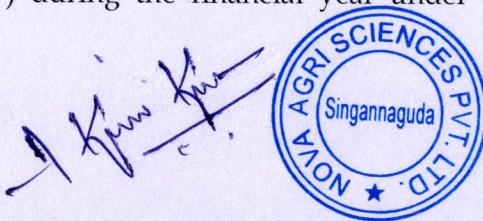
The paid- up Equity Share Capital as at March 31, 2025 stood at Rs. 1,80,00,000/-. During the year under review, there is no change in the capital structure of the company.

ISSUANCE OF OPTIONALLY CONVERTIBLE DEBENTURES (OCDs):

- ★ The Board and members of the Company vide its resolution passed in their meetings held on 15th March, 2024 and 18th March, 2024 respectively has approved to issue 10,00,000 (Ten Lakh) Optionally Convertible Debentures ("OCDs") of Rs.100/- each to Nova Agritech Limited ("Holding Company") on private placement basis against the investment of Rs. 10,00,00,000/- (Rupees Ten Crore Only) made by the Holding Company for a tenure of 3 years (36 months) at coupon rate of 0.01% p.a. Following allotments of OCDs were made to Nova Agritech Limited ("Holding Company") during the financial year under review pursuant to such approval -

| S. No. | Date of Allotment | Number of OCDs allotted | Nominal Value in Rs. | Issue Price in Rs. | Total Amount In Rs. |
|--------|-------------------|-------------------------|----------------------|--------------------|---------------------|
| 1. | 19.04.2024 | 5,00,000 | 100/- | 100/- | 5,00,00,000 |
| 2. | 10.05.2024 | 5,00,000 | 100/- | 100/- | 5,00,00,000 |

- ★ The Board and members of the Company vide its resolution passed in their meetings held on 22nd June, 2024 and 24th June, 2024 respectively has approved to issue 35,28,650 (Thirty Five Lakhs Twenty Eight Thousand Six Hundred and Fifty) Optionally Convertible Debentures ("OCDs") of Rs.100/- each to Nova Agritech Limited ("Holding Company") on private placement basis in one or more tranches as may be decided by the Board for a tenure of 3 years (36 months) at coupon rate of 0.01% p.a. Following allotments of OCDs were made to Nova Agritech Limited ("Holding Company") during the financial year under review pursuant to such approval -



d. 21st

| S. No. | Date of Allotment | Number of OCDs allotted | Nominal Value in Rs. | Issue Price in Rs. | Total Amount In Rs. |
|--------|-------------------|-------------------------|----------------------|--------------------|---------------------|
| 1. | 26.06.2024 | 4,00,000 | 100/- | 100/- | 4,00,00,000/- |
| 2. | 28.06.2024 | 2,79,730 | 100/- | 100/- | 2,79,73,000/- |
| 3. | 17.07.2024 | 6,01,800 | 100/- | 100/- | 6,01,80,000/- |
| 4. | 14.08.2024 | 5,14,688 | 100/- | 100/- | 5,14,68,800/- |
| 5. | 28.08.2024 | 9,14,122 | 100/- | 100/- | 9,14,12,200/- |
| 6. | 22.10.2024 | 1,79,360 | 100/- | 100/- | 1,79,36,000/- |
| 7. | 06.11.2024 | 3,09,917 | 100/- | 100/- | 3,09,91,700/- |
| 8. | 24.12.2024 | 86,374 | 100/- | 100/- | 86,37,400/- |
| 9. | 28.01.2024 | 31,860 | 100/- | 100/- | 31,86,000/- |
| 10. | 07.02.2024 | 1,04,430 | 100/- | 100/- | 1,04,43,000/- |
| 11. | 15.02.2024 | 16,697 | 100/- | 100/- | 16,69,700/- |
| 12. | 24.03.2024 | 89,672 | 100/- | 100/- | 89,67,200/- |

- Post FY 2024-25 and as on the date of this report, pursuant to approval of the Board and members of the Company vide its resolution passed in their meetings held on 5th May,2025 of 12,27,310 (Twelve Lakhs Twenty-Seven Thousand Three Hundred and Ten) Unsecured Optionally Convertible Debentures ("OCDs") of Rs.100/- were issued each to Nova Agritech Limited ("Holding Company") on private placement basis for a tenure of 3 years (36 months) at coupon rate of 0.01% p.a. Following allotment of OCDs were made to Nova Agritech Limited ("Holding Company") during the financial year under review pursuant to such approval -

| S. No. | Date of Allotment | Number of OCDs allotted | Nominal Value in Rs. | Issue Price in Rs. | Total Amount In Rs. |
|--------|-------------------|-------------------------|----------------------|--------------------|---------------------|
| 1. | 06.05.2025 | 12,27,310 | 100/- | 100/- | 12,27,31,000/- |



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CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, there is no change in the nature of the business.

DIVIDEND:

For the financial year under review/ during the financial year under review, the boards of directors do not recommend any dividend for the year under review.

TRANSFERS TO RESERVES:

For the financial year under review, the company has not transferred any amount to Reserves.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, there are no changes in the Board of Directors of the Company.

NO. OF BOARD MEETINGS HELD DURING THE YEAR:

The Board of Directors duly met 6 (Six) times and in respect of which meetings, proper notices were given and the proceedings were properly recorded.

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory Auditors and the reviews performed by Management and the Board, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2024-25.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:



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- i. in the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures;
- ii. accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at FY ended March 31, 2025 and of the profit and loss of the Company for that period on that date;
- iii. proper and sufficient care have been taken for the maintenance of accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing & detecting fraud and/or other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. internal financial controls have been laid down by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

STATUTORY AUDITORS:

Pursuant to Section 139, 141 & 142, and other applicable provisions, if any, of the Companies Act, 2013, M/s. NSVR & ASSOCIATES, Chartered Accountants (Firm Registration No. 008801S/S200060) were appointed by the Shareholders of the Company as Statutory Auditors of the Company to hold office from the conclusion of the 13th Annual General Meeting of the Company to the conclusion of the 18th Annual General Meeting.

REPLIES TO THE STATUTORY AUDITOR'S REMARKS

The Auditors Report for the financial year ended 31st March, 2025 does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134 (3) of the Companies Act, 2013.



FRAUDS REPORTED BY THE AUDITORS

For the financial year under review, there are no frauds reported by auditors under sub-section (12) of section

COST RECORDS/ COST AUDIT

For the financial year 2024-25, your Company is required to maintain cost records, as specified by the central government under sub-section (1) of section 148 of the Act, is in respect of the activities carried on by the Company and conduct Cost Audit of the same.

During the Year, Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors of your Company upon recommendation of Audit Committee appointed MPR & Associates, Cost Accountants, (Firm Registration No. 000413) as Cost Auditors in its meeting held on 27 May 2024 to conduct audit the cost records of the Company for the financial year 2024-25 at an annual remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) exclusive of GST as may be applicable and out of pocket expenses if any, as approved further in the Board Meeting dated 10 August 2024.

SECRETARIAL AUDITORS:

During the financial year under review, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed P. S. Rao & Associates, Practicing Company Secretaries in its meeting dated 27 May 2024, to undertake the secretarial audit of the Company for the FY 2024-25. The Secretarial Audit Report of the Company for FY 2024-25 is annexed herewith to this report as Annexure-III.

Further, pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed P. S. Rao & Associates, Practicing Company Secretaries in its meeting dated 5 May 2025 for a period of 5 (five) years, subject to approval of members of the Company, to undertake the secretarial audit of the Company for the commencing from FY 2025-26 to FY 2029-30.



Ch. V. Rao

Appropriate Resolution is being moved in the Notice of 15th AGM to accord the approval of the members in this regard.

PUBLIC DEPOSITS

During the Financial Year 2024-25, your Company has not accepted/ not required to renew any deposit that falls within the meaning of Section 73 and 74 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186:

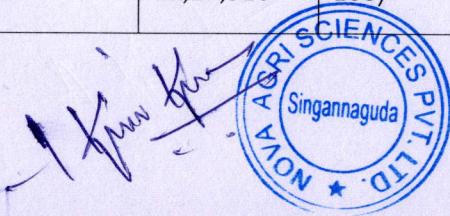
During the year under review, the Company has not given any fresh loan/ provided guarantee/ made any investments as specified under the provisions of section 186 of the Companies Act, 2013. For the details of existing loans and short-term loans and advances please refer notes to audited financial statements for the FY 2024-25.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred during/ after the balance sheet date till the date of this directors' report except as mentioned below -

- Post FY 2024-25 and as on the date of this report, pursuant to approval of the Board and members of the Company vide its resolution passed in their meetings held on 5th May, 2025 of 12,27,310 (Twelve Lakhs Twenty-Seven Thousand Three Hundred and Ten) Unsecured Optionally Convertible Debentures ("OCDs") of Rs.100/- were issued to Nova Agritech Limited ("Holding Company") on private placement basis for a tenure of 3 years (36 months) at coupon rate of 0.01% p.a. Accordingly, the allotment of OCDs were made to Nova Agritech Limited ("Holding Company") during the financial year under review pursuant to such approval as mentioned below-

| S. No. | Date of Allotment | Number of OCDs allotted | Nominal Value in Rs. | Issue Price in Rs. | Total Amount In Rs. |
|--------|-------------------|-------------------------|----------------------|--------------------|---------------------|
| 1. | 06.05.2025 | 12,27,310 | 100/- | 100/- | 12,27,31,000/- |



Ch. Bieh

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the Financial year under review, no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and company operations in future.

RISK MANAGEMENT FRAMEWORK:

The Company has a robust internal business management framework to identify, evaluate business risks and opportunities which seeks to minimize adverse impact on the business objectives and enhance the Company's business prospects.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, there were transactions entered with Related Parties under the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder.

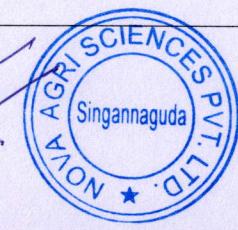
Particulars of contracts or arrangements entered by the Company with related parties referred to in Section 188(1) are furnished under Form AOC-2 as "Annexure-I".

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Conservation of energy:

The operations of the Company are not energy-intensive. However, The Company is making continuous efforts on ongoing basis to conserve the energy by adopting innovative measures to reduce wastage and optimize consumption.

| | |
|---|---|
| The steps taken or impact on conservation of energy | The Company is very careful in using the power to reduce the cost of maintenance and conserve the resources. The Company has taken following steps to conserve the energy - |
|---|---|



Ch. Disha

| | |
|---|---|
| The steps taken by the company for utilizing alternate sour sources of energy | <ul style="list-style-type: none"> <input type="checkbox"/> Installation of LED lights on road side and in the plant at certain places within the company premises, which reduced power consumption. <input type="checkbox"/> It is made mandatory to turn off the computers, printers, fans and other electrical equipment/paraphernalia after the office/working hours, which also helped in conservation of electricity. |
| The Capital investment on energy conservation equipment's | The Company has not made any investment for reduction of consumption of energy during FY 2024-25. |

Technology Absorption: Nil

Foreign Exchange Earnings & Outgo:

| Particulars | (Amount in Rs.) | |
|---------------------------|-----------------|---------|
| | 2024-25 | 2023-24 |
| Foreign Exchange earnings | 0 | 0 |
| Foreign Exchange outgo | 10,75,48,328 | 0 |

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 and Schedule VII of the Companies Act, 2013, the Company fall under the class of companies as provided in the Act for the FY 2024-25.

CSR Committee is constituted in line with the provisions of Section 135 of the Act to formulate and recommend to the Board, CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act, to recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy, and to monitor the CSR Policy.

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR 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.



Ch. Rieh,

PARTICULARS OF EMPLOYEES

There is no Employee drawing remuneration aggregating to the limits prescribed under the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The management has established and maintaining adequate internal financial controls to ensure orderly and efficient conduct of its business including adherence to company's policies to safe guard its assets, prevent and detect frauds and errors, check the accuracy and completeness of accounting records and prepare financial information.

RISK MANAGEMENT POLICY

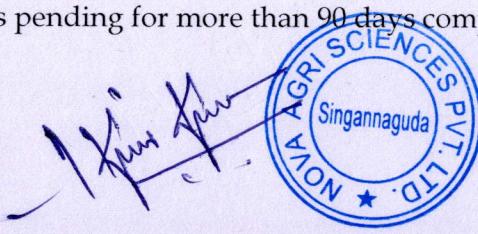
The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during each Calendar year:

- No. of sexual harassment complaints received: Nil
- No. of complaints disposed off: Nil
- No. of cases pending for more than 90 days complaints disposed off: Nil



Ch. Balaji

DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including the amendments introduced vide the Maternity Benefit (Amendment) Act, 2017. The Company provides all eligible female employees with maternity benefits including paid leave, nursing breaks, and other prescribed entitlements as mandated under the Act.

Further, the Company has implemented the following in accordance with the law:

- ✓ Paid maternity leave of 26 weeks for eligible women employees.
- ✓ Provision of nursing breaks and crèche facility (as applicable).
- ✓ Ensured that no discrimination is made in recruitment or employment conditions on grounds of maternity.
- ✓ Awareness and sensitization programs conducted across locations to support female employees during maternity.
- ✓ The Company remains committed to fostering a supportive and inclusive workplace that prioritizes employee well-being and gender equity.

ANNUAL RETURN

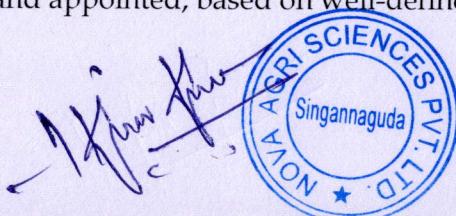
In terms of Section 92(1) of the Act, read with Rule 11 of the Companies Management and Administration) Rules, Annual Return for the FY 2024-25 comprising the requisite details in Form MGT-7 and shall be filed by the company with MCA within prescribed time.

DECLARATION BY THE INDEPENDENT DIRECTORS

The Company has received declarations from each Independent Director citing that he meets the criteria of independence laid down under Companies Act, 2013 and such other statutory requirements so as to continue as Independent Directors of the Company.

Opinion of the Board:

The Board after taking these declarations/disclosures on record and acknowledging the veracity of the same concluded that Independent Directors of the Company are of persons of integrity, eminent personalities and have expertise/ experience in their respective fields/ professions. These Directors meet the criteria of independence, and were selected and appointed, based on well-defined selection criteria.



Ch. Liebh.

OTHER DISCLOSURES

During the financial year under review:

- Your company being a private limited company not required to appoint independent directors. However, in view of the wholly-owned subsidiary & material subsidiary of a Public Limited Company, Mr. Ramesh Babu Nemani, Independent Director of Holding Company is appointed as Independent Director on the Board of the Company to strengthen Corporate Governance.
- Your company is not required to constitute board committees under section 177 and 178 of the Companies Act, 2013.
- Your company has not revised financial statement.
- No application made or proceedings pending against the company under the Insolvency and Bankruptcy Code, 2016.
- No valuation of the company has been done either for the purpose of One Time Settlement (OTS) or for the purpose of taking loan from bank/FIs.

APPRECIATION:

The Directors express their appreciation to all employees of the various divisions for their diligence and contribution to performance. The Directors also record their appreciation for the support and co-operation received from bankers and all other stakeholders. Last but not the least, the Directors wish to thank all shareholders for their continued support.

By Order of the Board

For NOVA AGRI SCIENCES PRIVATE LIMITED

Date: 9th August, 2025

Place: Singannaguda



Kiran Kumar Atukuri
Rajesh Cherukuri

Director

DIN: 08143781

Director

DIN: 09840611

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022]

1. A brief outline of the Company's CSR policy.

a) CSR POLICY

CSR Vision Statement:

As a socially responsible corporate citizen, the Company will continue to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environment.

Objective CSR Vision:

The objective of the policy is to actively contribute to the social, environmental, and economic development of the society in which we operate.

Resources:

2% of the average net profits of the Company made during the three immediately preceding financial years; Surplus arising out of CSR activities.

Company will engage in the activities mentioned in the CSR Policy of the Company independently or in such manner that it will complement the work being done by local authorities wherever necessary in such a manner, that the work executed by Company will offer a multi fold benefit to the community.

2. The Composition of the CSR Committee

| S. No. | Name of the Director | Designation /Nature of Directorship | No. of meetings held during the year | No. of meetings attended during the year |
|-------------------|---------------------------------|--|---|---|
| 1. | Kiran Kumar Atukuri | Chairman of CSR Committee Director | 2 | 2 |
| 2. | Ramesh Babu Nemani | Member of CSR Committee Non-Executive Independent Director | 2 | 2 |

| | | | | |
|----|------------------|-------------------------------------|---|---|
| 3. | Rajesh Cherukuri | Member of CSR Committee Director | 2 | 2 |
|----|------------------|-------------------------------------|---|---|

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://novaagri.in/>

4. Provide the executive summary along with the Web-link(s) 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: **Not Applicable**

5. (a) Average net profit of the company as per section 135(5): **Rs. 13,71,55,667/-**
 (b) Two percent of average net profit of the company as per section 135(5): **Rs. 27,43,113/-**
 (c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **Nil**
 (d) Amount required to be set off for the financial year, if any: **Nil**
 (e) Total CSR obligation for the financial year [(b) +(c)-(d)]: **Rs. 27,43,113/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 28,38,550/-**

Details of Ongoing Projects: Nil

Details of Other than Ongoing Projects: Rs. 28,38,550/-

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------|--------------------------------|---|----------------------|-------------------------|---------------------------------------|---|--|
| S. n. o. | Name of the Project | Item from the list of activities in the Schedule VII of the Act | Local Area (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 Regn No. |
| 1. | Organised Free Eye Screening & | Item No. (i) Eradicating hunger, poverty and | Yes | Andhra Pradesh | Martur, Bapatla | 96,599 | Yes - - |

| | | | | | | | | | |
|----|------------------------------|--|-----|----------------|--|-----------|-----|---|---|
| | Check Up Camp | malnutrition, promoting health care including preventive health care and sanitation | Yes | Andhra Pradesh | Inkolllu, Bapatla | 97,754 | Yes | - | - |
| | | | Yes | Andhra Pradesh | Parchur, Bapatla | 48,608 | Yes | - | - |
| | | | Yes | Andhra Pradesh | Cherukuru Parchur Mandal, Bapatla | 98,700 | Yes | - | - |
| 2. | Organised Free Medical Camps | Item No. (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation | Yes | Andhra Pradesh | Karamchedu (Swarn), Bapatla | 6,04,894 | Yes | - | - |
| | | | Yes | Andhra Pradesh | Chinaganjam, Bapatla | 2,48,800 | Yes | - | - |
| | | | Yes | Andhra Pradesh | Santaravuru, Chinaganjam Mandal, Bapatla | 9,06,584 | Yes | - | - |
| 3. | Street Lights Installations | Item No. (x) Rural Development Projects | Yes | Telangana | Singannaguda, Medak | 7,36,611 | Yes | - | - |
| | | Total | | | | 28,38,550 | | | |

(b) Amount spent in Administrative Overheads - Nil
 (c) Amount spent on Impact Assessment, if applicable - NA
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] – **Rs. 28,38,550/-**

(e) CSR amount spent or unspent for the financial year:

| 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 |
| | | | | | |

| | | | | | |
|-----------------|-----|-----|-----|-----|-----|
| Rs. 28,38,550/- | Nil | Nil | Nil | Nil | Nil |
|-----------------|-----|-----|-----|-----|-----|

(f) Excess amount for set-off, if any:

| S. No. | Particular | Amount (in Rs.) |
|--------|---|--------------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | Rs. 27,43,113/- |
| (ii) | Total amount spent for the Financial Year | Rs.28,38,550/- |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | Rs.95,437/- |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Rs. 15,323/- |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | Rs. 1,10,760/- |

7. Details of Unspent CSR amount for the preceding three financial years: Nil

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|--------|-----------------------------|--|--|--|---|--|--------------------|
| S. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
| | | | | | Amount (in Rs) | Date of Transfer | |
| | | | | NIL | | | |

- 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): **Nil**.
- Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **Not Applicable**

By the order of the Board

Nova Agri Sciences Private Limited

Place: Singannaguda

Date: 9th August, 2025

Kiran Kumar Atukuri
Director & Chairman of CSR Committee
DIN: 08143781

INDEPENDENT Auditor's Report

To

The Members of

**Nova Agri Sciences Private Limited,
Hyderabad.**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Financial Statements of Nova Agri Sciences Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2025 and the statement of profit and loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

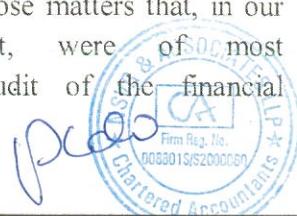
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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 on 31st March 2025, and its profit(including other comprehensive income), its cash flows and the changes in equity for year ended on that date.

Basis for opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key audit matters

1. Key audit matters are those matters that, in our professional judgement, 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.

2. 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 |
|---|--|
| <p>1. Trade Receivables :</p> <p>Net Trade Receivables amounting to Rs.8,213.21 lakhs</p> <p>Trade receivables are recognized at their anticipated realized value, which is the Original invoice amount less estimated value of allowance.</p> <p>Trade receivables are considered as key audit matters in the audit due to size of Trade receivables balance and the high level of management judgment used in determining the provision.</p> | <p>To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors, amongst others, include the following:</p> <ul style="list-style-type: none"> • We obtained balance confirmations from customers on sample basis; • We analyzed the aging of trade receivables; and • We obtained a list of long outstanding receivables, and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions |

2. Revenue

recognition – Sale of Goods: 14,045.70 Lakhs

(Refer Note 26 of the Financial Statements)

Revenue recognition – Sale of goods

Refer note on “Revenue

Recognition” of the Financial Statements under Material Accounting Policies.

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customers and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated

We have performed the following principal audit procedures in relation to revenue recognized which include a combination of testing internal controls and substantive testing as under:

- Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 and testing thereof.
- Evaluating the integrity of the general information and technology (“IT”) control environment and testing the operating effectiveness of key IT application controls.
- Understanding the revenue recognition process, evaluating the design and implementation of Company's controls in respect of revenue recognition.
- Testing the effectiveness of such controls over revenue cut-off at year end. Testing the supporting documentation for sales transactions recorded during the



| | |
|--|---|
| <p>experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorized by the Group. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.</p> | <p>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 recognized in correct period.</p> <ul style="list-style-type: none"> • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. |
|--|---|

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report for example, 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 Company's Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance

conclusion thereon.

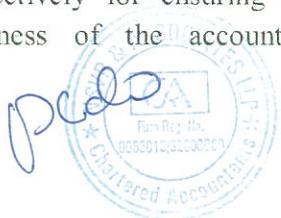
In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether such other information is materially inconsistent with the standalone Financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the financial statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) specified under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting



records, relevant to the preparation and presentation of the Standalone Financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The company's Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial statements

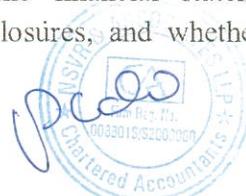
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central

Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed 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, 2025, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 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 A". Our Report Expresses an unmodified opinion on the adequacy and operating effectiveness of company's internal controls with reference to financial statements.
 - 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/provided by the Company to its directors during the year is in accordance with the provisions of the section 197 of the Act.

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

- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable laws 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, as disclosed in the notes to the Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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. management has represented to the best of their knowledge and belief , other than as disclosed in the notes to accounts ,no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other 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, as disclosed in the notes to the Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 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 of 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, 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 performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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 company hasn't declared any Dividend for the current period.

- vi. Based on our examination, which included test checks, we observed that the company has used accounting software for maintaining its books of account which has a feature of recording an audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the process of binding the MAC address for the user's login is currently pending. Further, during the course of our audit, we did not come across any instances where the audit trail feature was tampered with.

For **N S V R & Associates LLP**

Chartered Accountants

FRN: 0008801/S200060



P.Venkata Ratnam

Partner

M. No. 230675

UDIN: 25230675BMINDQ3463

Place: Hyderabad

Date: 30-05-2025.

ANNEXURE – A TO THE INDEPENDENT AUDITORS REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Financial Statements 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 Financial Statements of Nova Agri Sciences Private Limited ("the Company") as at 31st March, 2025 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 with reference to Financial Statements based on the internal control with reference to 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 ("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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with

reference to Financial Statements 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 with reference to Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 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 with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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 with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31st March, 2025, based on the criteria for internal financial control with reference to Financial Statements 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 NSVR & ASSOCIATES LLP

Chartered Accountants

Firm's Registration No.: 008801S/S200060



P. Venkata Ratnam

Partner

Membership No.: 230675

UDIN:25230675BMINDQ3463

Place: Hyderabad

Date: 30-05-2025.

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, 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-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Financial Statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated or pending against the Company as at 31st March, 2025 for holding any benami property under the Benami

Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from bank on the basis of security of current assets. There is no material discrepancy found between quarterly returns or statements filed by the company with such banks or financial institutions and books of account of the Company.

iii. According to the information and explanation given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (c), (d), (e) and (f) of the order are not applicable to the Company.

iv. The company has not advanced any loans, guarantees to directors of the company. Hence this clause is not applicable to the company

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014,



as amended prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have not, however, made a detailed examination of the same.

vi. According to the information and explanations given to us, in respect of statutory dues:

(a) In our opinion, the Company has few delays in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, GST, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

viii. . The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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 repayment of loans

and borrowing 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 willful 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 Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

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.

x. b) During the year, the Company has made private placement of Optionally Convertible Debentures (OCDs) and, based on our verification of relevant records and documents, we report that the Company has complied with the provisions of Section 42 of the Companies Act, 2013 in respect of such allotments.



The Company issued:

- 35,28,650 OCDs of face value ₹100 each, aggregating to ₹3,528.65 lakhs on 22nd June 2024, and
- 10,00,000 OCDs of face value ₹100 each, aggregating to ₹1,000.00 lakhs on 15th March 2024.

The funds raised through these issuances have been utilised for the purposes stated in the offer document, except for an amount of ₹ 44.00 lakhs, which has been temporarily parked in a fixed deposit for utilisation in a subsequent period.

xi.(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistleblower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

xii. The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) (a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 138 of the Companies Act, 2013 relating to the appointment of an internal auditor are not applicable

to the Company. Accordingly, reporting under clause 3(xiv) of the Order is not required.

xv. In our opinion, during the year, the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) and (d) of the Order are not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet 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 Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm's Registration No.: 008801S/S200060



P Venkata Ratnam
Partner
Membership No.: 230675
UDIN: 25230675BMINDQ3463

Place: Hyderabad
Date: 30-05-2025.

Nova Agri Sciences Private Limited
Registered Office: Sy.No. 251/A/1, Singannaguda Village, Mulugu Mandal, Siddipet District, Telangana- 502 279
CIN: U01403TG2010PTC068405
Balance Sheet as at 31 March 2025

(All amounts are in INR Lakhs except share data or unless otherwise stated)

| | Notes | As at 31 March 2025 | As at 31 March 2024 |
|--|-------|---------------------|---------------------|
| I ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 381.45 | 254.33 |
| (b) Capital work-in-progress | 3 | 1,182.79 | - |
| (c) Intangible assets | 4 | 4.30 | 7.09 |
| (d) Right-of-use assets | 5 | 48.61 | 55.02 |
| (e) Deferred Tax Asset (Net) | 6 | 112.30 | 197.90 |
| | | 1,729.44 | 514.35 |
| 2 Current assets | | | |
| (a) Inventories | 7 | 4,506.22 | 1,267.62 |
| (b) Financial assets | | | |
| (i) Trade receivables | 8 | 8,213.21 | 6,274.46 |
| (ii) Cash and cash equivalents | 9 | 69.68 | 59.41 |
| (iii) Bank balances other than cash and cash equivalents | 10 | 44.07 | - |
| (iv) Other financial assets | 11 | 1.75 | 1.75 |
| (c) Other current assets | 12 | 466.77 | 204.40 |
| | | 13,301.71 | 7,807.63 |
| Total Assets | | 15,031.15 | 8,321.98 |
| II EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| (a) Equity share capital | 13 | 180.00 | 180.00 |
| (b) Other equity | 14 | 5,521.60 | 3,346.82 |
| | | 5,701.60 | 3,526.82 |
| 2 Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 15 | 3,865.12 | 388.82 |
| (ii) Other Financial liabilities | 16 | 5.83 | 6.14 |
| (iii) Lease liabilities | 17 | 56.58 | 59.75 |
| (b) Provisions | 18 | 20.52 | 15.63 |
| | | 3,948.06 | 470.33 |
| 3 Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 19 | 2,053.35 | 1,830.07 |
| (ii) Lease liabilities | 20 | 3.16 | 2.29 |
| (iii) Trade payables | | | |
| - total outstanding dues of micro and small enterprises; | 21 | 753.28 | 433.74 |
| - total outstanding dues of creditors other than micro and small enterprises | 21 | 1,913.01 | 534.98 |
| (iv) Other financial liabilities | 22 | 14.09 | 948.48 |
| (b) Other current liabilities | 23 | 159.82 | 260.09 |
| (c) Provisions | 24 | 73.45 | 61.07 |
| (d) Current tax liabilities (net) | 25 | 411.34 | 254.11 |
| | | 5,381.49 | 4,324.83 |
| Total Equity and Liabilities | | 15,031.15 | 8,321.98 |

Corporate information and material accounting policies

1 and 2

See accompanying notes to financial statements

In terms of our report attached

For NSVR & Associates LLP

Chartered Accountants

Firm Registration No:008801S/S200060


 P. Venkata Ratnam
 Partner
 Membership Number: 230675
 UDIN:25230675BMINDQ3463

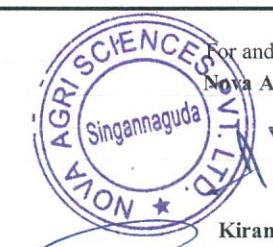
Place: Hyderabad.

Date: 30-05-2025

For and on behalf of the Board of Directors of

Nova Agri Sciences Private Limited

 Rajesh Cherukuri
 Director
 DIN: 09840611


 Kiran Kumar A
 Managing Director
 DIN: 08143781


 K Srinivas Gunupudi
 Chief Financial Officer


 Neha Soni
 Company secretary

Nova Agri Sciences Private Limited

Registered Office: Sy.No. 251/A/1, Singannaguda Village, Mulugu Mandal, Siddipet District, Telangana- 502 279
CIN: U01403TG2010PTC068405

Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in INR Lakhs except share data or unless otherwise stated)

| | Notes | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|---------|-------------------------------------|-------------------------------------|
| Income | | | |
| I Revenue from operations | 26 | 14,045.70 | 11,166.34 |
| II Other income | 27 | 3.21 | 2.74 |
| III Total income (I+II) | | 14,048.91 | 11,169.08 |
| IV Expenses | | | |
| Cost of Material Consumed | 28 | 12,522.41 | 8,172.68 |
| Changes in inventories of Finished goods | 29 | (2,258.78) | (242.80) |
| Employee benefits expense | 30 | 919.33 | 871.84 |
| Finance costs | 31 | 393.64 | 315.34 |
| Depreciation and amortisation expense | 32 | 86.53 | 66.00 |
| Other expenses | 33 | 777.95 | 689.09 |
| IV Total expenses (IV) | | 12,441.09 | 9,872.14 |
| Profit/(Loss) Before Exceptional Items and Tax from continuing operations (III-IV) | | 1,607.82 | 1,296.94 |
| VI Exceptional Items | | | |
| VII Profit/(Loss) Before tax from continuing operations (V-VI) | | 1,607.82 | 1,296.94 |
| VIII Tax expenses | | | |
| Current tax | | 415.36 | 370.43 |
| Deferred tax | | 85.35 | (48.35) |
| Total tax expenses (VIII) | | 500.71 | 322.08 |
| IX Profit/(Loss) for the year from continuing operations (VII-VIII) | | 1,107.11 | 974.86 |
| X Profit/(loss) from discontinued operations (after tax) | | | |
| XI Other Comprehensive Income ('OCI') | | | |
| (i) Items that will not be reclassified subsequently to profit or loss | | | |
| - Re-measurement gains/(losses) on defined benefit plans | | 1.03 | 5.26 |
| - Income tax effect on the above | | (0.26) | (1.32) |
| (ii) Items that will be reclassified subsequently to profit or loss | | - | - |
| other comprehensive income for the year ,net of tax | | 0.77 | 3.94 |
| XII Total Comprehensive Income for the year, net of tax (IX+X+XI) | | 1,107.88 | 978.79 |
| XIII Earnings per equity share (EPES) of Face value of ₹ 10 Each | | | |
| Basic ₹ | | 61.51 | 54.16 |
| Diluted ₹ | | 61.51 | 54.16 |
| Corporate information and material accounting policies | 1 and 2 | | |
| See accompanying notes to financial statements | | | |

In terms of our report attached

For NSVR & Associates LLP

Chartered Accountants

Firm Registration No:008801S/S200060

P. Venkata Ratnam

Partner

Membership Number: 230675

UDIN:25230675BMINDQ3463

Place: Hyderabad.

Date: 30-05-2025

For and on behalf of the Board of Directors of

Nova Agri Sciences Private Limited

Kiran Kumar A

Managing Director

DIN: 08143781

Rajesh Cherukuri

Director

DIN: 09840611

K. Srinivas Gunupudi

Chief Financial officer

Neha Soni

Company secretary



Nova Agri Sciences Private Limited
 Registered Office: Sy.No. 251/A/1, Singammaguda Village, Mulugu Mandal, Siddipet District, Telangana- 502 279
 CIN: U01403TG2010PTC068405

Statement of Changes in Equity for the year ended 31 March 2025
 (All amounts are in INR Lakhs except share data or unless otherwise stated)

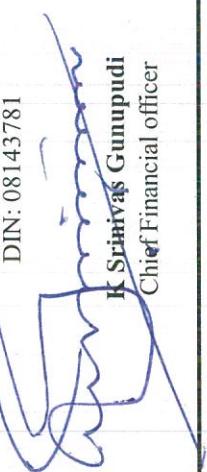
| Particulars | Equity share capital | | | Other Components of equity | | |
|---|----------------------|---------------|-------------------|----------------------------|--------------------------------|-----------------|
| | No of Shares | Amount | Retained earnings | Other comprehensive income | Equity Component on Debentures | Total |
| Opening balance as at 01-04-2023 | 18,00,000 | 180.00 | 2,365.70 | 2.33 | - | 2,368.03 |
| Adjustment | - | - | - | - | - | - |
| Adjusted balances as on 01-04-2023 | 18,00,000 | 180.00 | 2,365.70 | 2.33 | - | 2,368.03 |
| Profit or loss for the year | - | - | 974.86 | - | - | 974.86 |
| Other comprehensive income | - | - | - | 3.94 | - | 3.94 |
| Total comprehensive income | - | - | - | - | - | - |
| Balance as at 31-03-2024 | 18,00,000 | 180.00 | 3,340.56 | 6.27 | - | 3,346.82 |
| Adjustment | - | - | - | - | - | - |
| Adjusted balance as on 01-04-2024 | 18,00,000 | 180.00 | 3,340.56 | 6.27 | - | 3,346.82 |
| Profit or loss for the year | - | - | 1,107.11 | - | - | 1,107.11 |
| OCD Issued during the year | - | - | - | - | - | 1,066.90 |
| Other comprehensive income | - | - | - | 0.77 | - | 0.77 |
| Total comprehensive income | - | - | - | - | - | - |
| Balance as at 31-03-2025 | 18,00,000 | 180.00 | 4,447.67 | 7.04 | - | 1,066.90 |
| | | | | | | 5,521.60 |

For NSVR & ASSOCIATES LLP
 Chartered Accountants
 Firm Regd No: 008801S/S200060

 P. Venkata Ratnam
 Partner
 Membership Number: 230675
 UDIN: 25230675BMINDQ3463
 Place : Hyderabad
 Date: 30-05-2025

On behalf of Board of Directors
 For Nova Agri Sciences Private Limited

 Rajesh Cherukuri
 Director
 DIN: 09840611

 Kiran Kumar A
 Managing Director
 DIN: 08143781

 K Sriyavas Gunupudi
 Chief Financial officer
 Neha Soni
 Company secretary



Nova Agri Sciences Private Limited
 Registered Office: Sy.No. 251/A/1, Singannaguda Village, Mulugu Mandal, Siddipet District, Telangana- 502 279
 CIN: U01403TG2010PTC068405
 Cash Flow Statement for the year ended 31 March 2025
 (All amounts are in INR Lakhs except share data or unless otherwise stated)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 1,607.82 | 1,296.94 |
| Adjustments for : | | |
| Finance costs | 393.64 | 315.34 |
| Provision for expenses and expected credit loss | 177.32 | 154.08 |
| Depreciation and amortisation expenses | 86.53 | 66.00 |
| Interest income | (2.67) | - |
| Foreign exchange (gain)/loss, net | 1.17 | - |
| Operating profit before working capital changes | 2,263.82 | 1,832.35 |
| changes in working capital: | | |
| (Increase) Decrease in Trade receivables | (2,116.07) | (1,682.23) |
| (Increase) Decrease in Inventories | (3,238.61) | 27.35 |
| (Increase) Decrease in Other current assets | (86.75) | 32.02 |
| (Increase) Decrease in Other financial assets | 0.03 | 0.03 |
| Increase/(Decrease) in Trade payables | 1,696.41 | (50.70) |
| Increase/(Decrease) in Current Provisions | 12.38 | 5.93 |
| Increase/(Decrease) in Other Current liabilities | (100.28) | (0.63) |
| Increase/(Decrease) in Non-Current Provisions | 5.93 | 6.39 |
| Increase/(Decrease) in Other financial liabilities | (934.70) | 896.97 |
| Changes in Working Capital | (4,761.68) | (764.88) |
| Cash flows generated from operating activities | (2,497.86) | 1,067.48 |
| Income-taxes paid (net of refunds) | (258.14) | (428.48) |
| Net cash flows generated from operating activities (A) | (2,756.00) | 639.00 |
| Cash flows from investing activities | | |
| Purchase/ Sales of Property, plant and equipment (Including CWIP) and Advance for Capital Goods and ROU assets | (1,562.86) | (47.71) |
| Sale proceeds from sale Property, plant and equipment (Including CWIP) | - | - |
| Loans(given)/ proceeds from loans received | - | - |
| Term Deposits with Banks | (44.07) | - |
| Interest income | 2.67 | - |
| Net cash flow from/(used) in Investing activities (B) | (1,604.27) | (47.71) |
| Cash flows from financing activities | | |
| Proceeds from (Repayment of) Non current Borrowings | (164.51) | (48.23) |
| proceeds from short term Borrowings | 223.02 | (244.43) |
| Finance costs | (206.34) | (315.34) |
| Lease liability repayment | (10.29) | (1.55) |
| Net Proceeds from issue of Debentures | 4,528.65 | - |
| Net cash flow from/(used) in financing activities © | 4,370.54 | (609.55) |
| Net Increase/(Decrease) in cash and cash equivalents (A+B+C) | 10.27 | (18.27) |
| Cash and cash equivalents at the beginning of the year | 59.41 | 77.68 |
| Cash and cash equivalents at the end of the year(as per note 9) | 69.68 | 59.41 |

Note:

1.Statement of Cash Flows has been prepared under the Indirect method as set out in the Indian Accounting Standard 7 on Cash Flow Statements, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash and cash equivalents in the Statement of Cash Flows comprise cash at bank and in hand, demand deposits and cash equivalents which are short-term and held for the purpose of meeting short-term cash commitments.

2.Changes in liabilities arising from financing activities

A.Reconciliation of borrowings

For the year ended 31 March 2025

| | Current Borrowings | Non-current Borrowings |
|--|--------------------|------------------------|
| Opening balance As at 1 April 2024 | 1,747.30 | 471.59 |
| Borrowings made during the year | 229.37 | 3,470.21 |
| Borrowings repaid during the year | | |
| Closing balance As at 31 March 2025 | 1,976.67 | 3,941.80 |

For the year ended 31 March 2024

| | Current Borrowings | Non-current Borrowings |
|--|--------------------|------------------------|
| Opening balance As at 1 April 2023 | 1,991.73 | 519.16 |
| Borrowings made during the year | | |
| Borrowings repaid during the year | 244.43 | 47.57 |
| Closing balance As at 31 March 2024 | 1,747.30 | 471.59 |

B.Reconciliation of lease liabilities

For the year ended 31 March 2025

| | lease liability |
|--|-----------------|
| Opening balance As at 1 April 2024 | 62.04 |
| Payment of lease liability | 2.29 |
| Closing balance As at 31 March 2025 | 59.75 |

For the year ended 31 March 2024

| | lease liability |
|--|-----------------|
| Opening balance As at 1 April 2023 | 63.59 |
| Payment of lease liability | 1.55 |
| Closing balance As at 31 March 2024 | 62.04 |

In terms of our report attached
 For NSVR & Associates LLP
 Chartered Accountants
 Firm Registration No:008801S 2000060

P. Venkata Ratnam
 Partner 
 Membership Number: 230675 2000060
 UDIN:25230675BMINDQ3463

Place: Hyderabad.
 Date: 30-05-2025



For and on behalf of the Board of Directors
 Nova Agri Sciences Private Limited

Kiran Kumar A
 Managing Director
 DIN: 08143581

Rajesh Cherukuri
 Director
 DIN: 09840611

K Srinivas Gunupudi
 Chief Financial officer
 Neha Soni
 Company secretary

Notes to the Financial Statements

For the year ended 31st March, 2025.

1. COMPANY BACKGROUND

Nova Agri Sciences Private Limited (the 'Company') is a private limited company domiciled and incorporated in India under the Indian Companies Act, 1956 on 12th May 2010. The registered office of the company located at Sy.No.251/a/1, Singannaguda village, Mulugu mandal, Siddipet, Medak, Telangana 502279. The company is domiciled and incorporated in India in the state of Telangana.

Nova Agri Sciences Private Limited, the company is engaged in the business of Manufacturing and Marketing of wide range of plant nutrition and plant protection products agricultural, horticultural and home gardens.

2. Material Accounting Policies

2.1 Basis of preparation of Financial Statements

a) Statement of compliance.

These Financial Statements of Nova Agri Sciences Private Limited have been prepared and presented in accordance with and in compliance in all material aspects, with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read along with the Companies (Indian Accounting Standards) Rules 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended 31 March 2025.

These Financial Statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2025. These Financial Statements for the year ended 31 March 2025 were approved by the Company's Board of Directors.



b) Basis of Measurement

These Financial Statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- (a) Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- (b) Long-term borrowings are measured at amortized cost using the effective interest rate method and
- (c) Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and
- (d) Right-of-use the assets are recognized at the present value of lease payments that are not paid at that date. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs, incurred, if any.

(c) Functional and presentation currency.

These Financial Statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest Lakhs.

(d) Significant accounting judgements, estimates, and assumption.

The preparation of the Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and

various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining of an asset's expected useful life and the expected residual value at the end of its life. The residual value of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognized for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



(e) Current and noncurrent classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or 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 are classified as non-current

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Company classifies all other liabilities as noncurrent.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. Deferred tax assets and liabilities are always disclosed as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(f) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the Ind AS Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics

and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.2 Summary of Material accounting policies

a. Property, plant & equipment

Measurement at recognition:

The cost of an item of property, plant and equipment are recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

Items of property, plant and equipment (including capital-work-in progress) are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part



will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of stores and spares that meet the definition of Property, plant and equipment are capitalized at cost, otherwise, such items are classified as inventories.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Current Assets.

Derecognition:

The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

b. Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Research & Development Expenditure:

Revenue expenditure on Research is expensed out in the statement of profit and loss for the year. 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. Capital expenditure on research and development is shown as an addition to property, plant and equipment.

Derecognition:

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation:

Depreciation on each part of an item / component of PPE is provided on pro-rata basis using the Written down Value method based on the expected



useful life of the asset and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimated useful life has been assessed based on technical evaluation, taking into account the nature of the asset and the estimated usage basis management's best judgement of economic benefits from those classes of assets.

The estimated useful life of items of PPE is mentioned below:

| Type of asset | Estimated Life(Years) | Useful |
|--|-----------------------|--------|
| Plant & Machinery | 20 | |
| Furniture and Fittings | 10 | |
| Motor Vehicles | 10 | |
| Office Equipment | 5 | |
| Computers and Data Processing Units | 3 | |
| Electrical Installations and Equipment | 10 | |
| Buildings | 30 | |

Freehold land is not depreciated. Leasehold improvements are amortized over the period of the lease.

The useful lives, residual values of each part of an item of PPE and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

c. Financial Instruments

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

Financial Assets

Initial recognition and measurement:

All financial assets are recognized initially at fair value, plus in the case of financial assets not

recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Where the fair value of a financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial asset.

Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

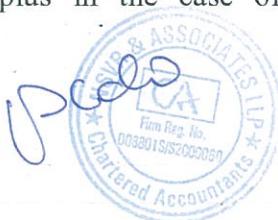
- The Company's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Debt instruments at amortized cost;

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

- The asset is held within a business model whose



objective is to hold assets for collecting contractual cash flows; and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

ii. Debt instruments at fair value through other comprehensive income (FVTOCI);

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

(i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

(ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as 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. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI and there is no subsequent reclassification of these fair value gains and losses to the statement of profit and loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition:

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 between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

Impairment of Financial Assets:

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

In accordance with Ind AS 109, the company uses "Expected Credit Loss" (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value through Profit



and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date);
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)
- The company follows simplified approach for recognition of impairment loss allowance on trade receivables and under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date right from its initial recognition. The company uses a provision matrix to determine impairment loss allowance on trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated

For other assets, the company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities

Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and 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, financial guarantee contracts.

Subsequent measurement:

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and 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 risks are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss.

Loans and borrowings:

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or

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costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. 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 de-recognition 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.

Reclassification of financial assets and liabilities:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial assets and financial liabilities:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet wherever there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

d. Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, and other short-term deposits. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment, and which are subject to an insignificant risk of change in value.

e. Inventory

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components, consumables and stock-in-trade are carried at the lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

Cost of inventory is determined on weighted average basis. Cost of inventory comprises all costs of purchase, non-refundable duties and taxes, cost of conversion including an appropriate share of fixed and variable production overheads and all other costs incurred in bringing the inventory to their present location and condition.

The Company considers factors like estimated shelf life, product discontinuances and ageing of inventory in determining the provision for slow moving, obsolete and other non-saleable inventory and adjusts the inventory provisions to reflect the recoverable value of inventory.

f. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of



impairment.

If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell.

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 risks specific to the asset or the cash-generating unit.

For the purpose of 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 inflow of other assets or groups of assets (the "cash-generating unit").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than

its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

Reversal of Impairment of Assets

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An 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.

g. Employee Benefits

Short term employee benefits

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.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the



advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the statement of profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Termination benefits

Termination benefits are recognized as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to

encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

h. Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized in the statement of profit and loss 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. If the effect of the time value of money is material, 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. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and contingent assets

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



provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Onerous contracts

A provision for onerous contracts is recognized in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognized in the statement of profit and loss only when receipt of such reimbursements is virtually certain. Such reimbursements are recognized as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

i. Revenue

Ind AS 115 recognizes revenue on transfer of the control of goods or services, either over a period of time or at a point in time, at an amount that the entity expects to be entitled in exchange for those goods or services. In order to align with Ind AS 115, the Accounting policy on revenue recognition was reviewed and revised.

The Company primarily earns revenue from manufacture, distribute and market a wide range of

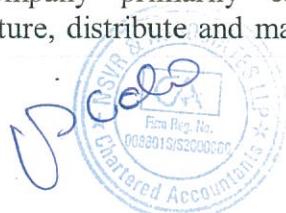
product categories consisting of (a) soil health management products; (b) crop nutrition products; (c) bio stimulant products; (d) bio pesticide products (e) Integrated Pest Management (IPM) products; (f) new technologies.

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customers and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorized by the Group. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.

Refund Liability:

The Company accounts for sales returns accrual by recording refund liability concurrent with the recognition of revenue at the time of a product sale. This liability is based on the Company's estimate of expected sales returns. The Company deals in various products and operates in various markets. Accordingly, the estimate of sales returns is determined primarily by the Company's historical experience in the markets in which the Company operates. With respect to established products, the Company considers its historical experience of actual sales returns, levels of inventory in the distribution channel, estimated shelf life, any revision in the shelf life of the product, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact



the Company's business and markets. With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors. At the time of recognizing the refund liability the Company also recognizes an asset, (i.e., the right to the returned goods) which is included in inventories for the products expected to be returned. The Company initially measures this asset at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. Along with re-measuring the refund liability at the end of each reporting period, the Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

i. Tax Expenses

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). 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.

Deferred tax

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

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

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

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

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

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

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. 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.

k. 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.

The 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 recognizes 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 recognizes right-of-use 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 recognized, 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. Refer to the accounting policies in section of Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance 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 Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in

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which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company 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. The Company's lease liabilities are included in Borrowings.

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 to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

1. Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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, 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 earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

m. Segment reporting:

The Company is engaged in the "manufacture, distribute and marketing bio pesticide products" and the same constitutes a single reportable business segment as per Ind AS 108. And hence segment reporting specified as per IND AS 108 is not applicable.

n. Foreign Currency Translation

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. 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 is measured.



Exchange differences arising out of foreign exchange translations and settlements during the year are recognized in the Statement of Profit and Loss.

o. Borrowing Cost:

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized, if any. All other borrowing costs are expensed in the period in which they occur.

p. Events after reporting date:

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

q. Exceptional items:

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the Statement of Profit and Loss account.

t. Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2025, MCA has notified the following standards or amendments to the existing standards which are effective for annual

periods beginning on or after 1 April 2024:

1. Ind As 117 – Insurance Contracts : This Standard is not applicable to the company.
2. Ind As 116 – Sale and leaseback : Amendments to this standard are not applicable to the company.



Nova Agri Sciences Private Limited
 Notes to Financial Statements for the year ended 31 March 2025
 (All amounts are in INR Lakhs except share data or unless otherwise stated)

3 Property, plant and equipment

| | As at 31st March 2025 | As at 31st March 2024 |
|---|--------------------------|--------------------------|
| Carrying amount of : | | |
| Land | 70.75 | 70.75 |
| Plant and Equipment | 76.97 | 65.57 |
| Furniture and Fixtures | 1.14 | 1.54 |
| Vehicles | 228.45 | 113.05 |
| Office equipment | 2.67 | 0.47 |
| Computers | 0.71 | 1.92 |
| Electrical equipment | 0.76 | 1.02 |
| | 381.45 | 254.33 |
| Capital work- in-progress | 1,182.79 | - |
| | | |
| Details of property, plant and Equipment | | |
| Particulars | Land | Plant and Equipment |
| Gross Block | 70.75 | 206.73 |
| As at 31st March 2023 | - | 17.29 |
| Additions during the year | - | 1.50 |
| Deductions during the year | - | 29.37 |
| As at 31st March 2024 | 70.75 | 224.02 |
| As at 31st March 2025 | 70.75 | 245.47 |
| Additions during the year | - | 21.47 |
| Deductions during the year | - | 0.01 |
| As at 31st March 2025 | 70.75 | 245.47 |
| | | |
| Accumulated depreciation | | |
| Upto 31st March 2023 | - | 137.89 |
| For the year | - | 20.55 |
| On deductions | - | 0.54 |
| Upto 31st March 2024 | - | 158.44 |
| For the year | - | 10.07 |
| On deductions | - | 0.40 |
| Upto 31st March 2025 | - | 168.51 |
| | | |
| Net Block | | |
| As at 31st March 2023 | 70.75 | 68.84 |
| As at 31st March 2024 | 70.75 | 65.57 |
| As at 31st March 2025 | 70.75 | 76.97 |

Notes:

- (i) 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.
- (ii) The Company has not revitalised its Property, Plant and Equipment (including Right-of-Use Assets).

3 Capital work-in-progress(CWIP) Movement schedule

| | <u>As at 31st March 2025</u> | <u>As at 31st March 2024</u> |
|--------------------------------------|------------------------------|------------------------------|
| Opening balance | - | - |
| Add: Additions during The Year | 1,202.14 | - |
| Less: Capitalisation during The Year | 19.35 | - |
| Closing balance | 1,182.79 | - |

Capital work-in-progress Ageing schedule

| As at 31 March 2025 | Projects in progress | Projects temporarily suspended |
|---------------------|----------------------|--------------------------------|
| | | |

4 Intangible assets

Particulars

| | | |
|----------------------------|--------------|--------------|
| Opening | 18.40 | 18.40 |
| Additions During The Year | - | - |
| Deductions During The Year | - | - |
| Closing | 18.40 | 18.40 |
| Amortization | | |
| Opening | 11.31 | 6.72 |
| For The Year | 2.79 | 4.59 |
| Closing | 14.10 | 11.31 |
| Net Block | 4.30 | 7.09 |



Nova Agri Sciences Private Limited

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in INR Lakhs except share data or unless otherwise stated)

5 Right of use assets

| | <u>Land</u> |
|---------------------------------------|---------------------|
| Gross carrying value | |
| Balance as at 01 April 2023 | 64.10 |
| Additions for the year | - |
| Disposals for the year | - |
| Balance as at 31 March 2024 | <u>64.10</u> |
| Additions for the year | - |
| Disposals for the year | - |
| Balance as at 31 March 2025 | <u>64.10</u> |
| Accumulated Depreciation : | |
| Balance as at 01 April 2023 | 2.67 |
| Amortisations | 6.41 |
| Disposals/Adjustments | - |
| Balance as at 31 March 2024 | <u>9.08</u> |
| Amortisations | 6.41 |
| Disposals/Adjustments | - |
| Balance as at 31 March 2025 | <u>15.49</u> |
| Net carrying value | |
| Balance as at 31 March 2024 | <u>55.02</u> |
| Balance as at 31 March 2025 | <u>48.61</u> |

6 Deferred Tax assets (Net)

| | <u>As at 31 March 2025</u> | <u>As at 31 March 2024</u> |
|---------------------|--------------------------------|--------------------------------|
| Deferred Tax assets | 112.30 | 197.90 |
| | <u>112.30</u> | <u>197.90</u> |

7 Inventories

| | <u>As at 31 March 2025</u> | <u>As at 31 March 2024</u> |
|-------------------|--------------------------------|--------------------------------|
| Raw Materials | 1,234.61 | 365.62 |
| Packing Materials | 313.51 | 202.68 |
| Finished Goods | 2,958.10 | 699.32 |
| | <u>4,506.22</u> | <u>1,267.62</u> |

8 Trade receivables

| | <u>As at 31 March 2025</u> | <u>As at 31 March 2024</u> |
|--|--------------------------------|--------------------------------|
| Sundry Debtors: | | |
| Others | 8,538.80 | 6,860.70 |
| Less: Allowance for expected credit loss | (325.59) | (586.24) |
| | <u>8,213.21</u> | <u>6,274.46</u> |



| a) Trade receivables ageing: | | | | | | |
|---|---------------------|-----------------|---------------|--------------|-------------------|-----------------|
| Particulars | As at 31 March 2025 | | | | | |
| | < 6 months | 6months-1year | 1-2 years | 2-3 years | more than 3 years | Total |
| Undisputed Trade Receivables -considered Good | 4,404.97 | 3,728.88 | 159.81 | 43.97 | 117.96 | 8,455.59 |
| Disputed Trade Receivables -considered Good | - | - | - | - | 83.21 | 83.21 |
| Loss allowance on debtors | - | - | - | - | - | (325.59) |
| | 4,404.97 | 3,728.88 | 159.81 | 43.97 | 201.17 | 8,213.21 |

| As at 31 March 2024 | | | | | | |
|---|---------------------|-----------------|---------------|---------------|-------------------|-----------------|
| Particulars | As at 31 March 2024 | | | | | |
| | < 6 months | 6months-1year | 1-2 years | 2-3 years | more than 3 years | Total |
| Undisputed Trade Receivables -considered Good | 3,697.06 | 2,509.78 | 204.80 | 214.57 | - | 6,626.20 |
| Disputed Trade Receivables -considered Good | - | - | - | - | 234.49 | 234.49 |
| Loss allowance on debtors | - | - | - | - | - | (586.24) |
| | 3,697.06 | 2,509.78 | 204.80 | 214.57 | 234.49 | 6,274.46 |

| |
|---|
| (b) Movement in the allowance for trade receivables for the period ended 31 March 2025 and 31 March 2024 is as follows: |
| As at |
| 31 March 2025 |
| As at |
| 31 March 2024 |

| Opening balance at beginning of the year | 31 March 2025 | 31 March 2024 |
|--|---------------|---------------|
| Provision made during the year | 586.24 | 451.53 |
| Bad debts written off during the year | 177.32 | 154.08 |
| Closing balance at end of the year | 437.96 | 19.38 |

(b) Movement in the allowance for trade receivables for the period ended 31 March 2025 and 31 March 2024 is as follows:

| As at | As at |
|--|---------------|
| 31 March 2025 | 31 March 2024 |
| Opening balance at beginning of the year | |
| Provision made during the year | |
| Bad debts written off during the year | |
| Closing balance at end of the year | |



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9 Cash and cash equivalents

Cash in hand
 Balances with banks in current accounts
 i. Current accounts

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | 69.66 | 59.35 |
| | 0.02 | 0.06 |
| | 69.68 | 59.41 |

10 Bank balances other than cash and cash equivalents

Term Deposits With Banks*

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | 44.07 | - |
| | 44.07 | - |

***Note:**

1.Fixed deposit with Union Bank of India maturing on June 18,2025

11 Other financial assets

Security and other deposits

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | 1.75 | 1.75 |
| | 1.75 | 1.75 |

12 Other Current Assets

Balance with revenue Authorities
 Other Advances
 Advances to material suppliers
 Prepaid Insurance
 Capital Advance
 Advances to employees

| | As at 31 March 2025 | As at 31 March 2024 |
|--|------------------------|------------------------|
| | 160.16 | 153.24 |
| | 47.18 | 33.85 |
| | 74.61 | 17.31 |
| | 4.68 | - |
| | 175.63 | - |
| | 4.51 | - |
| | 466.77 | 204.40 |



Nova Agri Sciences Private Limited

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in INR Lakhs except share data or unless otherwise stated)

13 Equity share capital

13.1 Authorised share capital

| Particulars | Equity shares | |
|--|---------------|--------|
| | No. of shares | Amount |
| Authorised (Equity shares of ₹ 2 each) | | |
| As at April 01, 2023 | 50,00,000.00 | 500.00 |
| Change during the year | - | - |
| As at March 31, 2024 | 50,00,000.00 | 500.00 |
| Change during the year | - | - |
| As at March 31, 2025 | 50,00,000.00 | 500.00 |

13.2 Issued, subscribed and fully paid up share capital

| Particulars | Equity shares | |
|--|---------------|--------|
| | No. of shares | Amount |
| Issued, subscribed and fully paid up (Equity shares of ₹ 2 each) | | |
| As at April 01, 2023 | 18,00,000.00 | 180.00 |
| Add: Change during the year | - | - |
| As at March 31, 2024 | 18,00,000.00 | 180.00 |
| Add: Change during the year | - | - |
| As at March 31, 2025 | 18,00,000.00 | 180.00 |

13.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

| Particulars | Equity shares | |
|------------------------------------|---------------|--------|
| | No. of shares | Amount |
| Balance as at April 01, 2023 | 1800000.00 | 180.00 |
| Add: Shares issued during the Year | - | - |
| Balance as at March 31, 2024 | 1800000.00 | 180.00 |
| Changes during the year | - | - |
| Balance as at March 31, 2025 | 1800000.00 | 180.00 |

13.4 Details of shareholders holding more than 5% shares in the Company:

Name of the equity shareholders

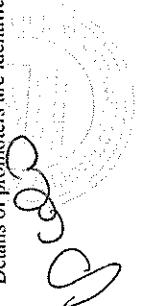
| Name of promoter * | As at 31st March 2025 | | As at 31st March 2024 | |
|-----------------------|-----------------------|-----------|-----------------------|-----------|
| | Number | % holding | Number | % holding |
| Nova Agritech Limited | 18,00,000 | 100% | 18,00,000 | 100% |
| | 18,00,000 | 100% | 18,00,000 | 100% |

13.5 Details of shareholding of promoters:

Name of promoter *

| Name of promoter * | As at 31st March 2025 | | As at 31st March 2024 | |
|-----------------------|-----------------------|-----------|-----------------------|-----------|
| | Number | % holding | Number | % holding |
| Nova Agritech Limited | 18,00,000 | 100% | 18,00,000 | 100% |
| | 18,00,000 | 100% | 18,00,000 | 100% |

* Details of promoters are identified based on information submitted in the Annual Returns, filed in accordance with the provisions of Section 92 of the Companies Act, 2013.



13.6 Rights Attached to Equity Shares:

The company has only one class of Equity shares having a par value of Rs. 10/- each . The shareholders have equal rights per share in terms of dividend, voting & Assets of the company.

13.7 The Company has neither bought back any shares nor issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the reporting date.

| 14 Other Equity | As at 31st March 2025 | As at 31st March 2024 |
|---|-----------------------|-----------------------|
| Particulars | | |
| Securities Premium | | |
| Opening Balance | - | - |
| Add: Shares issued during the year | - | - |
| Less: Bonus shares issued out of Securities Premium | - | - |
| Closing Balance | - | - |
| Surplus (Profit & Loss Account) | | |
| Balance brought forward from previous year | 4,454.70 | 3,346.82 |
| Add: Profit for the period | 3,346.82 | 2,368.03 |
| Less: Bonus shares issued during the year | 1,107.88 | 678.79 |
| Closing Balance | 4,454.70 | 3,346.82 |
| Equity Component on Debentures | | |
| Opening | 1,066.90 | - |
| Add/Less: Changes | 1,066.90 | - |
| Closing | 5,521.60 | - |

Instruments Entirely Equity in Nature - Optionally convertible Debentures*
As at 31 March 2025

| | Balance as at 01 April 2024 | Changes due to Prior Period errors | Restated Balance as at 01 April 2024 | Changes during the current year | Balance as at 31 March 2025 |
|-----------------------------------|-----------------------------|------------------------------------|--------------------------------------|---------------------------------|-----------------------------|
| Optionally convertible Debentures | - | - | - | - | 1,066.90 |
| | | | | | 1,066.90 |
| | | | | | 1,066.90 |
| Optionally convertible Debentures | - | - | - | - | 1,066.90 |
| | | | | | 1,066.90 |
| Optionally convertible Debentures | - | - | - | - | 1,066.90 |

* On 15th March 2024, company has issued 0.01% Optionally convertible Debentures (OCDs) having face value of Rs 100/- (One hundred each) aggregating Rs 10,00,000, convertible in to equity shares in one or more tranches to Nova Agri Limited (Parent company of Nova Agri Sciences Private Limited).

* On 22nd June 2024, company has issued 0.01% Optionally convertible Debentures (OCDs) having face value of Rs 100/- (One hundred each) aggregating Rs 35,28,650, convertible in to equity shares in one or more tranches to Nova AgriTech Limited (Parent company of Nova Agri Sciences Private Limited).

Terms and conditions:

- The OCDs shall be optionally convertible at the expiry of the tenure, by dividing the par value of the OCD by the Conversion Price as determined in future, based on the valuation report and guidelines issued by the Government of India, Ministry of Corporate Affairs ("MCA"), at that time, without payment of any additional consideration.
- The OCDs shall at the option of the debenture holder be convertible into equity shares of face value Rs. 10/- each on or before the expiry of 36 (thirty six) months from the date of allotment.
- The OCDs are issued at a rate of interest of 0.01 % p.a.
- The OCDs shall at the option of the debenture holder be convertible into equity shares of face value Rs. 10/- each on or before the expiry of 36 (thirty six) months from the date of allotment.

Note: As per IND AS 109 "Financial Instruments", The Optionally Convertible debentures received at concessionary rate of interest should be initially recognised at fair value. The difference between nominal value and fair value represent Equity component of the OCDs.



15 Borrowings

| | | As at 31 March 2025 | As at 31 March 2024 |
|---|--|---------------------|---------------------|
| Secured Loans | | | |
| Vehicle & Term Loans | | 224.32 | 152.99 |
| Unsecured | | | |
| Loans from Directors | | - | 226.44 |
| Loans from Non-bank financial institution | | - | 9.39 |
| OC Debentures* | | 3,640.80 | - |
| | | 3,865.12 | 388.82 |

Note:

| Bank | Amount | ROI | Repayment Schedule | Security | Amount outstanding |
|-----------------------------|----------------|-------------|---|---|--------------------|
| 1. Union Bank of India | Rs.35 Lakhs | 9 % p.a. | Repayable in 84 monthly equal installments of ₹36312 each | Secured by Mortgage of Factory building | 31.23 |
| 2. Union Bank of India | Rs 105 Lakhs | 7.50 % p.a. | Repayable in 36 monthly equal installments of Rs 3,26,616 | Hypothecation of Stock and book debts | 7.76 |
| 3. ICICI Bank | Rs 35 Lakhs | 7.50 % p.a. | Repayable in 60 equal installments of Rs 70293 | Secured by hypothecation of Vehicle | 9.39 |
| 4. Union bank of India | Rs 53 Lakhs | 10 % p.a. | Repayable in 33 equal installments of Rs 3,23,250 | EM of factory land and buildings/sheds | 29.55 |
| 5. Union Bank of India p.a. | Rs 49 Lakhs | 7.60 % | Repayable in 84 monthly equal instalments of ₹.75400 each | Secured by hypothecation of Vehicle | 34.50 |
| 7. UBI bank tractor loan | Rs 8.2Lakhs | 11.15 % p. | Repayable in 37 instalments | Secured by hypothecation of Vehicle | 5.92 |
| 8. UBI Bank Volvo loan | Rs 50 Lakhs | 8.35 % p.a | monthly equal instalments of ₹. 78806 | hypothecation of Vehicle | 36.58 |
| 9. UBI kia vehicle loan | Rs 15.50 lakhs | 8.45% pa | Repayable in 84 monthly instalments of ₹.24507 each | Secured by hypothecation of Vehicle | 11.50 |
| 10. UBI Tata Nexon loan | Rs 10 Lakhs | 9 % p.a | Repayable in 84 monthly instalments of ₹ 16089 each | Secured by hypothecation of Vehicle | 9.22 |
| 11. ICICI Toyota Vellfire a | Rs 130 Lakhs | 10.5 % p. | Repayable in 60 monthly instalments of ₹ 280229 each | Secured by hypothecation of Vehicle | 125.35 |

(a) Loan from directors and other related parties are interest free, unsecured and are repayable on demand.

* On 15th March 2024, company has issued 0.01% Optionally convertible Debentures (OCDs) having face value of Rs 100/- (One Hundred each) aggregating Rs 10,00,000, convertible in to equity shares in one or more tranches to Nova Agritech Limited (Parent company of Nova Agri Sciences Private Limited).

* On 22nd June 2024, company has issued 0.01% Optionally convertible Debentures (OCDs) having face value of Rs 100/- (One Hundred each) aggregating Rs 35,28,650, convertible in to equity shares in one or more tranches to Nova Agritech Limited (Parent company of Nova Agri Sciences Private Limited).

Terms and conditions:

- The OCDs shall be optionally convertible at the expiry of the tenure, by dividing the par value of the OCD by the Conversion Price as determined in future, based on the valuation report and guidelines issued by the Government of India, Ministry of Corporate Affairs ("MCA"), at that time, without payment of any additional consideration.
- The OCDs shall at the option of the debenture holder be convertible into equity shares of face value Rs. 10/- each on or before the expiry of 36 (thirty six) months from the date of allotment.
- The OCDs are issued at a rate of interest of 0.01% p.a.
- The OCDs shall at the option of the debenture holder be convertible into equity shares of face value Rs. 10/- each on or before the expiry of 36 (thirty six) months from the date of allotment.

Note: As per IND AS 109 "Financial Instruments", The Optionally Convertible debentures received at concessional rate of interest should be initially recognised at fair value. The difference between nominal value and fair value represent Equity component of the OCDs.



16 Other Financial liabilities

Security Deposits

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| | 5.83 | 6.14 |
| | 5.83 | 6.14 |

17 Lease liabilities

Non-Current

Lease Liabilities

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| | 56.58 | 59.75 |
| | 56.58 | 59.75 |

18 Provisions

Non-current

Provision for gratuity

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| | 20.52 | 15.63 |
| | 20.52 | 15.63 |

19 Current Borrowings

Secured Loans repayable on demand

From Corporation Bank CC

Current Maturities of Long Term Borrowings

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| | 1,976.67 | 1,747.30 |
| | 76.68 | 82.77 |
| | 2,053.35 | 1,830.07 |

| Bank | Amount | Interest | Sanction Date | Security |
|---------------------|----------------|------------|---------------|---|
| 1. Corporation Bank | Rs. 2000 lakhs | 9.85 % p.a | 15-Nov-23 | Secured by Hypothecation of Stock, Trade receivables & all other current assets of the company |

20 Current Lease Liabilities

Lease liabilities

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| | 3.16 | 2.29 |
| | 3.16 | 2.29 |



21 Trade payables

| | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| - total outstanding dues of micro and small enterprises; | 753.28 | 433.74 |
| - total outstanding dues of creditors other than micro and small enterprises | 1,913.01 | 534.98 |
| | 2,666.29 | 968.71 |

(a) Trade payables ageing schedule as at 31 March 2025:

| Outstanding for following periods from due date of payment | |
|--|--|
| Less than 1 year | |
| 1-2 years | |
| 2-3 years | |
| More than 3 years | |

(b) Trade payables ageing schedule as at 31 March 2024:

| Outstanding for following periods from due date of payment | |
|--|--|
| Less than 1 year | |
| 1-2 years | |
| 2-3 years | |
| More than 3 years | |

| | Undisputed | | |
|--|---------------|-----------------|-----------------|
| | MSME | Others | Total |
| | 753.28 | 1,859.19 | 2,612.46 |
| | - | 53.82 | 53.82 |
| | - | - | - |
| | - | - | - |
| | 753.28 | 1,913.01 | 2,666.29 |

| | Undisputed | | |
|--|---------------|---------------|---------------|
| | MSME | Others | Total |
| | 433.74 | 529.76 | 963.49 |
| | - | 5.22 | 5.22 |
| | - | - | - |
| | 433.74 | 534.98 | 968.71 |

Note: There are no outstanding disputed dues payables as at 31 March 2025 and 31 March 2024.

(c) The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

| | As at 31 March 2025 | As at 31 March 2024 |
|---|---------------------|---------------------|
| (i) The principal amount remaining unpaid as at the end of the year | 753.28 | 433.74 |
| (ii) The amount of interest accrued and remaining unpaid on (i) above | - | - |
| (iii) Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year. | - | - |
| (iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid) | - | - |
| (v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006. | - | - |



22 Other Financial Liabilities

| As at 31 March 2025 | As at 31 March 2024 |
|------------------------|------------------------|
| 13.83 | 30.65 |
| - | 917.83 |
| 0.25 | - |
| 14.09 | 948.48 |

23 Other Current Liabilities

| As at 31 March 2025 | As at 31 March 2024 | 160.92 | 99.18 | 260.09 |
|------------------------|------------------------|--------|-------|---------------|
| 159.82 | - | | | 159.82 |

24 Provisions

| | | |
|-------|------|-------|
| 72.33 | 1.12 | 73.45 |
| | | |
| 60.30 | 0.77 | 61.07 |

25 Current Tax Liabilities (net)

| 2025 | 2024 |
|--------|--------|
| 411.34 | 254.11 |



Nova Agri Sciences Private Limited

Notes to Financial Statements for the year ended 31 March 2025

(All amounts are in INR Lakhs except share data or unless otherwise stated)

26 Revenue from operations

Revenue from Operations
Sale of goods

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|---|---|
| | 14,045.70 | 11,166.34 |
| | 14,045.70 | 11,166.34 |

27 Other income

Dividend from Chits
Foreign currency Fluctuation
Interest income
Misc. Income

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|---|---|
| | 0.31 | - |
| | - | 2.74 |
| | 2.67 | - |
| | 0.23 | - |
| | 3.21 | 2.74 |

28 Cost of Material Consumed

Raw material

Opening
Closing
Purchases (net)

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|---|---|
| | 365.62 | 518.02 |
| | 1,234.61 | 365.62 |
| | 13,502.23 | 7,902.53 |
| | 12,522.41 | 8,172.68 |

29 Changes in Inventories of Finished goods

Finished goods

Opening stock
Closing stock

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|---|---|
| | 699.32 | 456.52 |
| | 2,958.10 | 699.32 |
| | (2,258.78) | (242.80) |

Components of inventory consists of the cost of materials, finished goods and packing materials as follows.

| | Raw Materials | Packing Materials | Finished Goods |
|---|----------------------------|--------------------------|-----------------------|
| 1 | Opening | 365.62 | 202.68 |
| 2 | Closing | 1,234.61 | 313.51 |
| 3 | Change In Inventory | (868.99) | (110.84) |
| | | | (2,258.78) |

30 Employee benefit expense

Salaries and wages
Contribution to provident fund and others
Staff welfare expenses

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|---|---|
| | 853.57 | 805.77 |
| | 65.57 | 65.10 |
| | 0.18 | 0.97 |
| | 919.33 | 871.84 |



31 Finance costs

Interest On CC
Interest On term Loans
Other borrowing costs
Interest on OCD

| For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-------------------------------------|-------------------------------------|
| 171.42 | 253.61 |
| 27.67 | 20.55 |
| 15.25 | 41.17 |
| 179.30 | - |
| 393.64 | 315.34 |

32 Depreciation and amortisation expense

Depreciation on property, plant and equipment
Depreciation on right-of-use assets

| For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-------------------------------------|-------------------------------------|
| 80.12 | 59.59 |
| 6.41 | 6.41 |
| 86.53 | 66.00 |

33 Other expenses

Transport Charges
Travelling Expenses (TA/DA)
Rental Expense
Repairs & Maintenance
Insurance Expenses
Telephone Expenses & Internet Charges
Subscriptions & Renewals
Electricity charges
Research and Development
Office maintenance
Loss allowance on debtors
Printing & Stationary Expenses
Consultancy Charges
Sales Promotion Expenses
Dealers Meeting Expenses
Other Expenses
Rates & taxes
Loss on Foreign exchange
CSR Expenses
Payment to Auditor :
For Statutory Audit
For Tax Audit

| For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-------------------------------------|-------------------------------------|
| 191.46 | 119.14 |
| 136.02 | 176.89 |
| 5.53 | 2.40 |
| 2.24 | 10.23 |
| 5.76 | 9.28 |
| 9.23 | 10.99 |
| 3.18 | 3.10 |
| 28.57 | 27.57 |
| 51.43 | 17.65 |
| 1.77 | 1.50 |
| 177.32 | 154.08 |
| 3.32 | 5.24 |
| 25.39 | 21.26 |
| 14.60 | 63.41 |
| 3.81 | 3.37 |
| 3.56 | - |
| 76.02 | 34.40 |
| 1.17 | - |
| 28.39 | 21.18 |
| - | - |
| 7.20 | 5.40 |
| 2.00 | 2.00 |
| 777.95 | 689.09 |



Notes to financial statements for the year ended 31st March 2025

34 Payments to Auditor

Particulars

For Statutory Audit
For Tax Audit

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|-------------------------------------|-------------------------------------|
| | 7.20 | 5.40 |
| | 2.00 | 2.00 |
| | 9.20 | 7.40 |

35 Earning per share

Particulars

Earnings

(i) Profit / (Loss) attributable to equity shareholders of the Company.(₹ Lakhs)

1,107.11

974.86

Basic

(ii) Weighted average number of equity shares of ₹ 10/- each outstanding during the year

18,00,000

18,00,000

Dilution

(iii) Weighted average number of equity shares of ₹ 10/- each outstanding during the year

18,00,000

18,00,000

Earning Per share (Face Value of ₹ 10/- each)

(v) Basic ₹

61.51

54.16

(vi) Diluted ₹

61.51

54.16

36 Income Tax :-

a) Amount recognized in the statement of profit and loss

Particulars

Current Tax

415.36

370.43

Deferred tax attributable to temporary differences

85.35

(48.35)

Tax Expense for the year

500.71

322.08

b) Amount recognized in other comprehensive income

Particulars

Re-measurement gains/ (losses) on defined benefit plans

1.03

5.26

Deferred tax on re-measurement losses on defined benefit plans

(0.26)

(1.32)

0.77

3.94



c) Reconciliation of Effective tax rate

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|----------------------------------|----------------------------------|
| Accounting profit before income tax | 1,607.82 | 1,296.94 |
| Profit/(loss) before tax from a discontinued operation | - | - |
| Accounting profit before income tax | 404.69 | 326.44 |
| At India's statutory income tax rate of 25.17% (31 March 2025: 25.17%) | | |
| Deductible expenses for tax purposes: | | |
| Depreciation allowable under Income tax Act | 18.75 | 21.02 |
| Others | 110.24 | 4.88 |
| 80JAA | 1.03 | - |
| Ocd interest (Actual) | 0.06 | - |
| At the effective income tax rate of 25.17% (31 March 2025: 25.17%) | 130.08 | 25.89 |
| Effect of Non-deductible expenses for tax purposes: | | |
| Depreciation debited to Profit & Loss | 21.78 | 16.61 |
| CSR Expenses | 7.14 | 5.33 |
| Gratuity | 2.13 | 1.84 |
| Others | 149.92 | -2.24 |
| OCD Interest | 45.13 | - |
| At the effective income tax rate of 25.17% (31 March 2025: 25.17%) | 226.10 | 21.54 |
| Income tax expense reported in the statement of profit and loss | 500.71 | 322.08 |
| Effective tax rate | 500.71 | 322.08 |
| | 31.14% | 24.83% |

Deferred tax relates to the following
Balance Sheet

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--------------------------------------|----------------------------------|----------------------------------|
| Deferred tax assets: | | |
| WDV as per Companies Act | 385.75 | 261.42 |
| WDV as per IT Act | 391.03 | 385.59 |
| Difference | (5.28) | (124.17) |
| WDV OF ROU | 48.61 | - |
| Lease Liability | (59.75) | - |
| Provision for gratuity | (21.64) | (16.39) |
| Allowance For Doubtful Debts | (325.59) | (586.24) |
| Provision for credit sales | (72.33) | (60.30) |
| Provision for Leave Encashment | (2.02) | 0.83 |
| 80JAA | (8.15) | - |
| Net difference | (446.15) | (786.26) |
| Tax rate | 0.25 | 0.25 |
| Opening Deferred tax | (197.90) | (150.88) |
| Transferred to Profit & loss account | 85.61 | 47.03 |
| Closing Deferred Tax | (112.30) | (197.90) |

Reflected in the balance sheet as follows:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|----------------------------------|----------------------------------|
| Deferred tax assets (continuing operations) | (112.30) | (197.90) |
| Deferred tax liabilities/(assets), net | (112.30) | (197.90) |



37 Employee Benefits:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|----------------------------------|----------------------------------|
| Salaries and Wages | 853.57 | 805.77 |
| Contribution to provident fund and other funds | 65.57 | 65.10 |
| Staff welfare expenses | 0.18 | 0.97 |
| Total | 919.33 | 871.84 |

Notes:

The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/interpretation have not yet been notified/issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.

The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

a) Defined contribution Plan

During the period the Company has recognized the following amounts in the Statement of profit and loss.

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|----------------------------------|----------------------------------|
| Employers Contribution to Provident fund | 35.84 | 38.90 |
| Employers Contribution to Employee state insurance | 3.51 | 5.32 |
| Total | 39.34 | 44.22 |

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2025 and 2024 consist of the following:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|----------------------------------|----------------------------------|
| Current service cost | 7.26 | 5.47 |
| Interest on net defined benefit liability/(asset) | 1.19 | 1.11 |
| Expected Return on plan Assets | - | - |
| Components of defined benefit costs recognized in statement of profit or loss - (A) | 8.45 | 6.57 |
| Actuarial (gain) / loss on plan obligations | (1.03) | (5.26) |
| Components of defined benefit costs recognized in other comprehensive income - (B) | (1.03) | (5.26) |
| Total (A+B) | 7.41 | 1.31 |

The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-----------------------------------|----------------------------------|----------------------------------|
| Current-Liability (Short Term) | 1.12 | 0.77 |
| Non-Current Liability (Long Term) | 20.52 | 15.63 |
| Total Liability | 21.64 | 16.39 |

Movement in the present value of the defined benefit obligation is as follows

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|--|----------------------------------|----------------------------------|
| Defined benefit obligations at the beginning of the year | 16.39 | 14.74 |
| Benefits Paid | (2.16) | (0.39) |
| Expenses Recognised in statement of Profit & Loss | 8.45 | 7.30 |
| Current service cost | 7.26 | 6.19 |
| Interest on defined obligations | 1.19 | 1.11 |
| Expenses Recognised in statement of OCI | (1.03) | (5.26) |
| Actuarial loss/(gain) due to change in assumptions | - | - |
| Actuarial loss/(gain) due to experience changes | (1.03) | (5.26) |
| Defined benefit obligations at the end of the year | 21.64 | 16.39 |

Summary of Actuarial Assumptions

The actuarial assumptions used to determine benefit obligations in accounting for the Gratuity Plan are as follows:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|------------------------------------|----------------------------------|----------------------------------|
| Discount rate | 7.00% | 7.50% |
| Rate of increase in compensation | 5.00% | 5.00% |
| Expected Average Remaining Service | 25.80 | 26.10 |



38 Related Party Transactions:

List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

(A) Names of Related parties and their relationships:

| Names | Nature of Relationship |
|--|---|
| Ramesh Babu Nemani (W.E.F.24/08/2022) | Director of the Company |
| Kiran Kumar Atukuri (W.E.F.26/05/2018) | Director of the Company |
| Neha Soni (W.E.F. 22/10/2020) | Company Secretary |
| Gunupudi Kamoji Srinivas (W.E.F. 03/01/2023) | Chief Financial Officer |
| Mandalapu Srinivasa Rao (W.E.F. 16/03/2024) | Chief Executive Officer |
| Cherukuri Rajesh (W.E.F 02/01/2023) | Non-Executive Director |
| Nova Agritech Limited (NATL) | Holding company |
| Zeit systems | Proprietorship in which director has substantial interest |
| Suraksha Agri Retails (India) Private Limited.(SARIPL) | Group Company |

(B) Transactions during the year:

| | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|-------------------------------------|-------------------------------------|
| (i) sale of Finished goods/Raw materials | | |
| a) Holding - NATL | 573.67 | 2,077.96 |
| b) Zeit systems (Proprietorship in which director has interest) | 190.10 | - |
| c) SARIPL -Group Company | 379.10 | - |
| (ii) Lease Rental & Interest Expenses | | |
| a) Holding - Nova Agritech Limited | 10.29 | 9.80 |
| b) Coupon Interest Expenses -Holding -NATL | 0.25 | - |
| (iii) Purchase of finished goods/ Raw materials | | |
| a) Holding - NATL | 647.37 | 1,825.48 |
| b) Zeit systems (Proprietorship in which director has interest) | 442.33 | - |
| c) SARIPL -Group Company | 434.00 | - |
| (iv) Investment from Holding | | |
| a)NATL - In Optionally Convertible Debentures | 4528.65 | - |
| (v) Loan Advance Taken From | | |
| a) Holding - Nova Agritech Limited | - | 905.62 |
| (vi) Repayment of Loan advance | | |
| a) Holding - Nova Agritech Limited | 905.62 | - |
| (vii) Advance towards Purchases | | |
| a) Nova Agri seeds india private limited-Subsidiary Company | 10.14 | - |

(C) Outstanding balances as at the year end

| | | |
|---|----------|--------|
| (i)Receivables from | | |
| a) Holding - Nova Agritech Limited | 3,295.90 | 945.77 |
| b) SARIPL-Group company | 148.29 | - |
| (ii) Payables to | | |
| a)Zeit systems | 18.44 | - |
| b) Holding - Nova Agritech Limited(optionally convertible debentures) | 3640.80 | - |
| (iii) Investment from Holding | | |
| a)Nova Agritech Limited-In Optionally Convertible Debentures | 4528.65 | - |
| b) Nova Agritech Limited-In Equity Instruments | 180 | 180.00 |
| (iv)Unsecured loans from Directors | | |
| a) Malathi S | - | 23.73 |
| b) Sreekanth yenigalla | - | - |
| c) Kiran kumar atukuri | - | 170.71 |
| d) Basanth kumar nadella | - | - |
| e) Rajesh Cherukuri | - | 32.00 |
| (v)current financial liability | | |
| a) coupon interest payable -NATL | 0.25 | - |
| (vi)Current financial assets | | |
| a) advance to material supplier | 10.14 | - |



39 Financial instruments and fair value

All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, as below, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial assets and liabilities: As on 31 March 2025

| Particulars | Fair value | Total Carrying value |
|--|-----------------|----------------------|
| Assets | | |
| Investments | | |
| Loans | | |
| Trade receivables | 8,213.21 | 8,213.21 |
| Cash & cash equivalents | 69.68 | 69.68 |
| Bank balances other than cash and cash equivalents | 44.07 | 44.07 |
| Other financial assets | 1.75 | 1.75 |
| Total | 8,328.71 | 8,328.71 |
| Liabilities | | |
| Non current borrowings | 3,865.12 | 3,865.12 |
| Other Non-Current liabilities | 5.83 | 5.83 |
| Current borrowings | 2,053.35 | 2,053.35 |
| Lease Liabilities | 59.75 | 59.75 |
| Trade payables | 2,666.29 | 2,666.29 |
| Other financial Liabilities | 14.09 | 14.09 |
| Total | 8,664.42 | 8,664.42 |

Financial assets and liabilities: As on 31 March 2024

| Particulars | Fair value | Total Carrying value |
|-------------------------------|-----------------|----------------------|
| Assets | | |
| Investments | | |
| Loans | | |
| Trade receivables | 6,274.46 | 6,274.46 |
| Cash & cash equivalents | 59.41 | 59.41 |
| Other financial assets | 1.75 | 1.75 |
| Total | 6,335.62 | 6,335.62 |
| Liabilities | | |
| Non current borrowings | 388.82 | 388.82 |
| Other Non-Current liabilities | 6.14 | 6.14 |
| Current borrowings | 1,830.07 | 1,830.07 |
| Lease Liabilities | 62.04 | 62.04 |
| Trade payables | 968.72 | 968.71 |
| Other financial Liabilities | 948.48 | 948.48 |
| Total | 4,204.26 | 4,204.26 |

There have been no transfers between levels during the year. The management has assessed that the carrying values of financial assets and financial liabilities for which fair values are disclosed, reasonably approximate their fair values because these instruments have short-term maturities.

40 Financial Risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances and security deposits and derivatives that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non derivative financial instruments, and investment of excess liquidity.

a. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.



Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's borrowings with floating interest rates. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, without considering impact of derivatives not designated as hedges, as follows:

The exposure of the company's borrowings to interest rate changes at the end of the year are as follows:-

| Particulars | Increase/decrease in basis points | Effect on profit before |
|------------------|-----------------------------------|-------------------------|
| | | tax |
| 31-Mar-25 | | |
| INR | 100 | 57.08 |
| INR | -100 | 57.08 |
| 31-Mar-24 | | |
| INR | 100 | -31.58 |
| INR | -100 | 31.58 |

Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings and trade payables.

Unhedged foreign currency exposure as at balance sheet date (all amounts are payable in US dollars stated in Indian Rs)

| Particulars | For the year ended 31 March | For the year ended 31 |
|-------------------------------------|-----------------------------|-----------------------|
| | 2025 | March 2024 |
| Imports | 1,206.29 | 159.92 |
| Total | 1,206.29 | 159.92 |
| Sensitivity | | |
| Particulars | For the year ended 31 March | For the year ended 31 |
| Impact on standalone profit or loss | 2025 | March 2024 |
| Sensitivity | | |
| 1% Increase in FCER | -12.06 | -1.60 |
| 1% Decrease in FCER | 12.06 | 1.60 |

b. Credit Risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments if counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade and other receivables

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

Details of financial assets - not due, past due and impaired

None of the Company's cash equivalents, including term deposits with banks, were past due or impaired as of 31 March 2025. The Company's credit period for trade and other receivables payable by its customers generally ranges from 30 - 90 days.

The ageing of trade and other receivables is given below:

| Particulars | For the year ended 31 March | For the year ended 31 |
|--|-----------------------------|-----------------------|
| | 2025 | March 2024 |
| Neither past due nor impaired | | |
| Past due but not impaired | | |
| Less than 365 days | 8,133.85 | 6,206.84 |
| More than 365 days | 404.95 | 653.86 |
| Less : Allowance for expected credit losses | 8,538.80 | 6,860.70 |
| Total | -325.59 | -586.24 |
| | 8,213.21 | 6,274.46 |



Reconciliation of impairment of trade receivables and other assets

| Particulars | For the year ended 31 March | | For the year ended 31 March | |
|---|-----------------------------|------|-----------------------------|---------------|
| | 2025 | 2024 | 2025 | 2024 |
| Impairment of Trade receivable | | | | |
| Balance at the beginning of the year | | | 586.24 | 451.53 |
| Add: Provision made during the year | | | 177.32 | 154.08 |
| Less: Reversal of earlier years provisions | | | - | - |
| Less: Bad debts written off from earlier years provisions | | | 437.96 | 19.38 |
| Balance at the end of the year | 325.59 | | | 586.24 |

C. Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

| <u>Maturities</u> | <u>Upto 1 year</u> | <u>1-5 Years</u> | <u>Above 5 Years</u> | <u>Total</u> |
|-------------------------|--------------------|------------------|----------------------|----------------|
| <u><u>31-Mar-25</u></u> | | | | |
| Non-current borrowings | 76.68 | 3,865.12 | - | 3,941.80 |
| Current borrowings | 1,976.67 | - | - | 1,976.67 |
| Trade payables | 2,612.46 | 53.82 | - | 2,666.29 |
| Lease liabilities | 3.16 | 25.00 | 31.58 | 59.75 |
| | 4668.97 | 3943.95 | 31.58 | 8644.50 |

| <u>Maturities</u> | <u>Upto 1 year</u> | <u>1-5 Years</u> | <u>Above 5 Years</u> | <u>Total</u> |
|--------------------------|--------------------|------------------|----------------------|-----------------|
| <u><u>31-03-2024</u></u> | | | | |
| Non-current borrowings | 82.77 | 388.82 | - | 471.59 |
| Current borrowings | 1747.30 | - | - | 1,747.30 |
| Trade payables | 963.49 | 5.22 | - | 968.71 |
| Lease liabilities | 2.29 | 19.66 | 40.09 | 62.04 |
| | 2,795.86 | 413.69 | 40.09 | 3,249.64 |



41 Details of CSR expenditure:

As per Section 135 of the Companies Act, 2013 ('Act), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The focus areas of Company's CSR activities are Education and Health care & while also pursuing CSR activities for the benefit of community around its local areas of operations. The CSR activities of the Company are in line with the Schedule VII of the Act. A CSR committee has been formed by the Company as per the Act. The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Act, as amended from time to time.

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|--|----------------------------------|
| i) Amount required to be spent by the company during the year | 28.39 | 21.18 |
| ii) Amount required to be set off for the financial year, if any | - | - |
| iii) Total CSR obligation for the financial year | 28.39 | 21.18 |
| iv) Amount of expenditure incurred | | |
| (a) Construction/acquisition of any asset | | |
| (b) On purposes other than (a) above | 28.39 | 21.18 |
| v) Shortfall/ (Pre spent) at the end of the year ((iii)-(iv))* | - | - |
| vi) Total of previous years shortfall | - | - |
| vii) Reason for shortfall | | |
| viii) Nature of CSR activities | Eradicating hungry, poverty and malnutrition and Promoting health care including preventive health care and sanitation | |
| ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | N.A | N.A |
| x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | N.A | N.A |

42 Other statutory information

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
2. The Company does not have any transactions with struck off companies.
3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
4. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
5. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
6. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - a) 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
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
7. The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
8. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
9. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
10. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.
11. The Company have borrowings from banks or financial institutions against security of its current assets.
12. The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.



43 Ratios

| Ratio | 31-Mar-25 | 31-Mar-24 | % change | Reasons for variance >25% |
|---------------------------------|-----------|-----------|----------|---------------------------|
| Current Ratio | 2.47 | 1.81 | 1.81 | *1 |
| Debt- Equity ratio | 1.64 | 1.36 | 1.36 | 16.91 |
| Debt service coverage ratio | 3.30 | 3.97 | -20.55 | |
| Return on equity ratio | 0.24 | 0.32 | -33.77 | *2 |
| Inventory turnover ratio | 8.67 | 8.71 | -0.47 | |
| Trade receivable turnover ratio | 1.94 | 2.03 | -4.51 | |
| Trade payable turnover ratio | 7.43 | 7.95 | -7.01 | *3 |
| Net capital turnover ratio | 1.77 | 3.21 | -80.79 | *3 |
| Net profit ratio | 0.08 | 0.09 | -10.76 | |
| Return on capital employed | 0.21 | 0.40 | -94.47 | *4 |

1. The current ratio increased due to a significant rise in current assets compared to the increase in current liabilities.
2. Return on equity reduced despite higher net profit due to a proportionally larger increase in average shareholders' equity.
3. The net capital turnover ratio decreased because working capital increased at a significantly higher rate than net sales, indicating lower efficiency in utilizing working capital to generate revenue.
4. The return on capital employed decreased because capital employed increased at a much higher rate than the increase in earnings before interest, reducing overall efficiency.

Formula used to compute Ratios:

Ratio
Current Ratio

Debt service coverage ratio
Return on equity ratio

Formula
Current assets/Current liabilities
(Long-term and Short-term borrowings including Current
maturities of long-term borrowings)/ (total equity)

Inventory turnover ratio
Trade receivable turnover ratio
Trade payable turnover ratio
Net capital turnover ratio
Net profit ratio
Return on capital employed

(Profit after tax and before Depreciation and Amortisation
Expenses, Finance costs excluding lease interest, exceptional
items)/ (Finance costs excluding lease interest + Principal
repayment of long-term borrowings & lease payments)
Net Profit after tax / Average share-holders equity

(Cost of materials consumed, purchases of stock-in-trade, Changes
in inventories of finished goods, work-in-process and stock-in-
trade)/ Average Inventories
Revenue from operations / Average receivables
Purchases / Average Trade payables * Number of days
Net sales / Working capital
Profit after tax/ Revenue from operations
Earnings before Interest and taxes / Capital employed

DCQLO

44 Capital Management

The Company's capital management objective is to maximise the total shareholder return by optimising cost of capital through flexible capital structure that supports growth. Further, the Company ensures optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents, Bank deposits and inter-corporate deposits with financial institutions

Gearing Ratio:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|-------------------------------------|-------------------------------------|
| Current and non current borrowings | 6,098.20 | 3,299.17 |
| Less: Cash and bank balances | 69.68 | 59.41 |
| Net Debt (A) | 6,028.52 | 3,239.76 |
| Total Equity (B) | 5,701.60 | 3,526.82 |
| Net Debt to equity Ratio (A/B) | 1.06 | 0.92 |

45 Leases

The Company has lease contracts for buildings. The lease has lease terms of 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and sub-leasing the leased assets. There lease contracts that include extension and termination options, which are further discussed below.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Refer Note 5 for details of carrying amounts of right-of-use assets recognised and the movements during the year. Set out below are the carrying amounts of lease liabilities (included under interest-bearing borrowings) and the movements during the year:

The maturity analysis of lease liabilities is disclosed in Note 40. The following are the amounts recognised in the statement of profit or loss:

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-------------------------------|-------------------------------------|-------------------------------------|
| At the beginning of the year | 62.04 | 63.59 |
| Additions | - | - |
| Leases terminated | - | - |
| Accretion of interest | 8.00 | 8.25 |
| Payments | -10.29 | -9.80 |
| At the end of the year | 59.75 | 62.04 |
| Current | 3.16 | 2.29 |
| Non-current | 56.58 | 59.75 |

| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|---|-------------------------------------|-------------------------------------|
| Depreciation expense of right-of-use assets | 6.41 | 6.41 |
| Interest expense on lease liabilities | 8.00 | 8.25 |
| Expense relating to short-term leases | - | - |
| Total amount recognized in the P&L account | 14.41 | 14.66 |

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The effective interest rate for lease liabilities is 13.10%, with maturity between 2032-33



| Particulars | For the year ended 31 March 2025 | For the year ended 31 March 2024 |
|-------------|-------------------------------------|----------------------------------|
| Others | 51.43 | 17.65 |
| | 51.43 | 17.65 |

47 Previous period/year figures have been regrouped/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Regd No. 008801S/S200060



P. Venkata Ratnam

Partner

Membership Number: 230675

UDIN:25230675BMINDQ3463

Place : Hyderabad

Date: 30-05-2025

For the year ended 31 March
2025

For the year ended 31 March 2024

51.43

51.43

17.65

17.65

On behalf of Board of Directors

For Nova Agri Sciences Private Limited



Kiran kumar A

Managing Director

DIN: 08143781

ch. R. Cherukuri

Rajesh Cherukuri

Director

DIN: 09840611

K. Srinivas Gunupudi
K. Srinivas Gunupudi
Chief Financial officer

Neha Soni
Neha Soni
Company secretary