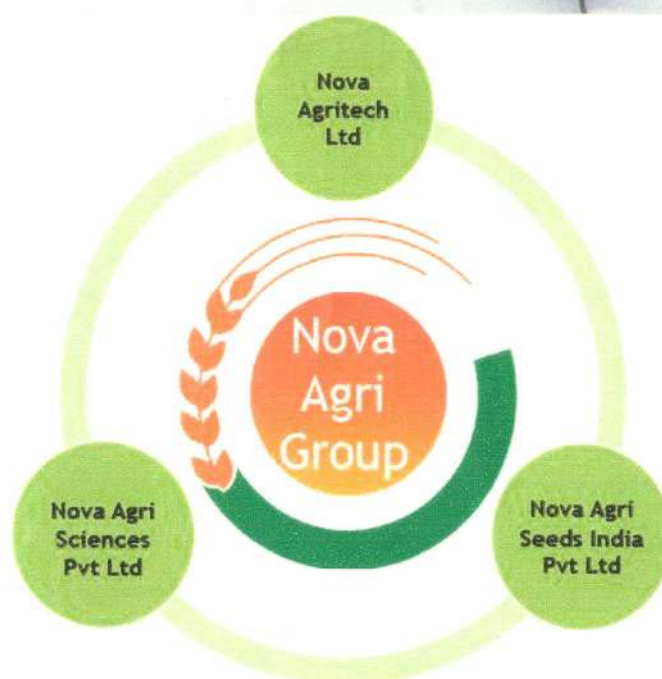




16TH
ANNUAL REPORT
2022-23

NOVA AGRITECH LIMITED

CORPORATE IDENTITY NUMBER: U01119TG2007PLC053901

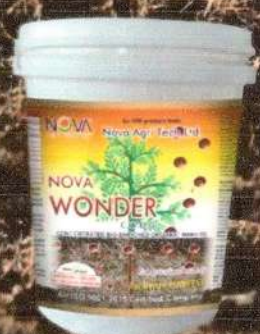
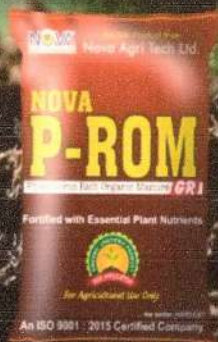


NOVA
AGRI GROUP

...for better HARVEST

Our Carbon Farming Products

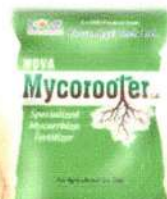
Adding Carbon to the Soil...



NOVA
AGRIBOT



Our Products



Corporate Information**Corporate Identity Number:** U01119TG2007PLC053901**Website:** www.novaagri.in**Board of Directors:**

Mr. Kiran Kumar Atukuri
Mr. Sreekanth Yenigalla
Mr. Nadella Basanth Kumar
Mrs. Malathi Siripurapu
Mr. Sri Hari Rao Chaganti (Ceased w.e.f. 23.11.2022)
Mrs. Swapna Kandula
Mr. Kiran Kumar Adapa
Mr. Ramesh Babu Nemani
Mr. Adabala Seshagiri Rao (Appointed w.e.f. 25.10.2022)

Managing Director
Whole-Time Director
Whole-Time-Director
Whole-Time-Director
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

Chief Financial Officer

Mr. Gunupudi Kamaji Srinivas (Appointed w.e.f. 03.01.2023)
Mrs. Bhargavi Kandula (Ceased w.e.f. 16.12.2022)

Company Secretary & Compliance Officer

Ms. Neha Soni

Subsidiary Companies:

Nova Agri Sciences Private Limited
Nova Agri Seeds India Private Limited

Registered cum Corporate Office:

Sy.No.251/A/1., Singannaguda Village Mulugu Mandal
Medak, Siddipet - 502279
Telangana, India

E-Mail: cs@novaagri.in**Registrar & Share Transfer Agent:****Bigshare Services Private Limited**

Office No S6-2, 6th Floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093, India.

Email: ipo@bigshareonline.com

Bankers:**Union Bank**

Plot 220, Gunrock Enclave, Sikh Road
Secunderabad, Hyderabad
Telangana, India

Statutory Auditors:**M/s. NSVR and Associates LLP**

Chartered Accountants, FRN: 008801S/S200060
Address: H. No: 1-89/1/42, 2nd Floor
Plot No: 41 & 43, Sri Ram Nagar Colony
Kavuri Hills, Guttala Begumpet
Madhapur, Hyderabad - 500081

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, Sri Sai Brundavan Apartments
Flat :301, 3rd Floor, Model House, Lane, Saibaba Temple Rd,
Dwarkapuri Colony, Punjagutta
Hyderabad - 500082,

Internal Auditors:**M/s V P S & ASSOCIATES**

Chartered Accountants, FRN: 009280S
Address: H. No: 8-3-988/11/1/A,
SBH EXTN 925, Sri Nagar Colony,
Hyderabad - 500073

Details of Committees

Audit Committee

S. No.	Name of the Director	Position
1	Mr. Ramesh Babu Nemani	Chairman
2	Mr. Adabala Seshagiri Rao	Member
3	Mr. Kiran Kumar Adapa	Member

Nomination and Remuneration Committee

S. No.	Name of the Director	Position
1	Mr. Ramesh Babu Nemani	Chairman
2	Ms. Swapna Kandula	Member
3	Mr. Kiran Kumar Adapa	Member

Stakeholders' Relationship Committee

S. No.	Name of the Director	Position
1	Ms. Swapna Kandula	Chairman
2	Mr. Kiran Kumar Adapa	Member
3	Mr. Ramesh Babu Nemani	Member

Risk Management Committee

S. No.	Name of the Director	Position
1	Mr. Kiran Kumar Atukuri	Chairman
2	Mr. Adabala Seshagiri Rao	Member
3	Mr. Ramesh Babu Nemani	Member

IPO Committee

S. No.	Name of the Director	Position
1	Mr. Adabala Seshagiri Rao	Chairman
2	Mr. Kiran Kumar Adapa	Member
3	Mr. Ramesh Babu Nemani	Member

Corporate Social Responsibility Committee

S. No.	Name of the Director	Position
1	Mr. Kiran Kumar Atukuri	Chairman
2	Mr. Adabala Seshagiri Rao	Member
2	Mr. Kiran Kumar Adapa	Member

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NOTICE

NOTICE is hereby given that the **16th Annual General Meeting** of the members of '**NOVA AGRITECH LIMITED**' will be held on Saturday, the **30th day of September, 2023 at 4.00 P.M.** at its registered office situated at Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet Medak – 502279, Telangana, India, for transacting the following businesses:

Ordinary Business:

1. **Adoption of Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31 March 2023 and the reports of the Auditors and Board of Director Report and the report of Auditors thereon and in this regard.**

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

"RESOLVED THAT the audited **standalone** financial statements of the Company for the financial year ended 31 March 2023 and the reports of the Auditors and Board of Directors thereon laid before this meeting, be and are hereby considered and adopted."

"RESOLVED FURTHER THAT the audited **consolidated** financial statements of the Company for the financial year ended 31 March 2023 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

"RESOLVED FURTHER THAT the Board of Directors of the Company is authorized to do all such acts, deeds, matters and things as may be necessary, expedient or desirable for the purpose of giving effect to the aforesaid resolutions, and in connection with any matter incidental thereto."

2. **To appoint a director in place of Mrs. Malathi Siripurapu (holding DIN: 03033944) who retires by rotation, and being eligible offers herself for re-appointment:**

*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 152 of the Companies Act, 2013, **Mrs. Malathi Siripurapu (holding DIN: 03033944)**, who retires by rotation and being eligible offers herself 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 of the Company be and is hereby jointly and severally 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."

3. To re-appoint Statutory Auditors and fix their remuneration:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, N S V R & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/\$200060), are re-appointed as the statutory auditors of the Company for the second term of 5 years, i.e. to hold the office from the conclusion of this 16th AGM till the conclusion of 21st AGM of the Company to be held in the year 2028, for conducting statutory audit for the financial years from 2023-24 to 2027-28, and the Board of Directors is further authorized to finalize the terms and conditions of re-appointment, including remuneration of the statutory auditor, based on the recommendation of the Audit Committee."

"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."

SPECIAL BUSINESS:**4. 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 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 2023 and ending on 31 March 2024, amounting to Rs.30,000/- (Thirty Thousand Rupees 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."

5. Re-appointment of Mrs. Malathi Siripurapu (DIN: 03033944) as Whole-Time-Director of the Company for a period of 3 years:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 ("Act"), and the rules framed thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V to the Act, Articles of Association of the Company, Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations'), and other applicable provisions, if any, and based on the recommendation of the Nomination and Remuneration Committee of the Company and Board of Directors, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mrs. Malathi Siripurapu (DIN: 03033944) as Whole-Time-Director of the

Company, for a period of 3 (three) years, with effect from 17 March 2024 to 16 March 2027 (both days inclusive), liable to retire by rotation, and approved the terms and conditions of her appointment, including the remuneration as set out in the Explanatory Statement annexed hereto."

"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) shall, be at full liberty to revise/alter/modify/amend the terms and conditions of the said appointment, and/or remuneration, from time to time, in accordance with provisions of SEBI LODR Regulations, Section 196, 197 and/or Schedule V of the Act, thereof, and other applicable provisions for the time being in force."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of her service as Whole-Time Director, the remuneration, as detailed herein, shall be paid to her as minimum remuneration or such other remuneration as may be agreed between the Board of Directors and Mrs. Malathi Siripurapu, in accordance with applicable provisions of the Act and SEBI LODR Regulations, including Schedule V of the Act for the time being in force."

"RESOLVED FURTHER THAT the Board of Directors is authorized to take such steps and do all such acts, deeds, matters and things, as may be considered necessary, proper and expedient to give effect to this resolution."

6. Approval of Material Related Party Transactions for the Year 2023-24:

*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 and Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time and pursuant to the Company's policy on Related Party Transactions and based on the recommendation of the Audit Committee and 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 and Regulation 2(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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."

7. Approval of Material Related Party Transactions of the material subsidiary(ies) of the Company for the Year 2023-24:

*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 and Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, as amended from time to time and pursuant to the Company's policy on Related Party Transactions and based on the recommendation of the Audit Committee and 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 with the Related Party Transaction(s) by the material subsidiary(ies) of the Company (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with 'Related Parties' within the definition as per Section 2(76) of the Act and ruled made thereunder and Regulation 2(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 material subsidiary(ies) of 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."

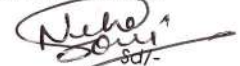
"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall deem to include any Committee of the Board), be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, desirable or expedient to give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

Place: Singannaguda

Date: 02 September 2023



By Order of the Board
For, **Nova Agritech Limited**


sd/-
Neha Soni

**Company Secretary &
Compliance Officer**



NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 16th 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 BEFORE THE COMMENCEMENT OF THE AGM.**

In terms of Section 105 of the Companies Act, 2013 and Rules framed thereunder, a person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Members.

2. The statement pursuant to Section 102(1) of the Companies Act, 2013 and the Rules made thereunder in respect of the special business set out in the notice, Secretarial Standard on General Meetings ("SS-2") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable, is annexed hereto.
3. 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.
4. Any Member desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his / her queries to the Company at least seven working days prior to the AGM, so that the required information can be made available at the AGM.
5. Pursuant to the provisions of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, members are informed that they may nominate at any time, in the prescribed manner, a person to whom their shares in the Company shall vest in the unfortunate event of their death. Members holding shares in physical mode should file their nomination with the Company,

6. Members holding shares in physical mode are requested to notify immediately any change in their address along with self-attested copy of address proof i.e., Aadhar Card / electricity bill / telephone bill / driving license/passport / bank passbook particulars to the Company.
7. In all correspondence with the Company, Members holding shares are requested to quote their account / folio numbers.
8. 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 thereunder.
9. In case you have not registered your e-mail Id, please communicate the same to the Company at their communication address given in the Annual Report. Although you are entitled to receive physical copy of the Notices, Annual Reports, etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by e-mail, which will help us participate in the Green Initiatives of the MCA and to protect our environment.
10. All documents referred to in the Notice shall be open for inspection by the Members of the Company without payment of fees at the Registered Office of the Company. Inspection by the Members can be done on any working day between 11:00 a.m. to 1:00 p.m. including the date of AGM of the Company and shall also be available at the venue of the AGM.

EXPLANATORY STATEMENT

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

ITEM NO. 3:

This Explanatory Statement is in terms of Regulation 36(5) of the SEBI LODR Regulations, though statutorily not required in terms of Section 102 of the Companies Act, 2013.

The Members at the 11th AGM of the Company held on 22 September 2018, had approved appointment of M/s NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/S200060), as the statutory auditors of the Company, to hold office from the conclusion of the 11th AGM till the conclusion of the 16th AGM of the Company to be held in 2023.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in the conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the re-appointment of M/s NSVR & Associates LLP as the statutory auditors of the Company, for the second consecutive term of five years from the conclusion of 16th AGM till the conclusion of 21st AGM of the Company to be held in 2028, at a remuneration as may be mutually agreed between the Board and the statutory auditors.

M/s NSVR & Associates LLP has consented to their appointment as the statutory auditors and has confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act, and that they are not disqualified to be appointed as statutory auditors, in terms of the provisions of Sections 139 and 141 of the Act, and rules framed thereunder.

M/s NSVR & Associates LLPs was paid a fee of Rs. 13,11,000/- for the audit of standalone and consolidated financial statements of the Company for the financial year ended 31 March 2023, plus applicable taxes and out-of-pocket expenses not exceeding 5% of the audit fees. The increase in fee proposed to be paid for the financial year ending 31 March 2024 will be mutually agreed, on the basis of the efforts involved and shall not exceed 15% of the fee paid for the previous year. The Board, in consultation with the Audit Committee, shall approve revisions, if any, in the remuneration of the statutory auditors for the remaining part of the tenure.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

ITEM NO. 4:

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, on the recommendation of the Audit Committee, at its meeting held on 02 September 2023, 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 2023-24 at a remuneration of Rs. 30,000/- per annum plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditor for the year 2023-24.

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. 4 of the Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval by the Members.

ITEM NO. 5:

Mrs. Malathi Siripurapu, aged 44 years, is the promotor of the Company. She completed her bachelors & masters of Commerce from Kakatiya University. She is having a decade of experience in managing the financial activities and operations of agriculture and agro-product industry.

Based on the recommendation of the Nomination and Remuneration Committee, and the consent and disclosures from the appointee, subject to approval of members, the Board of Directors, in their meeting held on 2 September 2023, recommended the appointment of Mrs. Malathi Siripurapu as Whole-Time-Director of the Company, for a period of 3 (three) years, w.e.f. 17 March 2024, and the said appointment and terms of appointment, including remuneration to be paid to her require approval of the shareholders.

Accordingly, in terms of the provisions of Section 196, 197, and other applicable provisions of the Companies Act, 2013, and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors recommend the resolution, as set out under Item No. 5 for the approval of the members by way of Special Resolution.

Terms of appointment

A. Period of appointment

Appointed for a period of 3 (three) years, w.e.f. 17 March 2024, subject to retirement by rotation.

B. Remuneration, benefits and perquisites

Maximum consolidated remuneration up to Rs. 3,00,00,000 (Rupees Three Crores Only) per annum, inclusive of any remuneration, directly or otherwise, or by way of salary and allowances, performance-based rewards/ incentives.

C. Other

Service Contract: Not Applicable. However, the above terms may be treated as memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013. Personal accident cover and term life insurance, mediclaim coverage, notice period etc. will be as per Company's policy.

Additional disclosures pursuant to the provisions of Schedule V of the Companies Act, 2013

- a. Payment of remuneration is approved by a resolution passed by the Board and Nomination and Remuneration Committee of the Company, vide resolutions passed dated 2 September 2023.

- b. Your Company has not defaulted on any due to any bank or public financial institution, or other secured holder. Your Company has not issued any non-convertible debenture. Hence, the Company does not require prior approval of bank/or public financial institution /other secured creditor.
- c. Statement referred in clause (iv) of Section II of Part II of the Schedule V of the Companies Act, 2013 -

I. General information

(1) Nature of industry: *Agro-product industry*

(2) Date or expected date of commencement of commercial production: **NA**

(3) In case of new companies, expected date of commencement of activities, as per project approved by financial institutions, appearing in the prospectus: **NA**

(4) Financial performance based on given indicators

Amounts are in INR Lakhs

Financial Parameter	Financial Years		
	2022-23	2021-22	2020-21
Total Revenue	11,716.62	11,605.23	12,527.97
Total Expenses	10,500.76	10,919.34	11,997.59
Net profit	855.61	509.47	379.66

(5) Foreign investments or collaborations, if any: **There is no foreign investment or collaboration in the Company.**

II. Information about the appointee(s): *Provided in Annexure-A to this Notice.*

III. Other information

(1) Reasons of loss or inadequate profits: **NA**

(2) Steps taken or proposed to be taken for improvement: **NA**

(3) Expected increase in productivity and profits in measurable terms: The management of the Company is expecting better financial results in the future.

Other required information about the salary, perquisites, bonus, service contract, notice period, etc. is given in Explanatory Statement, annexed to this Notice.

- d. The brief resume and additional information of appointees, in pursuance of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India have been given in **Annexure A** to the Notice.
- e. The above explanatory statement (together with annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Except Mrs. Malathi Siripurapu (DIN: 03033944) being the appointee Director and her relatives, none of the Directors and/or and other Key Managerial personnel of the Company or their relatives are, in any way, deemed to be concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholding, if any, in the Company.

ITEM NO. 6:

Pursuant to the provisions of Section 188(1) and 177 of the Companies Act, 2013 (the 'Act'), read along with Rule 15 and 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section, require prior approval of the Board and approval of the Audit Committee, and subsequently the members of the Company, which exceed such sum as are specified in Rule 15(3) of the said rules.

Further, as required in Regulation 23 of SEBI (LODR) Regulations, 2015, all material Related Party Transactions 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.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval, and considering the fact that the list of related parties will change dynamically with no action on the part of the Company, 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.

All the contracts/arrangements and the transactions with "related parties" are reviewed and approved by the Audit Committee.

The particulars of Related Party Transactions, which are required to be stated in Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

[Amounts are in INR Lakhs]

Related Party Transactions u/s Section 188(1) of the Companies Act, 2013	Nova Agri Sciences Private Limited	Nova Agri Seeds India Private Limited
Nature of Relationship	Wholly-Owned Subsidiary	Wholly-Owned Subsidiary
Name of interested Director(s)/KMP	Kiran Kumar Atukuri	Kiran Kumar Atukuri
Sale, purchase or supply of any goods or materials	2000	100
Availing or rendering of any services, directly or through appointment of agent	100	100
Selling or otherwise disposing of or buying property of any kind	500	500
Leasing of property any kind	10	10
#Investment:		
For Formulation Plant	1420.11	Nil
For Working Capital	3548.58	
Giving Loans	500	500

Investment proposed in the subsidiary from the net proceeds to be received through IPO.

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, these transactions are not material in nature, carried on with due approval of the Audit Committee.
- 3) All such transactions are carried on and shall be continued at arm's length basis, and in the ordinary course of business.

The Board recommends the resolution set forth in item no. 6 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.**

Mrs. Malathi Siripurapu, Mr. Kiran Kumar Atukuri and Mr. Sreekanth Yenigalla are interested in the resolution set out in Item No. 6 of the Notice, with regard to this resolution.

No Director, except the one mentioned hereinabove, and 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. 6 of the Notice.

ITEM NO. 7:

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.

In view of the changes in the threshold for determining the related party transactions that require prior shareholder approval, and considering the fact that the list of related parties will change dynamically with no action on the part of the Company, 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.

All the contracts/arrangements and the transactions of material subsidiary(ies) with "related parties" are reviewed and approved by the Audit Committee.

The particulars of Material Related Party Transactions, pertaining to Material Subsidiary(ies) are as follows:

[Amounts are in INR Lakhs]

Related Party Transactions u/s Section 188(1) of the Companies Act, 2013	Nova Agritech Limited	Nova Agri Seeds India Private Limited
Nature of Relationship	Holding Company	Associate Company

Name of interest Director(s)/KMP	Kiran Kumar Atukuri	Kiran Kumar Atukuri
Sale, purchase or supply of any goods or materials	2000	100
Availing or rendering of any services, directly or through appointment of agent	100	100
Selling or otherwise disposing of or buying property of any kind	500	500
Leasing of property any kind	10	10
Giving Loans	500	500

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, these transactions are not material in nature, carried on with due approval of the Audit Committee.
- 3) All such transactions are carried on and shall be continued at arm's length basis, and in the ordinary course of business.

The Board recommends the resolution set forth in item no. 7 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.**

Mrs. Malathi Siripurapu, Mr. Kiran Kumar Atukuri and Mr. Sreekanth Yenigalla are interested in the resolution set out in Item No. 7 of the Notice, with regard to this resolution.

No Director, except the one mentioned hereinabove, and 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. 7 of the Notice.

Place: Singannaguda

Date: 02 September 2023



By Order of the Board
For, Nova Agritech Limited

Neha Soni
sd/-
Neha Soni

Company Secretary & Compliance Officer

"Annexure - A"**Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings]

Name	Mrs. Malathi Siripurapu
DIN	03033944
Date of Birth	10/02/1979
Date of appointment on the Board of the Company	17/03/2021
Background Details/ Brief Resume	
i) Age	44
ii) Qualification	Bachelor of Commerce from Kakatiya University
iii) Experience in specific functional area	10+ Years of Experience in managing the financial activities and operations of agriculture and agro-product industry
Nature of expertise in specific functional Areas	10+ Years of Experience in managing the financial activities and operations of agriculture and agro-product industry
Job profile and suitability to the company	Experience and expertise as stated above
Recognition or awards	Nil
Terms and conditions of Appointment/ Re-appointment	As mentioned in the Resolution and Explanatory Statement
Remuneration, last drawn (including sitting fees, if any)	Rs. 271.82 Lakhs
Remuneration proposed to be paid	As mentioned in the Explanatory Statement
Pecuniary relationship in the Company	Mrs. Malathi Siripurapu does not have any other pecuniary relationship in the Company, except remuneration proposed paid/ to be paid to her.
Shareholding in the Company as on 31 March 2023	84,21,620 Shares of Rs.2/- Each constituting 12.92%
Names of other companies in which she is acting as Director	1. Nova Dairy Tech India Private Limited 2. Suraksha Agri Retails (India) Private Limited 3. Nova Health Sciences Private Limited

Directorship/membership/chairmanship of Committees of the board of Company	Whole-Time-Director of the Company. No membership in any Committee.
Names of listed entities in which the person, also, is a director/ member / chairperson of committees of other Boards as on 31 March 2023	Nil
Number of meetings attended during the financial year	All
Comparative remuneration profile with respect to industry, size of the Company, profile of the position, and person (in case of expatriates the relevant details would be with respect to the country of origin)	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mrs. Malathi Siripurapu, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
Name(s) of companies in which committee Membership(s) held	Nil
Relationship with other directors	No Relationship with other Director

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;

as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 16th Annual General Meeting of the Company, to be held on Saturday, 30 September 2023, at 4.00 P.M. at Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet Medak TG 502279 IN and at any adjournment thereof in respect of the following resolutions:

Resolution No.	Ordinary Business:
1	Adoption of Audited Financial Statements (standalone & consolidated) of the Company for FY 2022-23
2	To Appoint a director in place of Ms. Malathi Siripurapu (holding DIN:03033944) who retires by rotation, and being eligible offers himself for re-appointment
3.	To re-appoint Statutory Auditors and fix their remuneration
Special Business:	
4.	Ratification of remuneration of cost auditor for F.Y. 2023-24
5.	Re-appointment of Mrs. Malathi Siripurapu (DIN: 03033944) as Whole-Time-Director of the Company for a period of 3 years
6.	Approval of Material Related Party Transactions for the Year 2023-24
7.	Approval of Material Related Party Transactions of the material subsidiary(ies) of the Company for the Year 2023-24

Affix
Revenue
Stamp

Signed this _____ day of September 2023

Signature of Shareholder: _____

Signature of Proxy holder: _____

ATTENDANCE SLIP

DP.ID*	
--------	--

Master Folio No.	
------------------	--

Client ID*	
------------	--

No. of Shares held	
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I hereby record my presence at the **16th Annual General Meeting** of the Company on Saturday, 30 September 2023, at 4.00 P.M. at Sy.No.251/A/1., Singannaguda Village Mulugu Mandal Siddipet Medak TG 502279, India.

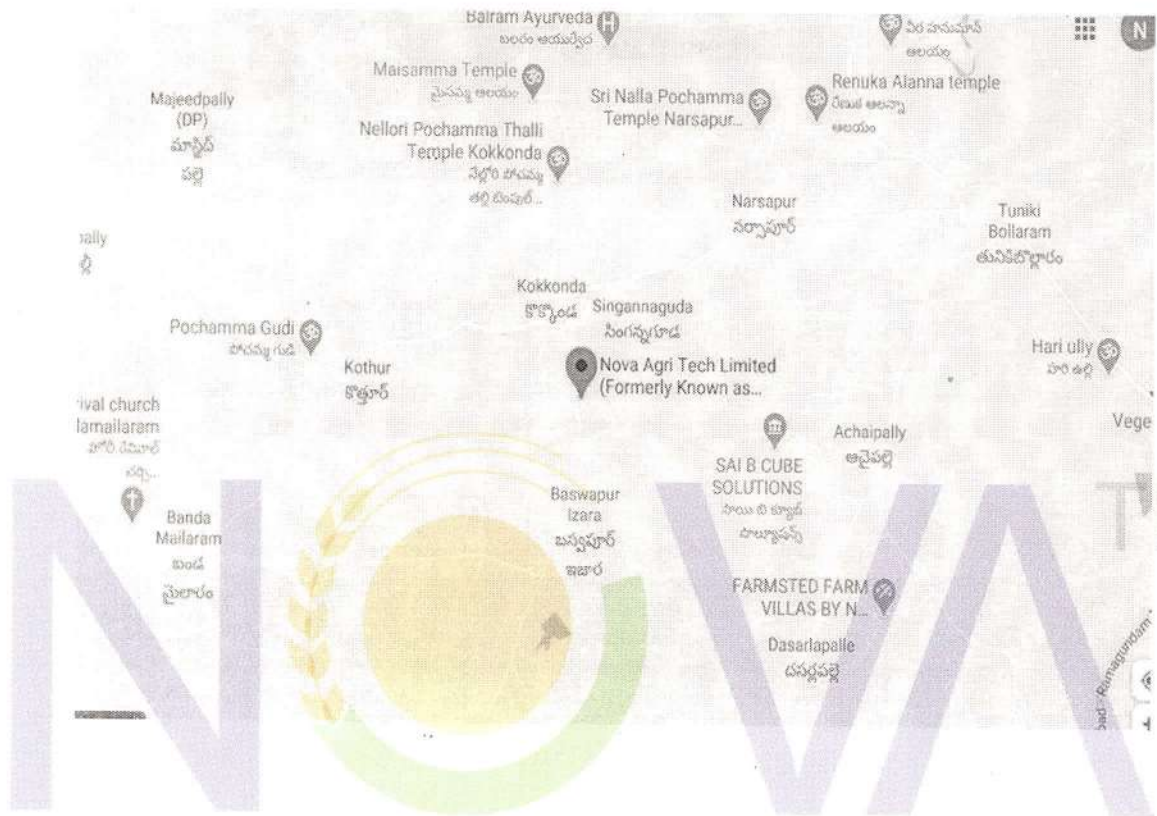
MEMBER'S/PROXY'S NAME IN BLOCK LETTER	
MEMBER'S/PROXY'S/AUTHORIZED REPRESENTATIVE'S SIGNATURE	

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 16th ANNUAL GENERAL MEETING



DIRECTORS' REPORT
[For the year ended 31 March 2023]

Dear Shareholders,

Your Directors are pleased to present the **16th ANNUAL REPORT** of the Company together with the Audited Financial Statements for the Financial Year ended 31 March 2023.

FINANCIAL PERFORMANCE

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Income from Operations	11,674.81	11,601.20	21,055.54	18,559.41
Other income	41.81	4.03	37.82	1.68
Total income	11,716.62	11,605.23	21,093.35	18,561.09
Total Expenditure	10,500.76	10,919.34	18,277.00	16,716.64
Profit Before Tax (PBT)	1,215.86	685.89	2,816.36	1,844.44
Less: Tax expenses	373.4	181.81	767.4	475.51
Profit After Tax (PAT)	842.46	504.08	2,048.95	1,368.93
EPS in ₹ (Basic & Diluted)	1.34	0.80	3.27	2.18

Financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016

COMPANY PERFORMANCE / STATE OF AFFAIRS

During the year, revenue from operation of your Company was ₹ 11,674.81 Lakhs as compared to ₹ 11,601.20 Lakhs in the previous year and the net profit has grown by 67% to ₹ 842.46 Lakhs as against ₹ 504.08 Lakhs in the previous year.

CHANGE IN THE NATURE OF BUSINESS

Your Company is engaged in the business of manufacturing Agro products for Crop protection and crop nutrition.

There was no change in the nature of the business during the financial year under review, except the change in "object clause" of the Company, as mentioned below:

Alternation of main objects:

Your Company has inserted 3 (three) new objectives in the Main Objects of the Memorandum of Association of the Company in order to enlarge the area of operations and carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, and advantageously combined with the present activities of the Company, as approved by the shareholders in the Extra Ordinary General Meeting held on 11 February 2023.

SUBSIDIARY COMPANIES/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company has following subsidiaries as on 31 March, 2023:

S. no.	Name of the Company	Particular
1)	Nova Agri Sciences Private Limited CIN: U01403TG2010PTC068405	Wholly owned Subsidiary Company
2)	Nova Agri Seeds (India) Private Limited CIN: U01403TG2009PTC065732	
3)	Suraksha Agri Retails (India) Private Limited** CIN: U01820TG2009PTC063119	Associate Company

**23.60 % stake is owned Suraksha in the Company

The statement required to be provided with respect to subsidiaries and associate companies pursuant to the provisions of Section 129(3) of the Act and Rule 5 of the Companies (Accounts) Rules, 2014 in **Form AOC – 1** is annexed herewith as "**Annexure I**".

The Audited Financial Statements, the Auditors Reports thereon and the Board's Reports for the year ended 31 March, 2023, of the aforesaid companies, shall be available for inspection by the Members at its registered office, during business hours on all working days up to the date of the Annual General Meeting and the same are also available on the website of the Company www.novaagri.in.

Note:

- ≡ Your Company does not have any Joint Ventures.
- ≡ No Company has become / ceased to be its Subsidiary, Joint Venture or Associate of Company during the year under review.

Additionally, we would also like to inform that following Companies shall fall under the purview of "Group Companies" pursuant to SEBI circular- SEBI/ HO/ AFD/ AFD – PoD – 2/ CIR/ P/ 2023/ 148 dated 24 August, 2023:

S. No.	Name of the Group Companies	CIN
1)	Nova Ferticare Private Limited	U24100TG2015PTC099837
2)	Nova Dairy Tech India Private Limited	U01119TG2013PTC087282
3)	Nova Health Sciences Private Limited	U85190TG2010PTC068584
4)	Agri Genome Resources India Private Limited	U01403TG2011PTC072116
5)	AIC Nova Foundation for Agriculture Innovation and Research	U93090TG2018NPL128938

Material Subsidiary:

The Company has 1 (one) material subsidiaries as per the definition of Regulation 16(1) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- 1) Nova Agri Sciences Private Limited

CIN: U01403TG2010PTC068405

The Company's policy on determining the material subsidiaries is uploaded on the Company's website at www.novaagri.in.

TRANSFERS TO RESERVES

During the year under review, the entire profit of ₹ 842.46 Lakhs for the year ended 31 March 2023 was transferred to the surplus under Reserves and Surplus A/c. No Amount was transferred to Reserves.

DIVIDEND

Considering your Company's growth, and future strategy and plans, your Directors consider it prudent to conserve resources and despite having sufficient distributable profits, do not recommend any dividend on equity shares for the financial year under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company was not required to transfer any unclaimed dividend to IEPF Account.

PUBLIC DEPOSITS

During the financial year 2022-23, your Company has not accepted any deposit that falls within the scope of Sections 73 and 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014. Further, there is no amount outstanding at the beginning

of financial year 2022-23, which can be classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186

The loans granted, guarantees given and investments made are in compliance with Section 186 of the Companies Act, 2013. As per the requirements of Section 186 and Section 134(3)(g) of the Companies Act, 2013, we would like to inform that details of loans, guarantees, securities and investments made by the Company, are provided in the notes to the financial statements forming part of the Annual Report.

SHARE CAPITAL

Authorized Share Capital	₹20,00,00,000/- divided into 10,00,00,000 equity shares of ₹2/- each
Subscribed, Issued and Paid-up Capital	₹13,04,05,480/- divided into 6,52,02,740 equity shares of ₹2/- each

[as on 31 March 2023]

During the financial year under review, there were following changes:

= Allotment of Shares:

Company has allotted 5,00,000 equity shares of ₹ 10/- each to "Nova Agritech Limited Employees Welfare Trust" on 06 January 2023 pursuant to "Nova Agri Tech Limited Share-based Employee Benefit Scheme – 2022" ("**ESOP Scheme**") implemented pursuant to approval of the Board of Directors and Shareholders in their respective meetings held on 23 November 2022 and 19 December 2022 respectively.

Accordingly, the paid-up share Capital of the Company has increased from ₹12,54,05,480/- (Rupees Twelve Crore Fifty Four Lakhs Five Thousand Four Hundred and Eighty Only) to ₹13,04,05,480/- (Rupees Thirteen Crores Four Lakhs Five Thousand Four Hundred and Eighty Only).

= Split of Shares:

Company has sub divided 1 (one) equity Share of ₹10/- each of the Company into 5 (five) equity shares of ₹2/- each (1:5 ratio) pursuant to approval of the Board of Directors and Shareholders in their respective meetings held on 18 January 2023 and 11 February 2023.

Accordingly, 1,30,40,548 equity shares of your Company of face value of ₹ 10/- each were sub-divided into 65,202,740 Equity Shares of face value of ₹ 2/- each.

However, there is no change in Shareholding pattern or Paid up capital of the Company in lieu of the aforesaid share split.

PROPOSED LISTING/ IPO

Your Company has filed Draft Red Herring Prospectus ("DRHP") with Securities Exchange Board of India ("SEBI") on 03 March 2023 proposing listing of its equity shares on BSE Limited and National Stock Exchange of India Limited. Through such Initial Public Offer (IPO), your Company proposes to raise additional fund of ₹140 Crores through "Fresh Offer".

Further, existing shareholder of the Company namely Mr. Nutalapati Venkatasubbarao proposes to dilute his stake in the Company by disposing 77,58,620 Equity shares of ₹ 2/- each through IPO in "Offer for sale" category.

Utilization of Fund:

Proposed public issue is with a view to utilize the funds for setting up a new formulation plant for the subsidiary Nova Agri Sciences Private Limited and for the expansion of the existing formulation plant. The funds are also used for working capital requirements, besides general corporate purposes. The DRHP submitted by the Company is available at the website of the Company www.novaagri.in.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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 II".

Employee Stock Option Scheme (ESOP)

During the year under review, Your Company had implemented "**Nova Agritech Limited Share Based Employee Benefit Scheme – 2022**" (hereinafter referred to as "the Scheme") to create, issue, offer, grant, allot and/or transfer from time to time, upto a maximum of 5,00,000 (Five Lakh) Options /SARs/Shares or any other benefits that may be granted pursuant to the Scheme, in one or more tranches which shall be convertible into equitable number of Equity Shares of ₹10/- (Rupees Ten) each, unless otherwise determined by the Compensation Committee as constituted by the Board, through "Nova Agritech Limited Employees Welfare Trust", a trust established by the Company for implementation and/or administration of the Scheme (hereinafter referred to as "Trust"), at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Scheme, SEBI (SBEASE) Regulations, 2021.

Pursuant to the aforesaid scheme, the Company allotted 5,00,000 equity shares of ₹10/- (Rupees Ten Only) each at a price of ₹ 25/- (including premium of ₹ 15/- per share) to "Nova Agritech Limited Employees Welfare Trust" on 06 January 2023. However, pursuant to sub-division of equity shares, the holding of "Nova Agritech Limited Employees Welfare Trust" as on 31 March 2023 has tantamount to 25,00,000 Equity Shares of face value of ₹2/- each.

Disclosures in respect of Voting Rights not directly exercised by Employees:

Pursuant to "Nova Agritech Limited Share Based Employee Benefit Scheme – 2022" ("Scheme"), Nova Agritech Limited Employees Welfare Trust holds 25,00,000 equity shares of ₹2/- each in the Company for the benefit of employees.

However, your Company has not granted any ESOPs to employees during the period under review, and accordingly, No disclosures as required under Rule 16(4) of the Companies (Share Capital and Debentures), 2014 has been furnished.

AMENDMENT OF MOA & ADOPTION OF NEW SET OF AOA

During the year, the **Memorandum of Association** (MOA) was amended vide the resolution passed by Board of Directors dated 18 January 2023 and Shareholders dated 11 February 2023, to reflect –

- (a) Sub-division in authorized share capital from ₹20,00,00,000/- divided into 2,00,00,000 Equity Shares of ₹10/- each to ₹20,00,00,000/- divided in 10,00,00,000 Equity Shares of ₹2/- each in Clause V of the MOA of the Company.
- (b) Insertion of new sub-clauses 3, 4 and 5 after sub-clause 2 of Clause III (A) of the Main Objects of the MOA of the Company.

During the year, the Company adopted new set of **Articles of Association** (AOA) of the Company vide the resolution passed by Board of Directors dated 18 January 2023 and Shareholders dated 11 February 2023, in substitution and suppression of the existing Articles of the Company.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**Board of Directors**

As on 31 March 2023, the Board comprised of 4 (four) Executive Directors and 4 (four) Non-Executive Independent Directors.

Chairperson

During the year under review, Mr. Adabala Seshagiri Rao, Non-Executive Independent Director (DIN: 09608973) of the Company was elected as Chairperson of the Company w.e.f. 23 November 2022.

Retirement by Rotation

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, at least 2/3rd of the total number of Directors of a public company shall be liable to retire by rotation and 1/3rd of such Directors shall retire by rotation at every AGM, However, "Independent Directors" are out of the ambit of retiring by rotation.

In accordance with the provisions of Section 152(6), the Board has proposed Mrs. Malathi Siripurapu (DIN: 03033944) as the Director to "Retire by rotation" in the 16th AGM.

Mrs. Malathi Siripurapu, Whole-Time-Director, retires by rotation in the ensuing AGM and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment, along with other required details forms part of the Notice of the AGM.

Detailed information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as "Annexure-A" to the Notice of 16th AGM.

Appointment and Cessation

Directors and Key Managerial Personnel

During the year, there were following changes in Board composition:

1. Mr. Seshagiri Rao Adabala (DIN: 09608973) is appointed as Non-Executive Independent Director of the Company w.e.f. 25 October 2022 for a term of 5 years in the Extra-Ordinary General Meeting of the Shareholders of the Company held on 25 October 2022. Further, he was also appointed as Chairperson of the Company w.e.f. 23 November 2022.
2. Mr. Ramesh Babu Nemani (DIN: 08089820) was appointment as Non-Executive Independent Director w.e.f. 23 March 2022 for a term of 5 years is regularized in the 15th AGM of the Company held on 30 September 2022
3. Mr. Sri Hari Rao Chaganti (DIN: 08729255), Non-Executive Director of the Company resigned from the officer of directorship w.e.f. 23 November 2022 due to resignation.

Key Managerial Personnel:

During the year under review there were following changes in KMP:

1. Mrs. Bhargavi Kandula, resigned as Chief Financial Officer (CFO) of the Company w.e.f. 16 December 2022.
2. Mr. Srinivas Kamoji Gunupudi was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 03 January 2023.

After 31 March 2023 and until the approval of this Directors' Report, there were the following changes in Board composition:

Board of Directors in their meeting held on 2 September 2023, recommended for re-appointment of Mrs. Malathi Siripurapu (DIN: 03033944) as Whole-Time-Director of the Company for a period of 3 (three) years w.e.f. 16 March 2024, Subject to approval of members of the Company in the ensuing shareholders meeting.

Appropriate resolutions for the re-appointment of Mrs. Malathi Siripurapu as Whole-Time-Director are being moved at the ensuing 16th AGM, which the Board of Directors recommends for your approval.

Detailed information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as "Annexure-A" to the Notice of 16th AGM.

Declaration by the Independent Directors

The Company has received declarations from each Independent Director citing that he/she 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. The Nomination and Remuneration Committee considers, inter alia, key qualifications, skills, expertise and competencies, fulfilment of criteria for independence, while recommending to the Board, the candidature for appointment as Independent Director, to enable the Board to discharge its functions and duties, effectively.

Directors' Responsibility Statement

Your Directors would like to assure the members that the financial statements for the year under review is as per the requirements of the Companies Act, 2013 and pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and based on the information and explanations received from the Company, your Directors confirm that:

- i. in the preparation of the annual financial statements for the year ended 31 March 2023, 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 have been made, so as to give a true and fair view of the state of affairs of the Company as at 31 March 2023 and of the profit & loss of the Company for that period;
- 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 that such systems are adequate and operating effectively.

Annual Evaluation of Individual Directors, Committees and Board

Pursuant to the provisions of the Companies Act, 2013, the Board carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee.

The Board took into consideration inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors were carried out by the entire Board and performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Board Diversity

The Policy on Board Diversity of the Company devised by the Nomination and Remuneration Committee and approved by the Board is disseminated on the website of the Company www.novaagri.in.

Code of Conduct and Declaration on Code of Conduct

Your Company has laid down a Code of Conduct for all Board members, Senior Management and Independent Directors of the Company, in line with the provisions of SEBI LODR Regulations and the Act. The said Code of Conduct is available on the website of the Company www.novaagri.in. Declaration in this regard forms part of the corporate governance report.

COMMITTEES OF THE BOARD

As on 31 March 2023, the Board has six committees, (i) Audit Committee, (ii) Nomination and Remuneration Committee, (iii) Stakeholders' Relationship Committee, (iv) Risk Management

Committee, (v) IPO Committee and (vi) Corporate Social Responsibility Committee which are constituted as per the provisions of the Companies Act, 2013.

The details of the above-mentioned committees are as follows:

≡ **Audit Committee**

Audit Committee has been constituted in terms of Section 177 of Companies Act, 2013 and in terms of Regulation 18 of SEBI (LODR) Regulations.

Composition of the Committee, its terms of reference, detail of meetings and such other details are provided in the Report on Corporate Governance. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

≡ **Nomination and Remuneration Committee**

Nomination and Remuneration Committee has been constituted in terms of Section 178 of Companies Act, 2013 and in terms of Regulation 19 of SEBI (LODR) Regulations.

Composition of the Nomination and Remuneration Committee, its terms of reference, details of meetings and such other details are provided in the Report on Corporate Governance. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

≡ **Stakeholders' Relationship Committee**

Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations and Section 178 of the Act.

Composition of the SRC, its terms of reference, details of the meeting and such other details are provided in the Report on Corporate Governance annexed.

≡ **Risk Management Committee**

The Risk Management Committee was constituted on 27 February 2023.

Composition of the Risk Management Committee, its terms of reference, details of its meetings, and such other details are provided in the Report on Corporate Governance annexed.

≡ **IPO Committee**

The IPO Committee was constituted on 27 February 2023.

Composition of the IPO Committee, its terms of reference, details of its meetings, and such other details are provided in the Report on Corporate Governance annexed.

≡ **Corporate Social Responsibility Committee**

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 III" of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Composition of the committee, its terms of reference, details of the meeting and such other details are provided in the Report on Corporate Governance annexed. CSR Policy is made available on the website of the Company www.novaagri.in.

Establishment of Vigil Mechanism

The Company has adopted a Whistle Blower Policy, establishing a vigil mechanism to provide a formal mechanism to the Directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of code of conduct and ethics. It, also, provides for adequate safeguards against the victimization of employees, who avail of the mechanism, and provides direct access to the chairman of the Audit Committee in exceptional cases. The whistle-blower policy is available on the website of the Company www.novaagri.in.

NO. OF BOARD MEETINGS HELD DURING THE YEAR

The Board of Directors duly met 13 (Thirteen) times during the F.Y. 2022-23. The Details are given in the "Corporate Governance Report" forming part of the Annual Report. The gap between two Board Meetings has not exceeded 120 days.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Independent Directors inducted into the Board are provided an orientation on Company structure and Board constitution and procedures, matters reserved for the Board, and our major risks and risk management strategy.

The Company familiarizes the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various interactions and an update on amendments or regulatory requirements and changes is given as part of Board meetings and familiarization programs.

Details of the familiarization programs of the Independent Directors are available on the website of the Company www.novaagri.in.

STATUTORY AUDITORS

Pursuant to Section 139 and other applicable provisions of the Companies Act, 2013, the Members at the 11th AGM of the Company held on 22 September 2018, had approved appointment of M/s NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/S200060), as the Statutory Auditors of the Company, to hold office from the conclusion of the 11th AGM till the conclusion of the ensuing AGM.

As the Auditor's term is expiring in this AGM, pursuant to the provisions of Section 139 and 142 of the Companies, 2013, and the rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Board of Directors recommends for the re-appointment of M/s NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/S200060) as Statutory Auditors of the Company for the second term of 5 years i.e. from the conclusion of 16th Annual General Meeting of the Company to till the conclusion of 21st Annual General Meeting to be held in the year 2028, to conduct statutory audit of the Company for the financial years commencing from 2023-24 to 2027-28 at a remuneration as may be determined and mutually agreed by the Board the Statutory Auditors.

M/s NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/S200060) have provided their consent vide letter dated 02 September 2023 and confirmed their eligibility for the proposed appointment as Statutory Auditors of your Company.

Appropriate resolutions is being moved at the ensuing 16th AGM for reappointment of M/s NSVR & Associates LLP as Statutory Auditors of the Company, which the Board of Directors recommends for your approval.

Replies to the audit remarks:

The Auditors Report for the financial year ended 31 March 2023 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.

Fraud reported by Auditors:

There are no frauds reported by auditors under sub-section (12) of section 143.

COST AUDIT/ MAINTENANCE OF COST RECORDS

For the financial year 2022-23, your Company was required to maintain cost records, as specified by the central government under sub-section (1) of section 148 of the Act, 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 02 September 2023 to conduct

audit the cost records of the Company for the financial year 2023-2024 at an annual remuneration of ₹ 30,000/-.

Appropriate resolutions is being moved at the ensuing 16th AGM for ratification of the aforesaid remuneration for the year 2023-24, which the Board of Directors recommends for your approval.

SECRETARIAL AUDITORS:

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 upon recommendation of Audit Committee, has appointed P. S. Rao & Associates, Practicing Company Secretaries in its meeting dated 02 September 2023, to undertake the secretarial audit of the Company.

Secretarial Audit Report for the year 2022-23 in "Form MR-3" is annexed to this report as "Annexure IV". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS

For the period under review, Internal Audit is not applicable to your Company.

However, for the financial year 2023-24, the Board of Directors had, upon recommendation of the Audit Committee, appointed M/s. V P S & ASSOCIATES (Firm Reg. No. 009280S), Chartered Accountants, as the Internal Auditors of the Company in its meeting 02 September 2023 in accordance with the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has adequate internal control systems and procedures, designed to effectively control its operations. The internal control systems are designed to ensure that the financial and other records are reliable for the preparation of financial statements and for maintaining assets.

Your Company has well designed standard operating procedures (SOPs), considering the essential components of internal control as stated in the Guidance Note on Audit of Internal Controls over Financial Reporting, issued by the Institute of Chartered Accountants of India. Internal Auditor conducts audit, covering a wide range of operational matters and ensures compliance with specified standards.

The findings are reviewed by the top management and by the Audit Committee of the Board of Directors. Based on the deliberations with Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the internal controls and systems followed by the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR AND TILL THE DATE OF THIS REPORT

No material change and commitment affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report (i.e. from 1 April 2023 to 2 September 2023) except as mentioned below -

1. With reference to DRHP submitted by the Company on 03 March 2023 the Company has issued a public announcement dated 18 May 2023 (the "Public Announcement") published on 19 May 2023 disclosing the inclusion of the Yeluri Family Trust, as a Promoter of the Company instead of the Promoter Group and removing all references to Aadhaar numbers of the Promoters, in the DRHP of the Company.
2. The Company received in-principle approval from National Stock Exchange of India Limited and BSE Limited vide letter dated 31 May 2023 and 01 June 2023 respectively for the proposed Initial Public Offer (IPO) of the Company.
3. Company received approval from Securities Exchange Board of India ("SEBI") vide letter dated 26 June 2023 for the proposed Initial Public Offer (IPO) of the Company.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report, as required under Regulation 34 & Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided as "**Annexure V**", and forms parts of this report.

CORPORATE GOVERNANCE REPORT

Report on Corporate Governance is provided as "**Annexure VI**", and forms part of this report.

M/s NSVR & Associates LLP, Chartered Accountants (Firm Registration No. 008801S/S200060), Statutory Auditors of the Company have certified the said report in compliance with the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Compliance Certificate forms part of the Corporate Governance Report provided as "**Annexure VII**".

ANNUAL RETURN

Annual Return pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return for the year 2022-23, will be available on the website of the Company at www.novaagri.in.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the 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

Risk management is the process of identification, assessment and prioritization of risks, followed by coordinated efforts to minimize, monitor and mitigate/ control the probability and/or impact of unfortunate events to maximize the realization of opportunities. The Board oversees Company's processes for determining risk tolerance and review management's action and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis.

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. The Company has an Internal Control System, commensurate with the size and scale of its operations.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

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.

(i)	The steps taken or impact on conservation of energy	The operations of the company are not energy intensive, adequate measures have, however, been taken, to conserve and reduce wastage and optimize consumption.
(ii)	The steps taken by the company for utilizing alternate sources of energy	
(iii)	The Capital investment on energy conservation equipment's	Nil

Technology Absorption:

We firmly believe that technology is the genesis of innovative business practices, which in turn enable the organization to carry out business effectively and efficiently. We intend to make investments in innovative techniques for this regard.

Foreign Exchange Earnings & Outgo:

Foreign Exchange earnings	:	Nil
Foreign Exchange outgo	:	Nil

Proceedings under IBC

As per the requirements of Rule 8(5) (xi) and (xii) of the Companies (Accounts) Rules, 2014 –

- ≡ No application made or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.
- ≡ No one-time settlement of financial dues was made during the period under review.

Information to be furnished under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable for the FY 2022-23 as the Company is yet to be listed. However, no Employee is in receipt of the remuneration as specified in Rule 5(2) of above stated rule.

Disclosures, as required under Para A of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Transactions, with person(s) or entity(ies) belonging to the Promoter / Promoter Group which hold(s) 10% or more shareholding in the Company, as per Schedule V (2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the period under review has been provided in notes to the financial statements.

INSIDER TRADING REGULATIONS

Based on the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for the Prohibition of Insider Trading, as approved by the Board is implemented by the Company. The Company, also, adopts the concept of trading window closure, to prevent its Directors, Officers, Designated Employees, their relatives from trading in the securities of the Company at the time when there is unpublished price sensitive information.

The Board has appointed Ms. Neha Soni, Company Secretary, as the Compliance Officer.

In view of proposed listing, the Company is also in process to implement the Structured Digital Database (SDD) facility as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015.

DISCLOSURES WITH RESPECT TO THE DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Not Applicable, as the Company do not have any shares in the demat suspense account or unclaimed suspense account.

DISCLOSURES OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

There is no such agreement(s) binding the Company.

SECRETARIAL STANDARDS

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the central government.

INDUSTRIAL RELATIONS

Your Directors are happy to report that the industrial relations have been cordial at all levels throughout the year. Your Directors record their appreciation for all the efforts, support, and co-operation of all employees being extended from time to time.

HUMAN RESOURCES

Your Company considers its human resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The human resources systems procedures and the organizational environment are all designed to nurture creativity, innovation and greater efficiencies in its human capital. Training is an integral element of the HR system. The employees are sufficiently empowered, and such work environment propels them to achieve higher levels of performance.

The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

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.

Summary of harassment complaints:

- ≡ No. of complaints received : Nil
- ≡ No. of complaints disposed off : Nil

OTHER DISCLOSURES

During the year under review –

- ≡ Your Company has not revised financial statement(s).

≡ your Company achieved some of the major events and milestones in the history of our Company as listed below:

- 1) Introduced fertilizer and pesticide spraying drones "Nova Agribot" and soil health scanning device "Bhu-Parikshak" to market.
- 2) Introduced beneficial element fertilizers "HY-Clean" in the market.
- 3) Ten (10) acres of land allotted by Karnataka Industrial Areas Development Board (KIADB) for manufacture of "Agro Chemical, Pesticides, Bio Stimulants, Micro Nutrients, Water Solubles" in the State of Karnataka.
- 4) Expanded our business by appointing C&F agents in the States of Gujrat, Jammu & Kashmir, Tamil Nadu, Uttarakhand, Uttar Pradesh and West Bengal.

AWARDS & RECOGNITION:

During the period under review, some of the awards, accreditation or recognitions received by the Company are listed below:

- ≡ Awarded with "Best Company of The Year- Soil Health Management" by Agri Awards-2022.
- ≡ Awarded with "HR Best Practices" for 2022 in the category of Talent Acquisition and Management (Medium Scale Industry) by the Federation of Telangana Chambers of Commerce and Industry.
- ≡ Joined as a member "or" IMMA-Indian Micronutrient Fertilizers Manufacturers Association.
- ≡ Awarded as the 'Leader with Strategic Vision-Business Transformation' by Agri Business Summit & Awards ABSA, 2022.

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.

Place: Singannaguda

Date: 02 September 2023



Sd/-
SREEKANTH YENIGALLA
WHOLE-TIME-DIRECTOR
DIN: 07228577

By the Order of the Board
FOR NOVA AGRITECH LIMITED

Sd/-
KIRAN KUMAR ATUKURI
MANAGING DIRECTOR
DIN: 08143781

Nova Agritech Limited

ANNEXURE I

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with all amounts in Rs. Lakhs unless specified)

Particulars	Name of the Subsidiary(ies)	
	Nova Agri Sciences Private Limited	Nova Agri Seeds India Private Limited
The year since when subsidiary was acquired	2017	2017
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as Holding Company (31.03.2023)	Same as Holding Company (31.03.2023)
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA	NA
Share Capital	180.00	5.00
Reserves and surplus	2368.03	-13.31
Total assets	6842.76	0.72
Total Liabilities	4294.73	9.04
Investments	-	-
Turnover	10869.30	-
Profit before taxation	1607.34	-0.05
Provision for taxation	-	-
Profit after taxation	1198.05	-0.05
Proposed Dividend	-	-
Extent of shareholding (in percentage)	100	100

- Names of subsidiaries which are yet to commence operations - Nil
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Place: Singannaguda

Date: 02.09.2023



Sd/-
SREEKANTH YENIGALLA
WHOLE-TIME-DIRECTOR
DIN: 07228577

By the Order of the Board
FOR NOVA AGRITECH LIMITED

Sd/-
KIRAN KUMAR ATUKURI
MANAGING DIRECTOR
DIN: 08143781

Nova Agritech Limited
ANNEXURE II

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain Arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not in Arm's Length during the FY 2022-23.

2. Details of contracts or arrangements or transactions at Arm's length basis.

(All amounts are in lakhs unless otherwise specified)

Name (s) of the related party	Nature of relationship	Duration of the contracts/ arrangements/ transaction	Nature of contracts/arrangements/ transactions	2022-23 Amount in Rs. Outstanding	Date of Approval of Board
Nova Agri Sciences Private Limited	Subsidiary	Transactions done during FY 2022-23	Sales	268.80	09.05.2022
			Purchase	1219.77	

Place: Singannaguda
Date: 02.09.2023




Sd/-
SREEKANTH YENIGALLA
WHOLE-TIME-DIRECTOR
DIN: 07228577

By the Order of the Board
FOR NOVA AGRITECH LIMITED


Sd/-
KIRAN KUMAR ATUKURI
MANAGING DIRECTOR
DIN: 08143781

Nova Agritech Limited

ANNEXURE III

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 Managing Director	2	2
2.	Adabala Seshagiri Rao	Member of CSR Committee Non-Executive Independent Director	2	2
3.	Adapa Kiran Kumar	Member of CSR Committee Non-Executive Independent 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 alongwith 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. 4,84,72,333/-**

(b) Two percent of average net profit of the company as per section 135(5): **Rs. 9,69,447/-**

(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. 9,69,447/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 9,69,448.77/-**

Details of Ongoing Projects: **Nil**

Details of Other than Ongoing Projects: **Rs. 9,69,448.77/-**

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.	Distribution of Food Grains to Families Distribution Healthcare products to families	Item No. (I) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation	Yes	Telangana	Hyderabad	9,69,448.77	Yes	-	-
Total						9,69,448.77			

(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. 9,69,448.77/-**

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

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)	
	Total Amount transferred to Unspent CSR Account as per	Amount transferred to any fund specified under Schedule VII as per second proviso to

(In Rs.)	section 135(6).		section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Rs. 9,69,448.77/-	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. 9,69,447/-
(ii)	Total amount spent for the Financial Year	Rs. 9,69,448.77/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Rs. 1.77/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	—
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	—

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			

8. 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**.

9. 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**

Place: Singannaguda
Date: 02 September 2023



By the order of the Board
Nova Agritech Limited

[Signature]
Sd/-
Kiran Kumar Atukuri

Managing Director & Chairman of CSR Committee
DIN: 08143781

Nova Agritech Limited

ANNEXURE IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31 March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

Nova Agritech Limited**CIN: U01119TG2007PLC053901,**

Sy.No.251/A/1., Singannaguda Village,

Mulugu Mandal Siddipet, Medak – 502279

Telangana, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Nova Agritech Limited having (CIN: U01119TG2007PLC053901) ("the Company")** for the financial year ended 31 March 2023. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company, and also the information and clarifications and confirmations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31 March 2023 ("the period under review") complied with the statutory provisions listed hereunder and also that the Company has proper broad processes and compliance mechanisms.

We have examined on test check basis the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31 March 2023, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder
- ii) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;

The Company is a Public company and all the shares of the company are in Demat mode.

The securities of the Company are not listed at stock exchange as on 31 March 2023, therefore the following acts are **NOT APPLICABLE**

- a) Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- b) Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- c) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- d) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- e) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- f) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- g) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- h) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- j) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- k) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that –

The Board of Directors of the Company is duly constituted with requisite number of Independent Directors and Women Director as per the provisions of Companies Act, 2013. The appointment/cessation of the Directors took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance or with shorter consents as may be the case, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Based on the documents produced by the management, we are of the view that

meetings at shorter notice, are conducted with adequate consent of the Directors and the necessary compliances under the Act and Secretarial Standards on Board Meeting are complied with.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above **except the following –**

1. Change in Board & KMP:

- Mr. Ramesh Babu Nemani's (DIN: 08089820) appointment as Non-Executive Independent Director w.e.f. 23 March 2022 for a term of 5 years is regularized in the 15th AGM of the Company held on 30 September 2022
- Mr. Seshagiri Rao Adabala (DIN: 09608973) is appointed as Non-Executive Independent Director of the Company w.e.f. 25 October 2022 for a term of 5 years in the Extra-Ordinary General Meeting of the Shareholders of the Company held on 25 October 2022.
Further, he was also elected as Chairperson of the Company w.e.f. 23 November 2022.
- Mr. Sri Hari Rao Chaganti (DIN: 08729255), Non-Executive Director of the Company resigned from the office of directorship w.e.f. 23 November 2022 due to resignation.
- Mrs. Bhargavi Kandula, resigned as Chief Financial Officer(CFO) of the Company w.e.f. 16 December 2022.
- Mr. Srinivas Kamoji Gunupudi was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 03 January 2023.

2. Employee Stock Option Scheme (ESOP):

- The Company had implemented "Nova Agritech Limited Share Based Employee Benefit Scheme – 2022" ("Scheme") to create, issue, offer, grant, allot and/or transfer from time to time, upto a maximum of 5,00,000 (Five Lakh) Options / pursuant to the Scheme, in one or more tranches which shall be convertible into equal number of Equity Shares of ₹ 10/- (Rupees Ten) each, through an Nova Agritech Limited Employees Welfare Trust, a

trust established by the Company for implementation and/or administration of the Scheme (hereinafter referred to as "Trust"), in accordance with the provisions of the Scheme, SEBI (SBEBase) Regulations, 2021 vide members approval dated 19 December 2022.

- Pursuant to the such Scheme, the Company issued and allotted 5,00,000 equity shares of ₹ 10/- (Rupees Ten Only) each at a price of ₹ 25/- (including premium of ₹ 15/- per share) to "Nova Agritech Limited Employees Welfare Trust" on 06 January 2023.
- Accordingly, the share Capital of the Company increased from ₹ 12,54,05,480/- (Rupees Twelve Crore Fifty Four Lakhs Five Thousand Four Hundred and Eighty Only) to ₹ 13,04,05,480/- (Rupees Thirteen Crores Four Lakhs Five Thousand Four Hundred and Eighty Only).
- However, post sub-division of equity shares, the holding of "Nova Agritech Limited Employees Welfare Trust" as on 31 March 2023 is 25,00,000 Equity Shares of face value of ₹ 2/- each.

3. Sub-Division of Equity Shares:

- Pursuant to a resolution passed by the Board of Directors and Shareholders in their respective meetings held on January 18, 2023 and February 11, 2023 respectively, each Equity Share of the Company of ₹ 10/- each is sub divided into 5 (five) equity shares of ₹ 2/- each.
- Accordingly, 1,30,40,548 equity shares of our Company of face value of ₹ 10/- each were sub-divided into 65,202,740 Equity Shares of face value of ₹ 2/- each.

4. Alteration of MOA & AOA:

- During the year, the **Memorandum of Association** (MOA) was amended vide the resolution passed by Board of Directors dated January 18, 2023 and Shareholders dated February 11, 2023, to reflect –
 - (a) Sub-division in authorized share capital from ₹20,00,00,000/- divided into 2,00,00,000 Equity Shares of ₹10/- each to ₹20,00,00,000/- divided in 10,00,00,000 Equity Shares of ₹ 2/- each in Clause V of the MOA of the Company.

(b) Insertion of new sub-clauses 3, 4 and 5 after sub-clause 2 of Clause III (A) of the Main Objects of the MOA of the Company.

- During the year under review, the Company adopted new set of **Articles of Association** (AOA) of the Company vide the resolution passed by Board of Directors dated January 18, 2023 and Shareholders dated February 11, 2023, in substitution and suppression of the existing Articles of the Company.

5. Proposed Initial Public Offer (IPO):

- The Company filed Draft Red Herring Prospectus ("DRHP") with Securities Exchange Board of India ("SEBI") on March 03, 2023 proposing listing of its equity shares on BSE Limited and National Stock Exchange of India Limited. Through such Initial Public Offer(IPO), the Company proposes to raise additional fund of ₹140 Crores through "Fresh Offer". Further, existing shareholder of the Company namely Mr. Nutalapati Venkatasubbarao proposes to dilute his stake in the Company by disposing 77,58,620 Equity shares of ₹ 2/- each through IPO in "Offer for sale" category.
- Proposed public issue is with a view to utilize the funds for setting up a new formulation plant for the subsidiary Nova Agri Sciences Private Limited and for the expansion of the existing formulation plant. The funds are also used for working capital requirements, besides general corporate purposes.
- In view of proposed IPO, following committees were additionally constituted by the Company -
 - ✓ Risk Management Committee was constituted on February 27, 2023.
 - ✓ The IPO Committee was constituted on February 27, 2023.

Place: Hyderabad

Date: 2 September 2023

UDIN: F011891E000923406

PR: 3572/2023

For P. S. Rao & Associates
Practicing Company Secretaries



M Ramana Reddy

Sd/-

M Ramana Reddy

FCS - 11891

CP No. 18415

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

'Annexure A' to Secretarial Audit Report

To
The Members,
Nova Agritech Limited
CIN: U01119TG2007PLC053901,
Sy.No.251/A/1., Singannaguda Village,
Mulugu Mandal Siddipet, Medak – 502279
Telangana, India.

Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditors' Responsibility

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. We have not verified the correctness and appropriateness of financial records and books and accounts of the Company.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad

Date: 2 September 2023

UDIN: F011891E000923406

PR: 3572/2023

For P. S. Rao & Associates
Practicing Company Secretaries



M Ramana Reddy
M Ramana Reddy
FCS - 11891
CP No. 18415



Management Discussion and Analysis

[Pursuant to part B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) 2015]

Company Overview

Your Company is an agri-input manufacturer offering soil health management, crop nutrition and crop protection products focused on technology-based farmer driven solution approach, wherein we mainly offer ecologically sustainable and nutritionally balanced products based on our R&D. We 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 and
- (g) crop protection products

Currently, the crop protection products are manufactured by our subsidiary Nova Agri Sciences Private Limited.

As on 31 March 2023, we have received a total of 660 product registrations comprising of 7 registrations in the soil health management category, 168 registrations in the crop nutrition category, 4 registrations in bio pesticide category and 481 registrations in the crop protection category. All of the 481 registrations in the crop protection category are in the name of Nova Agri Sciences Private Limited. Further, we have applied for 55 registrations for new products across various categories in the name of Nova Agri Sciences Private Limited (NASPL) and 29 new registrations in the name of Nova Agritech Limited (NATL).

The Company currently has 37 registered trademarks in its name and our subsidiary NASPL has 107 registered trademarks in its name

We have a total dealer network comprising of approximately 10,900 dealers out of which approximately 6200 dealers are active to whom we have distributed and sold our products during the current financial year. Our dealer network is currently spread across 16 states of India namely Andhra Pradesh, Telangana, Maharashtra, Karnataka, Madhya Pradesh, Rajasthan, Chhattisgarh, Tamil Nadu, Uttar Pradesh, Odisha, West Bengal, Bihar, Gujarat, Jharkhand, Uttarakhand and Jammu & Kashmir and 02 in Nepal. We have also entered into marketing, distribution and supply agreements with certain third parties in Bangladesh, Sri Lanka and Vietnam and are currently awaiting the necessary permission to start business in these jurisdictions.

(a) Industry structure and developments

Agriculture is the primary source of livelihood for about 58% of India's population. As a result, the share of agriculture and allied sector to total economy's Gross Value Added (GVA) has been significant and has increased over the years as shown here in the table.

Percentage share of GVA of agriculture and allied sector to total economy

Year	% share
2018-19	17.6
2019-20	18.4
2020-21	20.2
2021-22	18.8

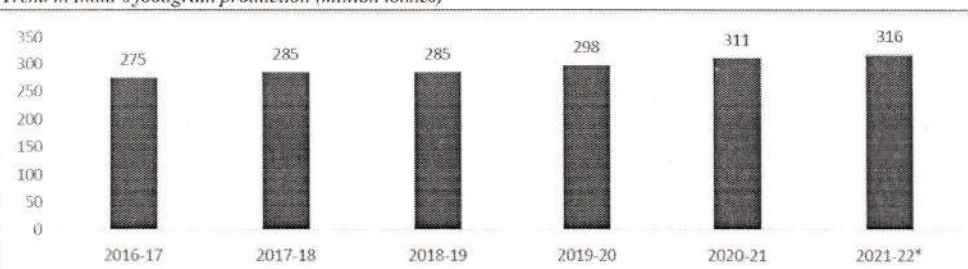
Source: PIB release and Economic Survey 2021-22

The agriculture sector has experienced steady growth in the past two years. As per the Economic Survey 2021-22, the sector is the largest employer of workforce and accounted for a sizeable 18.8% (2021-22) in Gross Value Added (GVA) of the country. Growth in allied sectors including livestock, dairying and fisheries has also been the major driver of overall growth in the sector. The expansion in share of agriculture and allied sectors' GVA is backed by an upward trend in the GVA of agriculture activities.

The growth in agriculture GVA has been supported by various measures on credit, market reforms and food processing. Moreover, in addition to several measures aimed at increasing productivity and improving marketing of agricultural produce, the government also carries out a large food management programme with a significant financial implication in terms of food subsidy.

While agriculture continues to be a significant part of Indian economy, the quantum of arable land in India has remained almost constant for a decade at around 154 million hectares. This is a fall of about 3.8% compared to around 160 million hectares of arable land in the year 2000 period as per the World Bank. On the other hand, population in India has almost increased in every passing year. From the year 2000 where the population was at 1.06 billion, it has grown significantly to 1.39 billion in 2021. With the upward trend in population, the demand for foodgrains continues to rise in India. To meet the domestic demand, foodgrain production in India has increased over the years. In the last five years 2016-17 to 2020-21, total foodgrain production in India grew at a CAGR of 3.1% from 275 million tonnes in 2016-17 to 311 million tonnes in 2020-21. With the increase in population and the arable land remaining almost constant, the Crop Nutrition and Crop Protection industry's role becomes very critical to ensure the food grain productivity is enhanced.

Trend in India's foodgrain production (million tonnes)



Source: Government of India (Ministry of Agriculture and Farmers Welfare)

*Note: * indicates Fourth Advance Estimates*

To ensure that the foodgrain production continues to rise with almost the same arable land and an expected increase in population, it becomes important for the Government to encourage farmers to focus on the farm productivity of India to ensure food security. Minimum Support Price (MSP), agricultural marketing, food management, food processing sector and sustainable farming are some of the steps taken by the Government for betterment of farmers in the country.

(b) Opportunities and Threats

Opportunities:

Nova Agritech Limited, established in the year 2007 was envisaged as agri-input manufacturer initially focusing on Crop Nutrition products and diversifying into Crop Protection products through its wholly-owned subsidiary Nova Agrisciences Private Limited. Combining cutting-edge technology with highly focused research and development, the company has achieved stellar growth and is today one of the well-known agri-inputs with a bouquet of products addressing the needs of the farming community. As the company progresses the strategy is to be recognized as fully integrated agri-inputs catering to the market with products in soil health management, crop nutrition, bio stimulants, bio pesticides, Integrated Pest Management, new technologies and crop protection products.

Your Company intends to work in ecologically sustainable and nutritionally balanced products and has introduced and is marketing various organic fertilisers, biofertilisers and soil conditioners. We are also working on specialty nutrient products to enhance the yields by providing balanced nutrients to the plants. We are foraying into liquid fertilizer category which is a booming vertical. We are also introducing new technologies like "NOVA BHUPARIKSHAK" (instant soil testing device) and "NOVA AGRIBOT" (drones for spraying crop nutrition and crop protection products).

In the near future the company will be working on backward integration by establishing technical manufacturing plant. Currently the company is focused on technical imports by registering products under TI. Considering the same NASPL has entered into Registration and Distribution Agreements for import and distribution of Technicals with Taiwanese and Chinese entities.

To understand and meet the requirements of the farming community, Nova runs a farmer outreach program called Nova Kisan Seva Kendra (NKSK) through which we educate farmers on various crop management practices. Our NKSK team compromises of NKSK Coordinators who are all agri-graduates. Kisan Mitras and Kisan Sevaks catering to the need of the farmers. at a grass root level. The key objective of NKSK is to provide farmers with need-based solutions, products, technologies, methodologies, knowhow and product usage skills thereby enhancing farm yield. The advantage of these dedicated teams is that they can understand the local language of the farmers and are trained to identify the problems in field and are skilled to give solutions, thus creating an emotional connect with the local farmers and providing ease of solutions. We also provide farming inputs to farmers regarding the appropriate amount of dosage and application of our products through new technology solutions as mentioned above.

We have a dedicated in-house R&D and a Quality Control / Quality Assurance facility at our manufacturing plant to support technology transfer for new products and an on-site process improvement incubation centre.

We also have tie-ups with various universities to get access of process know-how, innovation, R&D, knowledge transfer, technology transfer, product transfer, man power, development, etc. We have taken on lease 66.11 acres of land at Valaparla Village, Andhra Pradesh as a part of R&D, wherein we test the efficacy of our products on various crops.

Our Strengths

- ✓ One stop solution for soil health management, crop nutrition, bio stimulant, bio pesticides, Integrated Pest Management (IPM) and crop protection through diversified branded product portfolio.
- ✓ Established distribution network across various geographies through many dealers.
- ✓ Strengthening farmer outreach through Nova Kisan Seva Kendra
- ✓ Technology driven product development and marketing
- ✓ Focus on ecologically sustainable and nutritionally balanced products
- ✓ Experienced Management Team and Promoters
- ✓ Well Equipped Research & Development facility.

(c) Segment-wise or product-wise performance

NATL-CATEGORY WISE SALE VALUE INR

Category	2022-23 Sales Value Rs. Lakhs	% of 2022-23 Sales Contribution
Crop Nutrition	6,972.47	61.13
Soil Health Management	2,930.18	25.69
Pesticides	765.47	6.71
Intermediates	711.48	6.24
Others	23.73	0.21
IPM	2.69	0.02
Grand Total	11,406.01	100.00

NASPL-CATEGORY WISE SALE VALUE INR

Category	2022-23 Sales Value Rs. Lakhs	% of 2022-23 Sales Contribution
Insecticides	5,749.84	59.59
PGR	2,140.89	22.19
Herbicides	591.54	6.13
Fungicides	372.99	3.87
Intermediates	267.69	2.77
Others	526.58	5.46
Grand Total	9,649.53	100.00

NATL & NASPL TOTAL	21,055.54	
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Details of Product Category Wise registrations:

Year	For the year ended, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
<i>Soil Health Management</i>				
New products registered in that year	2	Nil	1	4
Year-end balance of registered products	7	5	5	4
<i>Crop Nutrition</i>				
New products registered in that year	35	9	1	37
Year-end balance of registered products	168	133	124	123
<i>Crop Protection</i>				
New products registered in that year	175	54	14	78
Year-end balance of registered products	481	306	252	238

(d) Outlook

The market for biofertilizer is expected to continue to grow in the coming years. This will be backed by better understanding of environmental hazards now which is caused by the use of synthetic agrichemicals, primarily the pollution and contamination of soil and growing health concerns that come along with it. As evidenced by past trends, the liquid based biofertilizers are expected to increase at a faster rate compared to that of carrier based biofertilizers.

There is an urgent need for a shift to more sustainable agricultural production method with a greater focus on promoting sustainable mechanism. Biofertilizers are considered one of the best strategies and a possible solution to meet the parallel challenges of global food security and environmental stability.

More aspects such as increased plant nutrient absorption, improved soil fertility, and lower human health risks associated with the product are some of the factors that will help in augmenting the biofertilizer industry market growth.

The overall Indian pesticides and other agrochemicals industry is estimated to increase at a CAGR of around 6% by 2026- 27 on account of an upward growth expected in the international market and a likely increase in domestic usage of pesticides in India.

The upward momentum in pesticides industry output is expected to continue going forward backed by a growth in food consumption in domestic market amid an expected increase in population, government support towards agriculture, demand from export markets, horticulture and floriculture market among others. The present usage of agrochemicals in India is low when compared to world average and this poses an opportunity for growth for your company. In addition to this, the government's aim to reduce dependency on China and improve self-sufficiency is expected to support industry's backward integration and thus its growth.

(e) Risks and concerns**(a) Economy Risk:**

Our business is dependent on the Indian economy. Any adverse development or slowdown in Indian economy may have an adverse impact on our business, results of operations and financial condition.

(b) Weather Risk:

The current geographic concentration of our operations creates an exposure to local economies, regional downturns and severe weather or other catastrophic occurrence.

(c) Competition Risk:

Competition from domestic and international players can impact the Company's business and market share if it fails to provide high-quality, high performing products, maintain supply reliability, and launch innovative solutions.

(d) Employee Risk:

The Agri-Input Industry requires skilled talent, and employees play a crucial role in maintaining relationships with the dealer network. Inability to attract or retain the right talent can impact operations and lead to business loss.

The Company has also constituted Risk Management Committee on 23 February 2023 to assess, monitor and mitigate the risks at various levels in the organizational structure. The Details of the Committee is given under Corporate Governance Report.

(f) Internal control systems and their adequacy

Your Company has adequate internal controls in place designed and developed to:

- 0 Safeguard its assets from unauthorised use or losses
- 0 Conduct its business operations efficiently in line with companies' policies
- 0 Maintain accuracy, completeness and reliability of the Financial and accounting records
- 0 Compliance on laws and regulations
- 0 Detect and prevent any fraud the frauds in the accounting and reporting system

The Internal Audit function undertakes the responsibility of determining the efficacy of controls on a regular basis. All reports are submitted to the Audit Committee for further actions.

(g) Discussion on financial performance with respect to operational performance**Financial performance with respect to Operational Performance****RESULT OF OPERATIONS**

Rs. Lakhs

Particulars	Mar '23	% of Total Revenue
Sales Revenue	210,55.54	
Other Income	37.82	
Cost of Material Consumed	121,34.02	57.6%
Gross Margin %	42.37%	
Employee Cost	27,30.80	13.0%
Other Expenses	23,18.84	11.0%
Operating Profit (EBITDA)	39,09.70	
EBIDTA (%)	18.53%	
Finance Cost	8,57.24	4.1%
Depreciation & Amortization	2,36.09	1.2%
Profit before Tax	28,16.37	13.4%
Provision for Tax	7,67.41	3.6%
Profit after Tax	20,48.96	9.7%
EPS (Rs.)	3.27	

(h) Material developments In Human Resources / Industrial Relations front, including number of people employed

Your Company strives to provide its employees with a congenial work environment that encourages a balanced, healthy, and safe lifestyle. The Company offers various growth opportunities, rewards merit, and recognizes employee achievements.

Company also has an in-house canteen and provide free of cost transportation and food facility to the employees. We also organize & celebrate various cultural events in the organization to relax, focus and re-energize so as to foster a more positive work environment.

Training programs are available to enhance employees' skills and promote inclusive growth and knowledge sharing. The Company continues to upgrade its HR processes and institutionalise them to create a value system and behavioural skills necessary for achieving short and long term goals.

The total employee strength of the Organisation as on 31 March, 2023 stood at 351.

(i) details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Particular	FY 2022-23	FY 2021-22	Variance (%)	Reason
Debtors Turnover	1.06	1.04	+1.92%	
Inventory Turnover	5.36	5.14	+4.28%	
Interest Coverage Ratio	4.56	3.89	+17.22%	1
Current Ratio	1.60	1.50	+6.7%	
Debt Equity Ratio	1.12	1.50	-25.3%	2
Operating Profit Margin (%)	18.53%	14.99%	+23.61	3
Net Profit Margin (%)	9.71%	7.38%	+31.6%	4

1. Increase in EBITDA and partial repayment of loans
2. Payment of Long Term Loan Maturities and improvement in financial performance
3. & 4. Better realization due to ideal product mix

(j) details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Return on net worth has increased from 37.8% to 38.5% due to better operational and financial performance.

Cautionary Statement: This report describes the Company's objectives, projections, estimates, and expectations may be "forward-looking statements" within applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets. It operates changes in the government regulations, tax laws, and other statutes & other incidental factors

Nova Agritech Limited

ANNEXURE VI

Report on Corporate Governance

[Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations") read with Schedule V thereto, compliance with the requirements of Corporate Governance is set out below:]

Our Philosophy on Code of Governance

The corporate governance philosophy of Nova Agritech Limited ("the Company") is driven by the interest of stakeholders and business needs of the organization. We believe that corporate governance is essential for the growth, profitability and stability of any business. Aligning itself to this philosophy, the Company has placed corporate governance on a high priority.

The Company believes that strong governance standards, focusing on fairness, transparency, accountability and responsibility are vital, not only for the healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company has, always, focused on good corporate governance, which is a key driver of sustainable corporate growth and long-term value creation for its stakeholders. The Company believes that corporate governance is not just limited to creating checks and balances; it is more about creating organizational excellence, leading to increased employee and customer satisfaction and shareholder value. The Company, always, endeavours to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision, and spark dynamism and entrepreneurship at all levels.

Board of Directors

As at 31 March 2023, our Board consists of 4 (four) Executive Directors and 4 (four) Non-Executive Independent Directors, including a Woman Independent Director. The Chairperson of the Board is a Non-Executive Independent Director. The Board is constituted as per the corporate governance requirements of the SEBI (LODR) Regulations. As per the declarations received by the Company from each of the Directors, during the year under review, none of them are disqualified under Section 164(2) of the Companies Act, 2013. The Independent Directors of the Company are in compliance with the provisions of Regulation 16(1)(b) of the SEBI (LODR) Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in listing regulations and are independent of the management.

The information on the Board of Directors, required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI LODR Regulations"), as amended, as on 31 March 2023 is stated below.

Name of the Director	Category	Number of Board Meetings eligible to attend during FY 2022-23	Number of Board Meetings attended during FY 2022-23	Whether attended the Annual General Meeting held on 30 September 2022	Number of Directorships in other Public Companies		Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	Chairman	Member	
Mrs. Malathi Siripurapu	Promoter - Executive	13	13	Yes	-	-	-	-	-
Mr. Kiran Kumar Atukuri	Promoter - Executive	13	13	Yes	-	-	-	-	-
Mr. Sreekanth Yenigalla	Promoter - Executive	13	13	Yes	-	-	-	-	-
Mr. Basanth Kumar Nadella	Executive	13	13	Yes	-	-	-	-	-
Ms. Swapna Kandula	Non-Executive Independent Director	13	13	No	-	-	-	-	-
Mr. Kiran Kumar Adapa	Non-Executive Independent Director	13	13	Yes	-	-	-	-	-
Mr. Ramesh Babu Nemani	Non-Executive Independent Director	13	13	Yes	-	4	3	7	3
*Mr. Adabala Seshagiri Rao	Non-Executive Independent Director	7	7	No	-	2	1	3	2
**Mr. Sri Hari Rao Chaganti	Non-Executive Director	7	7	No	-	-	-	-	-

* Mr. Adabala Seshagiri Rao was appointed as Non-Executive Independent Director for a period of 5 years with effect from 25 October 2022, and

**Mr. Sri Hari Rao Chaganti ceased to be Non-Executive Director of the Company, due to resignation, with effect from 23 November 2022.

- o No director is related to each other.
- o No Independent Director has any pecuniary relationship, transaction, or association with the Company, which adversely affects one's independence.
- o Non-Executive Independent Directors do not hold any share in the Company.

Details of the Board meetings

During FY 2022-23, 13 (Thirteen) board meetings were held. Details are given below.

Date of Board Meeting	Number of Directors entitled to attend	No. of Directors attended
09 May 2022	8	8
02 June 2022	8	8
18 August 2022	8	8
31 August 2022	8	8
20 September 2022	8	8
01 October 2022	8	8
23 November 2022	9	9
17 December 2022	8	8
06 January 2023	8	8
18 January 2023	8	8
16 February 2023	8	8
27 February 2023	8	8
03 March 2023	8	8

Independent Directors Meeting

The Independent Directors (IDs) conducted a meeting on 27 February 2023, without the presence of Non-Independent Directors, and Management. At this meeting, the IDs, inter alia, evaluated the performance of the Non-Independent Directors, and the Board of Directors as a whole, and also evaluated the performance of the Chairman of the Board, and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

Familiarization Programme for Independent Directors

The Company has a familiarisation programme for Independent Directors, with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc., and the same is available on the website of the Company under weblink <https://www.novaagri.in/>.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI (LODR) Regulations and are independent of the management.

During the year under review, no Independent Director has resigned before the expiry of one's tenure.

Core Competencies of the Board

In terms of the requirements of SEBI (LODR) Regulations, the Board identified list of core skills/ expertise/ competencies as required in the context of Company's business(es) and sector(s) for it to function effectively. Broadly, the essential skill sets, identified by the Board are categorized as under.

Name of Director	Skills/Expertise/Core Competencies
Mrs. Malathi Siripurapu	• Leadership and general management • Operational and domain expertise • Risk management
Mr. Kiran Kumar Atukuri	• Leadership and general management • Business and domain expertise • Strategic and business planning • Sales & Marketing Expertise • Corporate governance, risk and compliance
Mr. Sreekanth Yenigalla	• Business and domain expertise • Business Development planning • Business partnerships and collaborations. • Marketing Expertise
Mr. Basanth Kumar Nadella	• Research & Development expertise • Regulatory planning w.r.t. Business • Technical Expertise
Mrs. Swapna Kandula	• Corporate governance • Leadership and technical experience • Market and competitive intelligence

Mr. Kiran Kumar Adapa	• Industry & Domain experience • Corporate governance, risk and compliance
Mr. Ramesh Babu Nemani	• Corporate structuring & business administration • Financial and Management skills
Mr. Adabala Seshagiri Rao	• CSR and sustainability • Financial Management • Debt Structure planning

Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management is annexed to this report under Certificates in Annexure VII.

Committees of the Board

Audit Committee

The terms of reference of the Audit Committee cover the areas, as contemplated in Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as applicable, besides other terms as referred by the Board of Directors. The Committee, mandatorily, reviews information, which, inter alia, includes internal audit reports related to internal control weakness, management discussion and analysis of financial conditions, and results of operations, statement of significant related party transactions, appointment and removal of the auditors, and such other matters as prescribed from time to time. All the recommendations made by the Audit Committee were accepted by the Board.

The Audit Committee comprises three Independent Directors, and the Chairman of the Audit Committee is an Independent Director. All members of the Audit Committee are financially literate and have related financial management expertise by virtue of their experience and background.

During the year, the Committee met 7 (Seven) times i.e., on 09 May 2022, 18 August 2022, 31 August 2022, 23 November 2022, 17 December 2022, 18 January 2023, and 27 February 2023. The composition of the Audit Committee (AC) on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	Mr. Ramesh Babu Nemani	Chairman	Non-Executive Independent	7	7

2.	Mr. Adapa Kiran Kumar	Member	Non-Executive Independent	7	7
3.	*Mr. Adabala Seshagiri Rao	Member	Non-Executive Independent	3	3
4.	#Ms. Swapna Kandula	Member	Non-Executive Independent	4	4

* Mr. Adabala Seshagiri Rao was appointed as a member of the AC with effect from 23 November 2022;

#Ms. Swapna Kandula ceases to be a member of the AC with effect from 23 November 2022;

The maximum gap between any two meetings was less than 120 days. The Statutory Auditor, the Internal Auditor are also invited to the meetings of the Audit Committee.

The terms of reference of the Audit Committee was approved by a Board Resolution dated 27 February 2023.

Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee covers the areas, as contemplated in Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, besides other terms as referred by the Board of Directors, and include formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board; formulation of criteria for evaluation of Independent Directors and the Board; identification of persons who are qualified to become directors, and who may be appointed in senior management roles, in accordance with the criteria laid down, and recommending to the Board their appointment, removal, and noting their cessation; recommending to the Board on extension or continuation of the terms of appointment of the independent directors; and carrying out any other function, as referred by the Board from time to time, or enforced by any statutory notification / amendment or modification, as may be applicable.

The Nomination and Remuneration Committee consists of three Non-Executive Independent Directors. During the year, the Committee met 5 (five) times on 31 August 2022, 01 October 2022, 23 November 2022, 17 December 2022, and 27 February 2023.

The composition of the Nomination and Remuneration Committee (NRC) on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/ Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	*Mr. Ramesh Babu Nemani	Chairman	Non-Executive Independent	2	2
2.	Mr. Adapa Kiran Kumar	Member	Non-Executive Independent	5	5
3.	#Ms. Swapna Kandula	Member	Non-Executive Independent	5	5
4.	^Mr. Sri Hari Rao	Member	Non-Executive	3	3

* Mr. Ramesh Babu Nemani was appointed as a Chairman of the NRC with effect from 23 November 2022;

#Ms. Swapna Kandula ceases to be a Chairman of the NRC with effect from 23 November 2022;

^Mr. Sri Hari Rao ceases to be a member of the NRC with effect from 23 November 2022;

The terms of reference of the Nomination and Remuneration Committee was approved by a Board Resolution dated 27 February 2023

Salient Features of Nomination and Remuneration Policy and Weblink

The contents of the Nomination and Remuneration Policy are available at www.novaagri.in/. The Policy includes guiding the Board in relation to appointment, removal of Directors, KMP and senior Management, and their remuneration, including criteria for determining qualifications, positive attributes, independence of a director, and other matters provided in Section 178(3) of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 are covered in the Policy.

Performance evaluation of the Independent Directors

Performance evaluation criteria for Independent Directors is as per the Nomination and Remuneration Policy. Performance evaluation of Independent Directors is done by the entire Board.

Stakeholders' Relationship Committee

The terms of reference of the Stakeholders Relationship Committee, inter alia, include resolving the grievances of the security holders of the listed entity, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the listed entity, in respect of various services being rendered by the Registrar & Share Transfer Agent; review of the various measures and initiatives taken by the listed entity for

reducing the quantum of unclaimed dividends, and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

The remit of the Stakeholders Relationship Committee is to consider and resolve the grievances of the security-holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

During the financial year, the committee met on 31 August 2022.

The composition of the Stakeholders Relationship Committee (SRC) as on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/ Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	* Ms. Swapna Kandula	Chairman	Non-Executive Independent	1	1
2.	#Mr. Adapa Kiran Kumar	Member	Non-Executive Independent	1	1
3.	@Mr. Ramesh Babu Nemani	Member	Non-Executive Independent	1	1
4.	^Mr. Sri Hari Rao	Member	Non-Executive	1	1

* Ms. Swapna Kandula was appointed as a Chairman of the SRC with effect from 23 November 2022;

#Mr. Kiran Kumar Adapa ceases to be a Chairman of the SRC with effect from 23 November 2022;

@Mr. Ramesh Babu Nemani was appointed as Member of SRC with effect from 23 November 2022;

^Mr. Sri Hari Rao ceases to be a member of the SRC with effect from 23 November 2022;

The terms of reference of the Stakeholders Relationship Committee was approved by a Board Resolution dated 27 February 2023

The Company attends to the investors' grievances/ correspondence expeditiously. The Company has not received any complaint from the shareholders during the financial year 2022-23. There is no complaint pending as on 31 March 2023.

Corporate Social Responsibility (CSR) Committee

CSR Committee is constituted in line with the provisions of Section 135 of the Act. The Committee oversees, inter alia, corporate social responsibility and other related matters, as may be referred by the Board of Directors, and discharges the roles, as prescribed under Section 135 of the Companies Act, 2013, which include formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy, indicating the activities to be undertaken by the Company, in

conformity with Schedule VII of the Companies Act, 2013 and rules thereof; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. The brief outline of the CSR Policy of the Company, and the initiatives undertaken by the Company on CSR during the financial year are set out in Annexure VIII to the Board's Report, in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the financial year under review, the CSR Committee meeting was held on 31 August 2022 and 17 December 2023. The composition of the CSR Committee (CSRC) on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	*Mr. Kiran Kumar Atukuri	Chairman	Executive	2	2
2.	Mr. Adapa Kiran Kumar	Member	Non-Executive Independent	2	2
3.	#Mr. Adabala Seshagiri Rao	Member	Non-Executive Independent	1	1
4.	^Mr. Sri Hari Rao	Chairman	Non-Executive	1	1

*Mr. Kiran Kumar Atukuri was appointed as a Chairman of the CSRC with effect from 23 November 2022;

#Mr. Adabala Seshagiri Rao was appointed as a member of the CSRC with effect from 23 November 2022;

^Mr. Sri Hari Rao ceases to be a Chairman and member of the CSRC with effect from 23 November 2022;

The terms of reference of the CSR Committee was approved by a Board Resolution dated 27 February 2023

Risk Management Committee

The Risk Management Committee was constituted by a Board Resolution dated 27 February 2023.

The terms of reference of the Risk Management Committee, inter alia, include formulate a detailed risk management policy, monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems, periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

During the financial year under review, the Risk Management Committee meeting was held on 03 March 2023. The composition of the Risk Management Committee on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	Mr. Kiran Kumar Atukuri	Chairman	Executive	1	1
2.	Mr. Adabala Seshagiri Rao	Member	Non-Executive Independent	1	1
3.	Mr. Ramesh Babu Nemani	Member	Non-Executive Independent	1	1

IPO Committee

The IPO Committee was constituted by a Board Resolution dated 27 February 2023.

The terms of reference of the Risk Management Committee, inter alia, include finalising and deciding upon all the actions w.r.t. proposed IPO of the Company.

During the financial year under review, the IPO Committee meeting was held on 03 March 2023. The composition of the IPO Committee on 31 March 2023, and details of its meetings are provided hereunder.

S. No.	Name of the Member	Chairman/Member	Category of the Director	No. of Meetings entitled to attend	Meetings attended
1.	Mr. Adabala Seshagiri Rao	Chairman	Non-Executive Independent	1	1
2.	Mr. Kiran Kumar Adapa	Member	Non-Executive Independent	1	1
3.	Mr. Ramesh Babu Nemani	Member	Non-Executive Independent	1	1

Senior Management

Particulars of the Senior Management including the changes therein since the close of previous financial year:

S. No.	Name of Key Managerial Personnel (KMP)	Designation
1.	Mr. Kamoji Srinivas Gunupudi	Chief Financial Officer (CFO)
2.	Ms. Neha Soni	Company Secretary (CS)

Following constitutes the Senior Management of the Company apart from the Key Managerial Personnel of the Company as on 31 March 2023:

S. No.	Name	Department	Designation
1.	Mr. Harshavardhan Reddy Kunta	Marketing	Marketing Head – South
2.	Mr. P V Uday Kiran	Human Resource	Vice President –Legal and Human Resource
3.	Dr. Dhana Raj Boina	Research and Development	Head-Research and Development-Quality Control

Directors' Remuneration

The details of remuneration paid or payable to the Directors for the financial year ended 31 March 2023 are as under.

Name of Director	Salary	Perquisites and other benefits	Commission	Sitting fee	Total
Mrs. Malathi Siripurapu	2,71,82,000	-	-	-	2,71,82,000
Mr. Kiran Kumar Atukuri	53,56,000	-	-	-	53,56,000
Mr. Sreekanth Yenigalla	53,16,000	-	-	-	53,16,000
Mr. Basanth Kumar Nadella	33,11,000	-	-	-	33,11,000

The remuneration paid/payable to directors are within the limits approved by the shareholders.

During the financial year 2022-23, the Non-Executive Directors were not paid any sitting fee for attending meeting of the Board.

The criteria for making payments to Non-Executive Directors are made available on the website of the company under the weblink <https://www.novaagri.in/>.

There was no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, and no investments in shares / securities of the Company.

The Company has not provided any stock options to its directors. However, Company has implemented Nova Agritech Limited Share Based Employee Benefit Scheme – 2022 for ESOPs.

The information relating to remuneration and other details, required pursuant to Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is not applicable as the Company is yet to be listed.

General Body Meetings

a) Details of place, date and time of Annual General Meetings held during the last three years:

Annual General Meetings

Financial Year	No.	Date	Day	Time	Venue
2019-20	13 th AGM	31 December 2020	Thursday	4.00 PM	Registered Office
2020-21	14 th AGM	30 November 2021	Tuesday	4.00 PM	Registered Office
2021-22	15 th AGM	30 September 2022	Friday	4.00 PM	Registered Office

Special Resolutions passed in the previous three Annual General Meetings

2020	Nil All Ordinary Resolutions were passed
2021	a) Re-appointment of Mr. Kiran Kumar Atukuri (DIN: 08143781) as a Managing Director of the Company. b) Change in designation of Mr. Sreekanth Yenigalla (DIN: 07228577) from Non-Executive Director to Whole-Time-Director designated as Director (Marketing) of the Company. c) Change in designation of Mr. Basanth Kumar Nadella (DIN: 08139510) from Non-Executive Director to Whole-Time-Director designated as Director (Technical) of the Company
2022	Nil All Ordinary Resolutions were passed

Special Resolutions passed in the previous year through postal ballot

NA

Special Resolutions passed in the Extra-Ordinary General Meetings held in the FY 2022-23

25 October 2022	1. Appointment of Mr. Adabala Seshagiri Rao (DIN: 09608973) as Non-Executive Independent Director of the Company
19 December 2022	1. Approval of Nova Agritech Limited Share Based Employee Benefit Scheme – 2022 ("the Scheme") and grant of Options/SARs/Other Benefits under the Scheme 2. Approval to grant Options/SARs/Shares/Other Benefits to the employees of group company including Subsidiary Company(ies) or Associate Company, if any, of the Company under Nova Agritech Limited Share Based Employee Benefit Scheme – 2022 ("the Scheme). 3. Approval for grant of Options /SARs/Shares/Other Benefits to the identified employee(s) during any one year, equal to or exceeding one percent of the issued capital of the Company at the time of grant

	4. Approval of the implementation of "Nova Agritech Limited Share Based Employee Benefit Scheme – 2022" through Trust Route 5. Approval of provisioning of money to trust by the Company for implementation of Nova Agritech Limited Share Based Employee Benefit Scheme – 2022 6. Increase the Overall Managerial Remuneration payable by the Company 7. Authority for creation of charges, mortgages, and hypothecation on the immovable and movable properties of the Company under Section 180(1)(a) of the Companies Act, 2013 8. Increase the Borrowing Powers under Section 180(1)(c) of the Companies Act, 2013 upto Rs. 500 Cr 9. Increase the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate 10. Authority to extend loan(s) and giving guarantee(s) or providing securities in terms of provisions of Section 185 of the Companies Act, 2013 11. Approval of Related Party Transactions in terms of provisions of Section 188 of the Companies Act, 2013
11 February 2023	1. Sub-Division of the Nominal Value of Equity Shares of the Company 2. Amendment to the Memorandum of Association of the Company 3. Adoption of new set of Articles of Association of the Company as per Companies Act, 2013
01 March 2023	1. Initial Public Offering (IPO) of Shares of "Nova Agritech Limited". 2. Increase on limit for total holdings by Non-Residents Indians and /or Overseas Citizens of India on Repatriation Basis in the Company.

Means of Communication

Your Company maintains a website www.novaagri.in, wherein there is a dedicated section 'Investor Relations'. The website provides the information/ documents required to be placed as per the SEBI (LODR) Regulations.

General Shareholder Information.

(a) Annual General Meeting

16th AGM for FY 2022-23

Date & Time: 30 September 2023 at 4.00 PM

Venue: Registered Office

(b) Financial Year: April to March

(c) Dividend payment date

The Company has not declared dividend this year.

(d) Listing on stock exchange(s)

Your company proposes to access capital markets by way of an Initial Public offer and get its shares listed on the Stock Exchanges.

(e) Stock Code: Not Applicable**(f) Market Price Data: High, Low during each month in the financial year 2022-23**

Not Applicable

(g) Performance of share price in comparison with broad-based indices

Not Applicable

(h) Suspension from trading

Not Applicable

(i) Registrar and Share Transfer Agents

Bigshare Services Private Limited

Office No S6-2, 6th Floor Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai - 400093, India.

Email: ipo@bigshareonline.com

(j) Share Transfer System

All the shares of the Company are in demat mode and it can be transferred through the Depository Participant (DP) of the shareholders. The Company engages the services of M/s. Bigshare Services Private Limited, Mumbai for any transfers, transmissions in the Company which are carried out in accordance with the provisions of Companies Act, 2013.

(k) Distribution of Shareholding as on 31 March 2023

Range of equity shares	No. of shareholders	% of shareholders	No. of shares of Rs. 2/- each	% of holding
1-500	3	37.5	100	0
501-1,000	-	-	-	-
1,001-2,000	-	-	-	-
2,001-3,000	-	-	-	-
3,001-4,000	-	-	-	-
4,001-5,000	-	-	-	-
5,001-10,000	-	-	-	-
More than 10,000	5	62.5	6,52,02,640	99.99
Total	8	100	6,52,02,740	100

Shareholding Pattern as on 31 March 2023

S. No.	Category of shareholder	No. of shareholders	No. of shares of Rs. 2/- each	% of share holding
A	Promoter & Promoter Group	3	5,49,44,020	84.26
B	Public	4	77,58,720	11.90
C	Non-Promoter - Non-Public	-	-	-
	(i) Shares underlying DRs	-	-	-
	(ii) Shares held by Employee Trusts	1	25,00,000	3.83
Total		8	6,52,02,740	100

(l) **Dematerialisation and Liquidity**

All the shares of your Company are in demat mode.

(m) **Outstanding: GDR/ADR/Warrants/Options/any convertible instrument**

As on 31 March 2023, the Company has no GDR /ADR/Warrants/ Options/any other convertible instruments.

(n) **Commodity price risk or foreign exchange risk and hedging activities:** Not Applicable(o) **Plant Locations**

Sy.No.251/A/1., Singannaguda Village Mulugu Mandal
Medak, Siddipet - 502279
Telangana, India

(p) **Address for Correspondence**

Registered cum Corporate Office:
Sy.No.251/A/1., Singannaguda.Village Mulugu Mandal
Medak, Siddipet - 502279
Telangana, India

(q) **Credit ratings** obtained by the entity, along with any revisions thereto, during the relevant financial year, for all debt instruments of such entity, or any fixed deposit programme, or any scheme or proposal of the listed entity, involving mobilization of funds, whether in India or abroad - Nil**Other Disclosures**

(a) No related party transaction was entered into by the Company, which is materially significant that may have potential conflict with the interests of the listed entity, at large. The disclosures of all related party transactions are set out in notes forming part of the financial

statements. The Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the website of the Company, under the weblink <https://www.novaagri.in/>.

(b) We, hereby, affirm that there is no non-compliance by the Company and/or no penalties, strictures were imposed on the Company by National Stock Exchange or SEBI, or any statutory authority, or any matter related to capital markets during the last three years.

(c) Establishment of Vigil Mechanism

The Company has adopted a whistle-blower policy, establishing a vigil mechanism to provide a formal mechanism to the directors and employees to report concern about unethical behaviour, actual or suspected fraud, or violation of code of conduct and ethics. It, also, provides for adequate safeguards against the victimization of employees, who avail of the mechanism and provides direct access to the Chairman of the Audit Committee in exceptional cases.

The Company has established a vigil mechanism for reporting concerns through the whistle-blower policy of the Company. The policy provides for a framework and process, for the employees and directors, to report genuine concerns or grievances about illegal and unethical behaviour.

The whistle-blower policy aims to conduct the affairs in a fair and transparent manner by adopting higher standards of professionalism, honesty, integrity and ethical behaviour. All permanent employees of the Company are covered by the whistle-blower policy. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website under the weblink <https://www.novaagri.in/>.

(d) The Company has complied with the mandatory requirements of listing regulations. Further, the Company is also trying to put its best endeavour to comply with non-mandatory requirement(s).

(e) Policy for determining material subsidiaries of the Company is available on the website of the Company under the weblink <https://www.novaagri.in/>.

(f) Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions is available on the website of the Company under the weblink <https://www.novaagri.in/>.

(g) Commodity price risk or foreign exchange risk and hedging activities: **Not Applicable**

- (h) During the financial year under review, the Company has not raised any fund through financial preferential allotment, or qualified institutional placement, as specified in Regulation 32 (7 A).
- (i) Certificate stating that no Director on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/ Ministry of Corporate Affairs, or any such statutory authority, is annexed with this report.
- (j) During the financial year under review, there is no such instance that the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required.

(k) **Remuneration to Statutory Auditors**

Particulars	Amount (in Lakhs)
Total fees paid by the Company and its subsidiaries on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity, of which statutory auditor is part	13.11 Lakhs

- (l) During the financial year under review, the Company has not received any complaint on sexual harassment.
- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year - NA
- c. number of complaints pending as on end of the financial year - NA
- (m) Details of loans and advances in the nature of loans to firms/companies, in which directors are interested - Nil
- (n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory:

S. No.	Name of the Subsidiary/Joint Venture/Associate	Relationship	Date and Place of Incorporation	Name and Date of appointment of the statutory auditors
1.	Nova Agri Sciences Private Limited (Material Subsidiary)	Wholly-owned Subsidiary	12/05/2010 Hyderabad, Telangana (erstwhile Andhra Pradesh)	M/s NSVR & Associates LLP

Note: Only Material Subsidiary in terms of Regulation 24 of SEBI (LODR) Regulations, 2015 are reported herein.

- (o) The certificate, in terms of Regulation 17(8), read with Part B of Schedule II of the listing regulations, is annexed to this report.

(p) All the requirements of Corporate Governance Report, as specified under sub-paras (2) to (10) of Clause C of Schedule V of SEBI (LODR) Regulations, have been complied with.

(q) There has been no instance of non-compliance of any requirement of Corporate Governance Report, as prescribed under SEBI (LODR) Regulations, 2015.

Adoption of Non-Mandatory Requirements as Stipulated in Part E of Schedule II of SEBI (LODR) Regulations

- The Board:

The Non-executive Chairperson, being resident of the same city as of the Company, visits the Company's Registered Office /stores as and when deemed necessary. Hence, no separate office as such is required to be maintained.

- Shareholders' rights:

All the quarterly financial results shall be placed on the Company's Website, www.novaagri.in, apart from publishing the same in the Newspapers along and submission to Stock Exchanges, upon Listing.

- Modified opinion(s) in audit report:

There are no modified opinion in Audit Reports.

- Separate posts of Chairperson and the Managing Director or the CEO:

Mr. Adabala Seshagiri Rao is the Non-Executive Chairperson of the Company and Mr. Kiran Kumar Atukuri is the Managing Director of the Company and are not related.

- Reporting of internal auditor

The internal auditor reports directly to the audit committee.

By the Order of the Board

FOR NOVA AGRITECH LIMITED

Place: Singannaguda
Date: 02 September 2023



Sd/-
SREEKANTH YENIGALLA
WHOLE-TIME-DIRECTOR
DIN: 07228577

Sd/-
KIRAN KUMAR ATUKURI
MANAGING DIRECTOR
DIN: 08143781

Nova Agritech Limited

ANNEXURE VII

Certificate on Corporate Governance

(Pursuant to Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
NOVA AGRITECH LIMITED

We have examined the compliance of conditions of corporate governance by **Nova Agritech Limited** ('the Company') for the year ended 31 March 2023, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('listing regulations'), as referred to in Regulation 15(2) of the said regulations.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion, and to the best of our information, and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance, as stipulated in the above-mentioned listing regulations.

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

Place: Hyderabad
Date: 02 September 2023
UDIN: 23230675BGWGSJ2970

For NSVR & Associates LLP
Chartered Accountants FRN: 008801S/S200060



Sd/-
P. Venkat Ratnam
Partner
Membership No. 230675

Certificate on Non-Disqualification of Directors

(Pursuant to Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
NOVA AGRITECH LIMITED

We have examined the relevant registers, records, forms, returns and disclosures, received from the Directors of **Nova Agritech Limited** (CIN: U01119TG2007PLC053901), having registered office at Sy.No.251/A/1.,Singannaguda Village Mulugu Mandal Siddipet Medak TG 502279 IN (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion, and to the best of our information, and according to the verifications (including Directors Identification Number (DIN) status on the MCA portal), as considered necessary and explanations furnished to us by the Company, and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31 March 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

Place: Hyderabad
Date: 02 September 2023
UDIN: 23230675BGWGS13635

For NSVR & Associates LLP
Chartered Accountants FRN/008801S/S200060



Sd/-
P. Venkat Ratnam
Partner
Membership No. 230675

Board Confirmation

(Pursuant to Regulation 34(3) and Schedule V Para C clause (2)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Based on the assessment carried out by the Board of Directors of the Company ("Board"), and the declarations of independence submitted by the Independent Directors, this is to confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of executive management of the Company.

For and on behalf of the Board

Nova Agritech Limited

Place: Hyderabad

Date: 02 September 2023




Sd/-
Kiran Kumar Atukuri
Managing Director
DIN: 08143781

Declaration**Compliance with the Company's Code of Conduct**

(Pursuant to Regulation 34(3) and Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I, **Kiran Kumar Atukuri, Managing Director** of Nova Agritech Limited ("the Company"), hereby, confirm that the Board has laid down a Code of Conduct for all Board members, Senior Management and Independent Directors of the Company, in accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Companies Act, 2013. The Code of Conduct is available on the website of the Company.

I, further hereby, confirm that all the Board of Directors and the senior management personnel have affirmed compliance with the code of conduct and ethics for the financial year ended 31 March 2023.

Place: Hyderabad

Date: 02 September 2023

**For and on behalf of the Board
Nova Agritech Limited**




Sd/-
Kiran Kumar Atukuri
Managing Director
DIN: 08143781

Compliance Certificate

[Under Regulation 17(8) and 33(2) (a) of SEBI (LODR) Regulation, 2015]

We, Kiran Kumar Atukuri, Managing Director and K. Srinivas Gunupudi, Chief Financial Officer (CFO) of Nova Agritech Limited hereby certify as under:

- A) We have reviewed the un-audited financial statements (both standalone and consolidated) ("financial statements") for the quarter and financial year ended 31 March, 2023 ("the quarter"), and that to the best of our knowledge and belief:
- These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - These financial statements, together, present a true and fair view of the listed entity's affairs, and are in compliance with existing accounting standards, applicable laws and regulations.
- B) We confirm that to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and financial year ended 31 March, 2023, are fraudulent, illegal or violative of the Company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting, and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, and the steps that we have taken or propose to take to rectify these deficiencies commensurate with the size of the organization.
- D) We have indicated to the Auditors and the Audit Committee that:
- There have been no significant changes in internal control over financial reporting during the year.
 - There have been no significant changes in accounting policies during the year.
 - There have been no instances of significant fraud, of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad

Date: 02 September 2023



[Signature]
Sd/-
Kiran Kumar Atukuri
Managing Director
DIN: 08143781

For and on behalf of the Board
Nova Agritech Limited

[Signature]
Sd/-
K. Srinivas Gunupudi
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To the members of Nova Agritech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Nova Agritech Limited ("the Company"), which comprise the balance sheet as on 31st March, 2023, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity for the period ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for period ended on that date.

Basis for Opinion

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

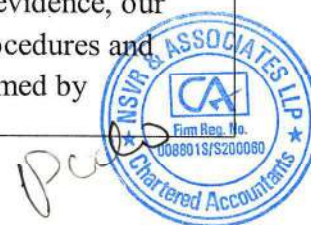
Our opinion is not modified in respect of this matter.



Key Audit Matters

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

Key audit matter	How the matter was addressed in our audit
1. Trade Receivables And Trade Payables : Net Trade Receivables amounting to Rs.6,505.65 lakhs Trade Payables amounting to Rs.2, 393.01 lakhs. Both Trade receivables & Trade Payables are recognized at their anticipated realized value, which is the Original invoice amount less estimated value of allowance. Both Trade receivables & Trade Payables are considered as key audit matters in the audit due to size of trade receivables & trade payables balance and the high level of management judgment used in determining the provision.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors, amongst others, include the following: • We obtained balance confirmations from both vendors and customers on sample basis; • We analyzed the aging of trade receivables & payables; and • We obtained a list of long outstanding receivables, Payables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.
2. Valuation of inventory : The Net carrying value of the inventory is Rs.2,937.86 Lakhs as on 31.03.2023 which is 24.32% of the total	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by



assets of the company. Valuation of Inventories is considered as key audit matter in the audit due to size of the Inventory and valuation of Inventory includes management judgment. According to financial statements and accounting principles inventories are measured at lower of cost or net realizable value. The company has specific procedure to identify the risk of obsolescence and measure the inventories at cost or net realizable value.	component auditors, amongst others, include the following: • We have obtained written confirmations of inventories held by the stores in-charge of different locations. • We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current year purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.
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We have employed analytical procedures such as reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the corresponding period; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the yearly 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 other information as stated above is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone financial statements does not cover the other information and we



do not express any form of assurance conclusion thereon.

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



CHARTERED ACCOUNTANTS

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.

We have obtained sufficient appropriate audit evidence regarding the financial information of the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements of which we are the independent auditors.

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

We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



CHARTERED ACCOUNTANTS

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2021 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, The Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies



- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/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 Standalone Ind AS 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. The 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.
 - v. The management has represented to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whetherto the best of their recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



CHARTERED ACCOUNTANTS

- vi. Based on the audit procedures performed by us, which has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) contain any material mis-statement.
- vii. The company hasn't declared any Dividend for the current period.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Registration No. 008801S/S200060

**P Venkata Ratnam**

Partner

M.no: 230675

UDIN: 23230675BGWGRD1081

Place: Hyderabad

Date: 02-09-2023

Annexure - A to the Independent Auditors' Report

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nova Agritech Limited ("the Company") as on 31st March, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and



operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 008801S/S200060

**P. Venkata Ratnam**

Partner

M.no: 230675

UDIN: 23230675BGWGRD1081

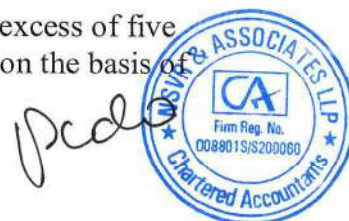
Place: Hyderabad

Date: 02-09-2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nova Agritech Limited of even date)

- i. In respect of the Company's Property, Plant and Equipment:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including leased assets.
 - (b) The Company has maintained proper records showing full particulars of intangible assets.
 - (c) Maintenance of Proper records for Intangible records is applicable to the company.
 - (d) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (e) According to the information and explanations given to us, the company owns immovable Properties at the balance sheet date, hence the titled deeds of such immovable properties are held in the name of the company.
 - (f) The Company has not revalued any of its Property, Plant and Equipment including right of use assets during the year.
 - (g) No proceedings have been initiated during the year or are pending against the Company as on 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
- a) As explained to us, the physical verification of inventories, excluding stocks lying with third parties, have been conducted at reasonable intervals by the Management during the year. In case of inventories lying with third parties, certificates of stocks holding have been received.
 - b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.
 - d) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of



security of current assets. 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 explanations 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 invested in Nova agri sciences Private limited and given corporate guarantee to Nova Agri Sciences Private Limited for an amounts of 800 lakhs.
- v. The company has not accepted any deposits from public and hence the directives issued by the Reserve bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the act and the companies (Acceptance of deposits) rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. According to the information and explanation given to us, the company has made and maintained the cost records for its manufactured goods (and/or services provided by it) as prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. 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, 2023 for a period of more than six months from the date they became payable.
- (b) There are no disputed dues pending as on 31st March, 2023.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- ix. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- x. 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.
- During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- No whistle blower complaints received by the Company during the year (and upto the date of this report).
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 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. As per provisions of section 138 of Companies Act, 2013 "Internal Audit" is not applicable to the company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the 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.
- 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, the auditor's knowledge of the Board of Directors and management plans, we are Opinion that no material uncertainty exists as on the date of the audit report of the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- xx. Transfer to fund specified under Schedule VII of Companies Act, 2013 is not applicable to the company.
- xxi. There is no Qualification or adverse remarks by the respective auditors in the CARO reports of the group companies.

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 008801S/ S200060

**P. Venkata Ratnam**

Partner

Membership No: 230675

UDIN: 23230675BGWGRD1081

Place: Hyderabad

Date: 02-09-2023

PART I FORM OF BALANCE SHEET
NOVA AGRITECH LIMITED
SY.No.251/A/1, SINGANNAGUDA VILLAGE MULUGU MANDAL SIDDIPET, MEDAK TG 502279 IN
CIN : U01119TG2007PLC053901
STANDALONE BALANCE SHEET AS AT 31 MARCH 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property plant and Equipment	3	1,296.06	1,490.08
Capital Work Inprogress	3	63.00	5.04
Intangible assets	3	0.12	0.16
Financial assets			-
(i) Investments	4	185.01	185.01
(ii) Loans	5	5.53	42.83
(iii) Other financial assets	6	25.82	26.33
Deferred Tax Asset (Net)	7	278.12	286.60
Total non-Current assets		1,853.65	2,036.04
Current assets			
Inventories	8	2,937.86	2,861.06
Financial assets			
(i) Trade receivables	9	6,505.65	7,265.46
(ii) Cash and cash equivalents	10	257.27	132.28
(iii) Other financial assets	11	1.93	2.35
Other current assets	12	525.75	563.56
Total current assets		10,228.46	10,824.71
TOTAL ASSETS		12,082.11	12,860.75
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,254.05	1,254.05
Other Equity	13	2,693.06	1,833.02
Total Equity		3,947.11	3,087.07
Liabilities			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	14	1,192.32	1,695.05
(ii) Other financial liabilities	15	64.30	64.83
Provisions	16	74.68	84.43
Total non-current liabilities		1,331.29	1,844.30
Current liabilities			
Financial Liabilities			
(i) Borrowings	17	3,387.31	3,021.25
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	18	764.79	771.61
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	1,628.22	2,958.26
Other current liabilities	19	584.81	818.78
Provisions	20	73.65	55.59
Current tax liabilities (Net)	21	364.92	303.89
Total current liabilities		6,803.70	7,929.37
TOTAL EQUITY AND LIABILITIES		12,082.11	12,860.75

The accompanying notes are an integral part of the financial information.

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Regd No. 1088013/S200060

Firm Reg. No. 0088013/S200060

VENKATA RATNAM P

Partner

Membership No. 230675

UDIN: 23230675BGWGRD1081



On behalf of Board of Directors
For NOVA AGRITECH LIMITED

KIRAN KUMAR A
(Managing Director)
(DIN: 08143781)

SREEKANTH Y
(Director)
(DIN: 07228577)

BASANTH KUMAR N
(Director)
(DIN: 08139510)

Gunupudi Kamoji Srinivas
(Chief Financial officer)

NEHA SONI
(Company Secretary)

Place : Hyderabad

Date : 02-09-2023

PART II FORM OF STATEMENT OF PROFIT AND LOSS
NOVA AGRITECH LIMITED
SY.No.251/A/1, SINGANNAGUDA VILLAGE MULUGU MANDAL SIDDIPET, MEDAK TG 502279 IN
CIN : U01119TG2007PLC053901
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contract with customers	22	11,674.81	11,601.20
Other Income	23	41.81	4.03
Total Income		11,716.62	11,605.23
Expenses:			
Cost of raw materials consumed	24	6,093.25	7,900.66
Changes in inventories of finished goods and work-in-progress	25	272.73	-1,396.52
Employee benefits expense	26	1,648.46	2,175.31
Finance costs	27	670.82	617.26
Depreciation and amortization expense	28	177.60	185.04
Other expenses	29	1,637.90	1,437.58
Total Expenses		10,500.76	10,919.34
Profit/(loss) before exceptional items and tax from continuing operations (I- IV)		1,215.86	685.89
Exceptional Items			
Profit/(loss) before tax from continuing operations (V-VI)		1,215.86	685.89
Profit before tax (VII - VIII)		1,215.86	685.89
Tax expense:			
(1) Current tax		364.92	219.24
(2) Deferred tax		8.48	-37.43
Profit/(Loss) for the year from continuing operations		842.46	504.08
Profit/(loss) from discontinued operations (after tax)			
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(17.58)	(7.20)
Tax impact on above items		4.42	1.81
B (i) Items that will be reclassified to profit or loss			
Other comprehensive income for the year, net of tax		(13.15)	(5.39)
Total Comprehensive Income for the year, net of tax (IX+X+XI)		855.61	509.47
Restated earnings per share			
(Nominal value per equity share of ₹ 10 each)			
(1) Basic Earnings per equity share		1.34	0.80
(2) Diluted Earnings per equity share		1.34	0.80

The accompanying notes are an integral part of the financial information.

As per our report of even date attached

On behalf of Board of Directors

For NSVR & ASSOCIATES LLP.,

Chartered Accountants

Firm Regd No: 008801/S/200060

Firm Reg. No. 008801/S/200060

VENKATA RATNAM P

Partner

Membership No. 230675

UDIN: 23230675BGWGRD1081



For NOVA AGRITECH LIMITED

KIRAN KUMAR A
(Managing Director)
(DIN: 08143781)

SREEKANTH Y
(Director)
(DIN: 07228577)

Gumugudi Ramoji Sripivas
(Chief financial officer)

BASANTH KUMAR N
(Director)
(DIN: 08139510)
NEHA SONI
(Company Secretary)

Place : Hyderabad

Date : 02-09-2023

PART III FORM OF STATEMENT OF CASH FLOWS
NOVA AGRITECH LIMITED
SY.No.251/A/1, SINGANNAGUDA VILLAGE MULUGU MANDAL SIDDIPET, MEDAK TG 502279 IN
CIN : U01119TG2007PLC053901
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

Particulars	As at 31 March 2023	As at 31 March 2022
A. Cash flow from operating activities		
Net profit before tax as per restated statement of profit and loss	1,215.86	685.89
Adjustments for :		
Depreciation and amortization expenses	177.60	185.04
Provision for expenses and expected credit loss	131.48	78.01
Finance costs	670.82	617.26
(profit)/loss on sale of Assets	-	-
Operating profit before working capital changes	2,195.76	1,566.21
Adjustments for working capital changes in: (increase)/decrease in operating assets:		
Trade receivables	628.33	(1,154.52)
Other financial assets	0.93	0.60
Inventories	(76.80)	(818.18)
Other current assets	(44.11)	(18.33)
Trade payables	(1,336.86)	1,641.48
Other financial liabilities	(26.56)	50.53
Other current liabilities	(233.97)	(6.42)
Non current provisions	(9.75)	12.76
Current provisions	18.06	0.31
Cash generated from operations	1,115.04	1,274.43
Income tax paid	(303.89)	(377.45)
Net cash flows generated (used in)/from operating activities (A)	811.15	896.98
B. Cash flow from investing activities		
Purchase of property, plant and equipment including CWIP and capital advances and capital creditors	(51.90)	(342.73)
Sale proceeds from sale of Fixed Assets	92.31	-
Decrease/(Increase) in Capital Work-in Progress	-	(5.04)
Decrease/(Increase) in Other Non current Loans & Advances	37.30	16.42
Net cash flows (used in)/from investing activities (B)	77.71	-331.36
Cash flows from Financing Activities		
Proceeds from/ (Repayment of) Non current Borrowings	(502.73)	208.08
Proceeds from/ (Repayment of) Other Non current Borrowings	-	(208.78)
proceeds from short term Borrowings	409.68	169.03
Finance costs	(670.82)	(617.26)
Net cash flows (used in)/from financing activities (C)	(763.87)	(448.94)
Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)	124.99	116.69
Cash and cash equivalents at the beginning of the year	132.28	15.60
Cash and cash equivalents at the end of the year	257.27	132.28

Components of Cash and Cash Equivalents at the end of the year	As at 31 March 2023	As at 31 March 2022
(a) Cash on hand	56.60	34.20
(b) Current account balance with bank	200.67	98.08
(c) Current Borrowings	-	-
Total	257.27	132.28

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and Cash Equivalents/ Bank Balances	257.27	132.28
Less: Unclaim dividend	-	-
Cash and Cash Equivalents/ Bank Balances	257.27	132.28

The accompanying notes are an integral part of the restated financial information.

As per our report of even date attached
For NSVR & ASSOCIATES LLP
Chartered Accountants
Firm Regd No. 008801S/S200060
008801S/S200060
VENKATA RATNAM P
Partner
Membership No. 230675
UDIN: 23230675BGWGRD1081

Place : Hyderabad
Date : 02-09-2023



On behalf of Board of Directors
For NOVA AGRITECH LIMITED
KIRAN KUMAR A
(Managing Director)
(DIN: 08143781)

SREEKANTH Y
(Director)
(DIN: 07228577)

BASANTH KUMAR N
(Director)
(DIN: 08139510)

Gunupudi Kamoji Srinivas
(Chief financial officer)

NEHA SONI
(Company Secretary)

PART IV FORM OF STATEMENT OF CHANGES IN EQUITY
NOVA AGRITECH LIMITED
SY.No.251/A/1,SINGANNAGUDA VILLAGE MULUGU Mandal,SIDDIPET,MEDAK TG 502279 IN
CIN : U01119TG2007PLC053901

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(All amounts are specified in lakhs unless otherwise specified)

Particulars	Equity share capital		Other equity		
	No of Shares	Amount	Reserves and Surplus		
			Retained earnings	Other comprehensive income	Total
As on 01-04-2021	125.41	1,254.05	1,273.61	48.13	1,321.74
Adjustment					
Adjusted balance as in 01-04-2021	125.41	1,254.05	1,273.61		1,321.74
Profit or loss for the year			504.08		504.08
Other comprehensive income				7.20	7.20
Total comprehensive income			504.08		511.28
As on 1-04-2022	125.41	1,254.05	1,777.68	55.33	1,833.02
Adjustment					
Adjusted balance as on 01-04-2022	125.41	1,254.05	1,777.68	55.33	1,833.02
Profit or loss for the year			842.46	-	842.46
Other comprehensive income			-	17.58	17.58
Less : Expenses on IPO			-	-	-
Total comprehensive income			842.46	-	860.04
As on 31-03-2023	125.41	1,254.05	2,620.14	72.91	2,693.06

For NSVR & ASSOCIATES LLP.,
Chartered Accountants
Firm Regd No. 008801S/S200060
Firm Reg. No. 008801S/S200060
VENKATA RATNAM P
Partner
Membership No. 230675
UDIN: 23230675BGWGRD1081



On behalf of Board of Directors
For NOVA AGRITECH LIMITED

KIRAN KUMAR A
(Managing Director)
(DIN: 08143781)

SREEKANTH Y
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(DIN: 07228577)

BASANTH KUMAR N
(Director)
(DIN: 08139510)

Gunupudi Kamaji Srinivas
(Chief Financial Officer)

NEHA SONI
(Company Secretary)

Place : Hyderabad
Date : 02-09-2023

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Information

Nova Agritech Limited company was incorporated on 09th May 2007 with CIN U01119TG2004PTC053901 having office situated 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 Agritech Limited is an agri-input manufacturer offering soil health management, crop nutrition and crop protection products focused on tech-based farmer driven solution approach, wherein we mainly offer ecologically sustainable and nutritionally balanced products based on our R&D. The Company manufactures, distributes and markets 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

The company was initially incorporated with the name “Nova Agritech Private Limited” and subsequently changed its name to “Nova Agritech Limited” and converted into a public limited company .

1.2 Basis of Preparation of financial Statements

a) Statement of Compliance

The financial statements of Nova Agritech Limited have been prepared and presented in accordance with and in compliance to 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 2022.

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 2023. These financial statements for the year ended 31 March 2023 were approved by the Company’s Board of Directors on 2nd September 2023.



b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- b) 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
- c) Long-term borrowings are measured at amortized cost using the effective interest rate method and

2. Summary of significant accounting policies

2.1 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 realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2 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.

2.3 Fair value measurement

The Company measures financial instruments, such as, derivatives 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 minimising the use of unobservable inputs.

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, 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 recognised 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 categorisation (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.

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial 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 was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

2.5 Property plant and equipment:

The cost of an item of property, plant and equipment are recognised 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, non-refundable 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.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

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

Depreciation

Depreciation on items of PPE is provided on written down value basis, computed on the basis of useful lives as mentioned in Schedule II to the Companies Act, 2013. Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

The estimated useful lives are as follows:

Type of Asset	Estimated Useful Life
Office Equipment	5 Years
Computers And Data Processing Units	3 Years
Furniture and Fittings	10 Years
Motor Vehicles	8 Years
Plant & Machinery	8 Years
Buildings	30 Years
Electrical Installations and Equipment	10 Years

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each



reporting date is disclosed as capital advances under other assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress.

2.6 Intangible assets

Research and development expenses:

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Otherwise, it is recognised in profit or loss as incurred.

Subsequent to initial recognition, development expenditure, capitalized if any, is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets – Other intangible assets that are acquired by the company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

2.7 Financial instruments

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

a. Financial assets

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, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

- (i) 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 amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at 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 recognised 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.

Debt instrument at 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.

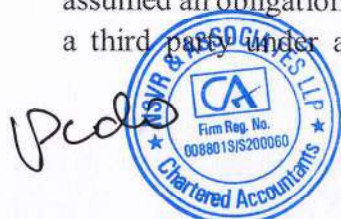
Equity Instruments

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. There is no recycling of the amounts from OCI to 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 asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has



transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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)

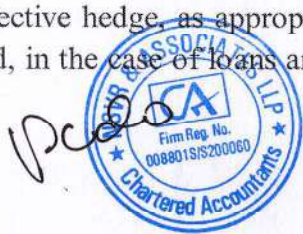
The company follows simplified approach for recognition of impairment loss allowance on trade receivables and under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date right from its initial 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.

b. 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 recognised 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 risk 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 recognised in the statement of profit and loss.

Loans and borrowings

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised 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 costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognised 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 recognised 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 recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8 Investment in Subsidiaries, Associates and Joint Ventures

The company has accounted for its investments in equity shares of Subsidiaries, associates and joint venture at cost less impairment loss (if any).

2.9 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.

2.10 Inventory

Inventories consist of raw materials, stores and spares, work-in-progress and finished goods. Cost includes expenditures incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition including octroi and other levies, transit insurance and receiving charges and excluding rebates and Discounts. In the case of finished goods and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

The method of valuing the inventories is as follows:

- Raw-materials, Stores, Packing materials, Spare parts are valued at cost/ Net realizable value, whichever is less.
- Finished goods are valued at cost / Net realizable value, whichever is less.
- Cost of inventories is ascertained on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is



determined with reference to the selling prices of related finished products.

2.11 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.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

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.

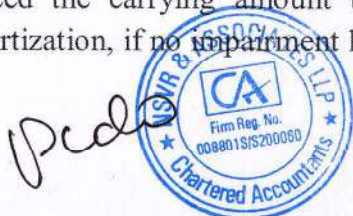
For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

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.



2.12 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 recognised in the statement of profit and loss in the period in which they arise.

Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

2.13 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.

2.14 Revenue recognition:

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 is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

Revenue from providing services is recognised in the accounting period in which such services are rendered. At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Revenues in excess/short of invoicing are classified as assets/liabilities, as the case may be.

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 recognising the refund liability the Company also recognises 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.



2.1 Dividend and Interest Income

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee and term deposits.

Interest income or expense is recognised using the effective interest method (EIR).

Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

2.15 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.18 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised 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

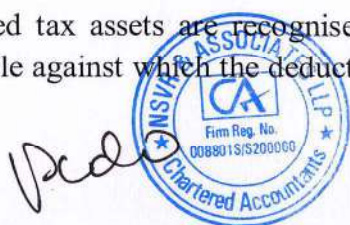
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised 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 recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax



credits and unused tax losses can be 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 utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified year, i.e., the year for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

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 recognised 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.

2.19 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.

2.20 Segment reporting

The Company is engaged in the in "manufacture, distribute and marketing bio pesticide products" and the same constitutes a single reportable business segment as per Ind AS 108.

2.21 Share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

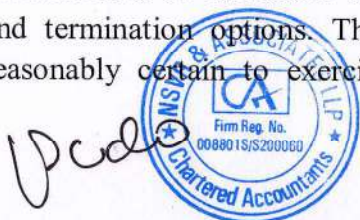
2.22 Significant accounting judgements, estimates, and assumption

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:

Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. That is, it



considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values 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. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

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 recognised 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.

2.23 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and had there is no significant impact on the standalone financial statements.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the standalone financial statements.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework

This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.



In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the company as there were no transactions within the scope of these amendments that arose during the period.

2.24 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

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In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the standalone financial statements of the company as



there were no transactions within the scope of these amendments that arose during the period.

2.25 New Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

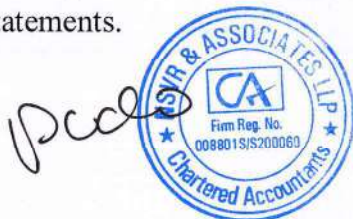
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The group does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its standalone financial statements.



NOTE NO. 3 -DEPRECIATION AS PER COMPANIES ACT 2013

S No	Head of Asset	Gross Block				Accumulated Depreciation				Net Block	
		Opening	Additions	Deletions	closing	Opening	During the year	Deletions	closing	As at 31 March 2023	As at 31 March 2022
1	Office Equipment	10.73	0.87	-	11.59	7.50	2.04	-	9.54	2.05	3.22
2	Computers & Peripherals	97.29	14.08	-	111.37	67.34	23.98	-	91.32	20.05	29.94
3	Furniture & Fixtures	28.25	20.72	-	48.97	15.07	4.60	-	19.67	29.30	13.19
4	Motor Vehicles	111.66	-	-	111.66	36.71	15.89	-	52.59	59.07	74.95
5	Plant & Machinery	223.56	21.25	-	244.81	101.15	44.99	-	146.15	98.66	122.41
6	Buildings	1,029.46	6.69	90.80	945.35	258.04	75.21	31.43	301.82	643.52	771.41
7	Land	445.48	-	32.94	412.54	-	-	-	-	412.54	445.48
8	Electrical Equipment	39.54	12.25	-	51.79	10.07	10.85	-	20.92	30.87	29.47
9	Intangible Assets	0.38	-	-	0.38	0.22	0.04	-	0.27	0.12	0.16
	Total	1,986.35	75.85	123.74	1,938.46	496.10	177.60	31.43	642.28	1,296.17	1,490.22
	Capital Work in Progress	5.04	63.00	5.04	63.00	-	-	-	-	63.00	5.04



NOVA AGRITECH LIMITED
Standalone Notes Forming Integral Part of the Balance Sheet as at 31 MARCH 2023

Note -4 INVESTMENTS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Investment in Subsidiaries :		
	Investments in Equity Shares		
	Nova Agri Sciences Private Limited (100%)	180.00	180.00
	Nova Agri Seeds Private Limited (100%)	5.00	5.00
	Investments In Others		
	Agri Genome Resources India Pvt Ltd (1%)	0.01	0.01
	Total in	185.01	185.01

* Purchased 100 number of shares at Rs.1000 holding 1% of shares of the company.

** Purchased 1800000 shares for Rs. 18000000/- holding 100% of total shares of the company

*** Purchases 50000 shares for Rs. 500000/- holding 100% of total shares of the company

Note-5 LOANS & ADVANCES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Inter corporate Deposits & Other Advances	5.53	42.83
	Total in	5.53	42.83

Note-6 Other Financial Assets

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Security Deposits	25.82	26.33
	Total in	25.82	26.33

Note-7 DEFERRED TAX ASSET (NET)

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Deferred Tax Asset	278.12	286.60
	Total in	278.12	286.60

Note-8 INVENTORIES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Closing Stock of :		
	Raw material	653.33	319.49
	Finished Goods	1,861.63	2,134.37
	Packing Material	422.90	407.20
	Total in	2,937.86	2,861.06

Components of work in progress consists of the cost of materials, finished goods and packing materials as follows.

Particulars	As at 31 March 2023	As at 31 March 2022
Closing work-in-progress		
cost of raw materials	653.33	319.49
cost of finished goods	1,861.63	2,134.37
others (packing materials)	422.90	407.20
Total	2,937.86	2,861.06

*Inventories are provided as security for borrowings (cash credit limits) as mentioned in note 15



Note-9 TRADE RECEIVABLES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Sundry Debtors:		
	- Others	7,176.89	8,117.22
	(-) Allowance for doubtful receivables	671.24	851.75
	Total in	6,505.65	7,265.46

Particulars	As on 31-03-2023			
	< 6 Months	1-2 Years	2-3 Years	More Than 3 Year
Undisputed Trade Receivables - Considered as good	4,654.94	168.04	126.99	6,716.66
Disputed Trade Receivables - Considered as good				460.23
Less :- Loss Allowance On Debtors				671.24
Total	4,654.94	168.04	126.99	6,505.65

Particulars	As on 31-03-2022			
	< 6 Months	1-2 Years	2-3 Years	More Than 3 Year
Undisputed Trade Receivables - Considered as good	5,098.44	280.14	132.73	7,538.38
Disputed Trade Receivables - Considered as good				578.84
Less :- Loss Allowance On Debtors				851.75
Total	5,098.44	280.14	132.73	7,265.46

Particulars	As at 31 March 2023	As at 31 March 2022
Loss allowance for doubtful debtors		
Opening	851.75	773.74
Current year	131.48	78.01
Bad debts written off	311.99	
Closing	671.24	851.75



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Note-10 CASH & CASH EQUIVALENTS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
a	<u>Cash-in-Hand</u> Cash Balance	56.60	34.20
	Sub Total (A)	56.60	34.20
b	<u>Bank Balance</u> Balances with Current Accounts	200.67	98.08
	Sub Total (B)	200.67	98.08
	Total [A + B]	257.27	132.28

Note-11 Other Financial Assets

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Security Deposits	1.93	2.35
	Total in	1.93	2.35

Note-12 OTHER CURRENT ASSETS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Advances to Employees	41.21	23.90
2	Balance with revenue Authorities	35.67	336.74
3	Other Advances	162.88	105.48
4	Advances to Material Suppliers	106.64	
5	Advance For Capital Assets	179.36	97.44
	Total in	525.75	563.56



NOVA AGRITECH LIMITED

Standalone Notes Forming Integral Part of the Balance Sheet as at 31 March 2023

NOTE : 13(a) SHARE CAPITAL

S.No	Particulars	As at 31 March 2023		As at 31 March 2022	
		Number	Amount	Number	Amount
1	<u>AUTHORIZED CAPITAL</u>				
	10,00,00,000 Equity Shares of Rs. 2/- each.	10,00,00,000	2,000		
	2,00,00,000 Equity shares of Rs.10/- each.			2,00,00,000	2,000.00
		10,00,00,000	2,000.00	2,00,00,000	2,000.00
2	<u>ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL</u>				
	6,27,02,740 Equity Shares of Rs. 2/- each,	6,27,02,740	1,254.05		
	25,00,000 Equity shares of Rs.2 /- each	25,00,000	50.00		
	Less : Treasury shares	(25,00,000)	(50.00)		
	1,25.40,548 Equity shares of Rs.10/-each			1,25,40,548.00	1,254.05
	Total in	6,27,02,740	1,254.05	1,25,40,548	1,254.05

3 Reconciliation of Number of Shares

Equity Shares	As at 31 March 2023		As at 31 March 2022	
	Number	Amount	No of shares	Amount
Balance as at the beginning of the year	1,25,40,548	0.01	1,25,40,548	1,254.05
Add: Shares issued during the Year	25,00,000	50.00	-	-
Less : Treasury shares	25,00,000	50.00	-	-
Add : On split of shares	6,27,02,740	1,254.05	-	-
Balance as at the end of the year	6,27,02,740	1,254.05	1,25,40,548	1,254.05



4 Details of Shareholders Holding more than 5% of shares in the company

	As at 31 March 2023		As at 31 March 2022	
	No of shares	% of holding in the class	No of shares	% of holding in the class
Equity Shares:				
Name of the Share Holder				
Yeluri Sambasiva Rao (HUF)	-	-	5,04,000	4.02%
Yeluri Malathi	84,21,620	13.43%	16,84,324	13.43%
Y Sambasiva Rao	-	-	57,22,872	45.64%
Suraksha Agri Retail (India) Private Limited	1,53,88,040	24.54%	30,77,608	24.54%
Yeluri Family Trust	3,11,34,360	49.65%	-	0.00%
NV subba rao	77,58,620	12.37%	15,51,724	12.37%
TOTAL	6,27,02,640	100.00%	1,25,40,528	100.00%

a. Rights attached to Equity Shares:

The company has only one class of Equity shares having a par value of Rs. 2/- each . The shareholders have equal rights per share in terms of dividend, voting & Assets of the company.

*During the FY 2022-23 as on 6 January 2023 the company has allotted the 5,00,000 equity shares of Rs.10/- each at fair value of Rs.25/- each to the Nova Agritech Limited Employee Welfare Trust under the Nova Agritech Limited Share Based Employee Benefit Scheme 2022. The same were considered as treasury shares and not included in paid up capital of the company.

Pursuant to a resolution of our Board dated January 18, 2023 and Shareholders' resolution dated February 11, 2023, wherein each Equity Share of our Company of face value of ₹ 10 each, fully paid-up, was sub-divided into five Equity Shares of our Company of face value of ₹ 2 each and accordingly, 1,25,40,548 equity shares of our Company of face value of ₹ 2 each were sub-divided into 6,27,02,740 Equity Shares of face value of ₹ 2 each.



NOVA AGRITECH LIMITED
Standalone Notes Forming Integral Part of the Balance Sheet as at 31 March 2023

Note-13(b) OTHER EQUITY

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Securities Premium		
	Opening Balance	-	-
	Add: Shares issued during the year	-	-
	Less: Bonus shares issued out of Securities Premium	-	-
	Closing Balance		-
2	Surplus (Profit & Loss Account)	2,693.06	1,833.02
	Balance brought forward from previous year	1,833.02	1,321.74
	Add: Profit for the period	860.04	511.28
	Less: Bonus shares issued during the year		
	Total	2,693.06	1,833.02

Note-14 LONG TERM BORROWINGS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Secured Loans		
	Vehicle Loan From Banks On Hypothecation of Vehicles	24.78	44.77
	Corporation loan	423.02	584.11
	Long Term portion of Borrowings	447.80	628.89
2	Unsecured Loans		
	Term Loan From Sri Ram City Finance	535.97	654.20
	From Directors	208.09	407.80
	Vehicle loans	0.45	2.64
	Term Loan From India Infoline Finance Limited	-	1.52
	Total in `	1,192.32	1,695.05

S.No	Bank	Amt.	ROI	Repayment Amount	Security	Amt. Outstanding
1	Indus Bank	Rs.15.60Lakhs	9.05%	Repayable in 60 monthly equal installments of Rs.32853/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 21.90 lakhs	1.70
2	Indus Bank	Rs.7.70 Lakhs	9.05%	Repayable in 60 monthly equal installments of Rs.16294/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	0.94
3	Corporation Bank	Rs. 80 Lakhs	11.05%	Repayable in 84 monthly equal installments of Rs.132400/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 99.39 lakhs	16.28
4	Corporation Covid	Rs.240 Lakhs	10.05%	Repayable in 60 monthly equal installments of Rs.666666/- each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	239.91
5	ICICI Bank	Rs. 20.87 Lakhs	8.80%	Repayable in 60 monthly equal installments of Rs.43163/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	2.11
6	ICICI Bank	Rs.12.19Lakhs	8.80%	Repayable in 60 monthly equal installments of Rs.25637/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	1.25
7	ICICI Bank	Rs.12.19Lakhs	8.80%	Repayable in 60 monthly equal installments of Rs.25637/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	1.25
8	Corporation Covid	Rs. 240 Lakhs	10.00%	Repayable in 18 monthly equal installment of Rs. 133333/-each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	-
9	IIFL	Rs.40 Lakhs	8.80%	Repayable in 60 monthly equal installment of Rs. 146624/-each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	-



10	Corporation Covid	Rs.405 Lakhs	10.05%	Repayable in 60 monthly equal installments of Rs.305753/- each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	358.74
11	Vehicle Loan UBI 1	Rs. 16 Lakhs	5.95%	Repayable in 80monthly equal installments of Rs.24384/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	13.58
12	Vehicle Loan UBI 2	Rs. 16 Lakhs	5.95%	Repayable in 80monthly equal installments of Rs.24384/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	13.58
13	Shri Ram City	Rs. 1000 Lakhs	26.80%	Repayable in 60 monthly equal installments of Rs. 3041667/- each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	654.20

Note-15 OTHER FINANCIAL LIABILITIES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Security Deposits from Dealers	33.05	34.55
2	Other Payable	31.25	30.28
	Total in `	64.30	64.83

Note-16 PROVISIONS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Provision for Gratuity	74.68	84.43
	Total in `	74.68	84.43

Note-17 SHORT TERM BORROWINGS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Secured Loans		
	- From Corporation Bank CC	2,968.60	2,592.76
	- Credit Cards	99.39	65.56
	Current maturities	319.32	362.93
	Total in `	3,387.31	3,021.25

S.no	Name of bank	amount sanctioned	date of sanction	Security	DP limit	Amount O/S
1	Corporation bank	3000 Lakhs	13th Feb 2023	Secured by Hypothecation of Stock, Trade receivables & all other current assets of the company	3000 Lakhs	2,968.60



Note-18 TRADE PAYABLES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Supplier for Goods & Services	2,393.01	3,729.87
	Total in `	2,393.01	3,729.87

Particulars	As on 31-03-2023			
	Less Than 1 Year	1-2 Years	2-3 Years	> 3 Years
	Total			
(i) Un disputed MSME	764.79			764.79
(ii) Un disputed Others	1,589.45	38.77		1,628.22
Total	2,354.24	38.77	-	2,393.01

Particulars	As on 31-03-2022			
	Less Than 1 Year	1-2 Years	2-3 Years	> 3 Years
	Total			
(i) Un disputed MSME	726.27			726.27
(ii) Un disputed Others	2,956.53	5.53	39.81	2,998.11
Total	3,682.80	5.53	41.54	3,729.87

Dues to micro small and medium :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
The amounts remain unpaid to micro and small supplies at the end of the year :-		
- Principal	764.79	771.61
- Interest		
The amount of interest paid by the buyer on terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during each accounting year.		
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.		
The amount of interest accrued and remaining unpaid at the end of each accounting year ; and The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance 295 as a deductible expenditure under section 23 of the MSMED Act		



Note-19 OTHER CURRENT LIABILITIES

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Statutory Dues Payables	152.96	214.17
2	Expenses payable	431.85	604.61
	Total in `	584.81	818.78

Note- 20 SHORT TERM PROVISIONS

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
1	Provision For Taxation (Net of TDS & Advance Tax)		
2	Provision for Gratuity	12.63	4.56
4	Proviion for credit sales	61.02	51.03
	Total in `	73.65	55.59

Note- 21 Current tax liability

S.No	Particulars	As at 31 March 2023	As at 31 March 2022
	Provision For Taxation (Net of TDS & Advance Tax)	364.92	303.89
	Total in `	364.92	303.89



NOVA AGRITECH LIMITED
Standalone Notes Forming Integral Part of the Profit & Loss statement for the year ended 31 March 2023

NOTE : 22 REVENUE FROM OPERATIONS

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a	Revenue from operations	11,674.81	11,601.20
	Total (A)	11,674.81	11,601.20
b	Other operating income		
	Interest Income	-	-
	Rental Income	-	-
	Packing Income	-	-
	Sale of Scrap	-	-
	Total in	11,674.81	11,601.20

NOTE : 23 OTHER INCOME

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Other Income	41.81	4.03
2	Gain on Foreign Exchange fluctuation	-	-
3	Discount received	-	-
4	Misc. Income	-	-
	Total in	41.81	4.03

NOTE : 24 PURCHASES

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a	Raw material		
	Opening	319.49	875.27
	Closing	653.33	319.49
	Purchases (Net)	6,442.78	7,322.32
b	Packing Material		
	Opening	407.20	429.77
	Closing	422.90	407.20
	Total	6,093.25	7,900.66
	Sub-total (a)	6,093.25	7,900.66
	Total in	6,093.25	7,900.66



NOTE : 25 CHANGE IN INVENTORIES OF FINISHED GOODS

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	Finished goods		
	Opening Stock	2,134.37	737.85
	Closing Stock	1,861.63	2,134.37
	Total in `	272.73	-1,396.52

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

Particulars	Raw Materials	Finished Goods	Packing Materials
Opening	319.49	2,134.37	407.20
Closing	653.33	1,861.63	422.90
Change In Inventory	-333.83	272.73	-15.70

NOTE : 26 EMPLOYEE BENEFIT EXPENSES

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
	Salaries and Wages	1,533.96	2,030.81
	Contribution to provident fund and other funds	78.44	82.97
	Staff welfare expenses	36.06	61.53
	Total in	1,648.46	2,175.31

NOTE : 27 FINANCE COST

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Interest on CC	293.20	249.38
2	Interest On Terms Loans	343.50	345.88
3	Other Borrowing Costs	34.12	22.00
	Total in	670.82	617.26

NOTE : 28 DEPRECIATION & AMORTIZATION

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Depreciation on Fixed Assets	177.60	185.04
	Total in	177.60	185.04



NOTE : 29 OTHER EXPENSES

S.No	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Power & Fuel	38.43	23.98
2	Rental Expense	3.02	3.55
3	Repairs & Maintenance	58.15	34.33
4	Research & Development Expenses	50.54	48.93
5	Transport Charges	561.87	549.72
6	Travelling Expense	327.07	294.28
7	Office Maintenance	38.78	16.07
8	Marketing Expenses	103.52	61.51
9	Subscriptions & Renewals	2.98	0.80
10	Bank Charges	5.77	1.44
11	Discount Allowed	-	16.48
12	Training Expenses	0.10	0.50
13	Insurance Expenses	40.78	48.72
14	Rates & Taxes	33.70	48.68
15	Consultancy Charges	103.94	69.29
16	Audit Fees	7.00	6.00
17	Loading & Unloading Expenses	19.40	18.72
18	Pooja Expenses	0.07	0.14
19	Postage & Courier Charges	2.87	3.42
20	Printing & Stationary Expenses	9.17	10.53
21	Allowance for Doubtful debts	131.48	78.01
22	Telephone & Internet Charges	21.00	27.39
23	Other Expenses	14.01	65.53
24	Loss on Foreign exchange	54.57	
25	CSR Expenses	9.69	9.55
	Total in	1,637.90	1,437.58



30. Changes in liabilities arising from financing activities

For the year ended 31 March 2023

Particulars	Current Borrowings	Non-current Borrowings
As at 1 April 2022	2,658.32	2,057.98
Borrowings made during the year	409.68	-
Borrowings repaid during the year		(546.34)
Effect of changes in foreign exchange rates	-	-
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
As at 31 March 2023	3,068.00	1,511.64

For the year ended 31 March 2022

Particulars	Current Borrowings	Non-current Borrowings
As at 1 April 2021	2,489.29	1,866.73
Borrowings made during the year	169.03	191.25
Borrowings repaid during the year	-	-
Effect of changes in foreign exchange rates	-	-
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
As at 31 March 2022	2,658.32	2,057.98

31. Auditor's remuneration

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory Audit Fees	5.00	5.00
Tax Audit Fees	2.00	1.00
Total	7.00	6.00



32. Earning per share

Particulars	For the Year ended 31 st March 2023	For the Year ended 31 st March 2022
Earnings		
Profit / (Loss) attributable to equity shareholders of the Company.	842.46	504.08
Shares		
Weighted average number of equity shares outstanding during the year – Basic	627.03	627.03
Weighted average number of equity shares outstanding during the year – Diluted	627.03	627.03
Restated earnings per Equity share of par value of Rs. 2 – Basic (Rs.)	1.34	0.80
Restated earnings per Equity share of par value of Rs. 2 – Diluted (Rs.)	1.34	0.80

Pursuant to a resolution of our Board dated January 18, 2023 and Shareholders' resolution dated February 11, 2023, wherein each Equity Share of our Company of face value of ₹ 10 each, fully paid-up, was sub-divided into five Equity Shares of our Company of face value of ₹ 2 each and accordingly, 1,25,40,548 equity shares of our Company of face value of ₹ 2 each were sub-divided into 6,27,02,740 Equity Shares of face value of ₹ 2 each.

In a Capitalisation or bonus issue or a share split, the number of ordinary shares outstanding is increased without an increase in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

33. Income Tax :-

a) Amount recognized in the statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Tax	364.92	219.24
Deferred tax attributable to temporary differences	8.48	(37.43)
Tax Expense for the year	373.40	181.81



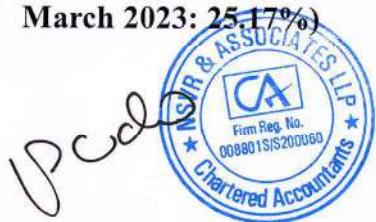
b) Amount recognized in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Re-measurement gains/ (losses) on defined benefit plans	(17.58)	(7.20)
Deferred tax on re-measurement losses on defined benefit plans	4.42	1.81

c) Reconciliation of Effective tax rate

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before income tax	1,215.86	685.89
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	306.03	172.64
At India's statutory income tax rate of 25.17% (31 March 2023: 25.17%)		
Deductible expenses for tax purposes:		
Depreciation allowable under Income tax Act	39.45	37.94
Others	-	5.16
At the effective income tax rate of 25.63% (31 March 2023: 25.17%)	39.45	43.10
Effect of Non-deductible expenses for tax purposes:		
Depreciation debited to Profit & Loss	44.70	46.58
CSR Expenses	2.44	2.40
Gratuity	4.00	3.29
Others	55.70	-
At the effective income tax rate of 25.17% (31 March 2023: 25.17%)	106.85	52.27
	373.41	181.81



Income tax expense reported in the statement of profit and loss

373.41	181.81
30.71%	26.51%

**Deferred tax relates to the following
Balance Sheet**

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets:		
WDV differences of assets as per books and tax laws	(38.59)	(1.12)
Gratuity Provision	(21.98)	(22.40)
Provision for expected credit loss	(221.97)	(264.89)
Remeasurement Loss on defined benefit obligations	(4.42)	(1.81)
Net deferred tax (assets)/liabilities	(278.12)	(286.60)

Reflected in the balance sheet as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (continuing operations)	(278.12)	(286.60)
Deferred tax liabilities:	-	-
Deferred tax liabilities/(assets), net	(278.12)	(286.60)

34. Employee Benefits:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and Wages	1,533.96	2,030.81
Contribution to provident fund and other funds	78.44	82.97



Staff welfare expenses	36.06	61.53
Total in	1,648.46	2,175.31

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.

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employers Contribution to Provident fund	38.67	57.32
Employers Contribution to Employee state insurance	3.48	6.76
Total	42.15	64.08

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2023 and 2022 consist of the following:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	11.57	14.76
Interest on net defined benefit liability/(asset)	6.45	5.50
Expected Return on plan Assets		



Components of defined benefit costs recognized in statement of profit or loss - (A)	18.02	20.27
Actuarial (gain) / loss on plan obligations	-17.58	-7.20
Components of defined benefit costs recognized in other comprehensive income - (B)		-
Total (A+B)	0.44	13.07

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 2023	For the year ended 31 March 2022
Current-Liability (Short Term)	12.63	4.56
Non-Current Liability (Long Term)	74.68	84.43
Total Liability	87.31	88.98

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligations at the beginning of the year	88.98	75.92
Benefits Paid	(2.11)	-
Expenses Recognised in statement of Profit & Loss	18.02	20.27
Current service cost	11.57	14.76
Interest on defined obligations	6.45	5.50
Expenses Recognised in statement of OCI	(17.58)	(7.20)
Actuarial loss/(gain) due to change in assumptions		
Actuarial loss/(gain) due to experience changes	(17.58)	(7.20)
Defined benefit obligations at the end of the year	87.31	88.98



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 2023	For the year ended 31 March 2022
Discount rate	7.50%	7.25%
Rate of increase in compensation	5.00%	5.00%
Expected Average Remaining Service	20.08	22.00

35. Related Party Transactions:

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

Nature of Relationship	Name of the Related Parties
Directors of the Company	Ramesh babu nemani (w.e.f 23 rd March 2022) Swapna kandula (w.e.f 19 th March 2020) Kiran kumar adapa (w.e.f 17 th March 2021) Seshagiri Rao Adabala (w.e.f 25 th October 2022)
Whole Time Directors of the Company	Malathi Siripurapu (w.e.f 17 th March 2021) Sreekanth Yenigalla (w.e.f 6 th December 2017) Nadella Basanth Kumar (w.e.f. 26 th May 2018) Kiran kumar Atukuri (w.e.f 8 th September 2018)
Key Managerial Persons	Malathi S Sreekanth Yenigalla Kiran Kumar Atukuri Basant Kumar Nadella Neha Soni (Company Secretary) (w.e.f 22 nd October 2020) Bhargavi Kandula(CFO) (resigned on 16 th Dec2022)



	Gunupudi Kamoji Srinivas (CFO) (w.e.f 3 rd Jan 2023)
Enterprises having significant influence over the company:	Suraksha Agri Retails (India) Private Limited. Nova FertiCare Private limited. Nova Dairy Tech India Private limited. Nova Health sciences Private Limited. Agri Genome Resources India private limited. AIC Nova Foundation for Agricultural Innovation and research.

Related Party transactions details:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Managerial Remuneration to KMP*		
Malathi S	271.82	271.82
Sreekanth yenigalla	53.16	49.5
Kiran kumar atukuri	53.56	49.8
 Basant kumar nadella	 33.11	 30.83
Neha soni	6.00	6.00
Bhargavi kandula	11.52	13.78
Gunupudi kamoji srinivas	5.48	
Total	434.66	421.73
Outstanding balance of loan taken by the company :		
Malathi S	179.20	351.17
Sreekanth yenigalla	2.22	4.34
Kiran kumar atukuri	17.31	33.91
Basant kumar nadella	9.37	18.37
Total	208.09	407.80
Sales to suraksha agri retails india pvt ltd		104.79

Transactions with subsidiaries :

Particulars	For the year months ended 31 st March, 2023	For the year months ended 31 st March, 2022
-------------	--	--



Nova Agri Sciences Private Limited		
Sales to subsidiary	268.80	2,451.74
Purchases from subsidiary	1,219.77	1,155.39
Receivable from subsidiary	-	
Payables to subsidiary	684.82	1,910.36
Investment in subsidiary	180.00	180.00
Income from lease to subsidiary	4.00	-
Nova Agri Seeds India Private Limited		
Investment in subsidiary	5.00	5.00

36. 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 2023

Particulars	Fair value	Total Carrying value
Assets		
Investments	185.01	185.01
Loans	5.53	5.53
Trade receivables	6,505.65	6,505.65
Cash & cash equivalents	257.27	257.27
Other financial assets	25.82	25.82
Total	6,979.28	6,979.28
Liabilities		
Non current borrowings	1,192.32	1,192.32
Current borrowings	3,387.31	3,387.31
Trade payables	2,393.01	2,393.01
Other financial Liabilities	64.30	64.30
Total	7,036.94	7,036.94



Financial assets and liabilities: As on 31 March 2022

Particulars	Fair value	Total Carrying value
Assets		
Investments	185.01	185.01
Loans	42.83	42.83
Trade receivables	7,265.46	7,265.46
Cash & cash equivalents	132.28	132.28
Other financial assets	26.33	26.33
Total	7,625.58	7,625.58
Liabilities		
Non current borrowings	1,695.05	1,695.05
Current borrowings	3,021.25	3,021.25
Trade payables	3,729.87	3,729.87
Other financial Liabilities	64.83	64.83
Total	8,510.99	8,510.99

There has 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.

37. 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.

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.

(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.

(i) 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-23		
INR	100	(43.72)
INR	(100)	43.72
31-Mar-22		
INR	100	(43.08)
INR	(100)	43.08

(ii) 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 rupees)

Particulars	As at 31 March 2023	As at 31 March 2022
Imports		



	1,524.14	2,316.83
Total	1,524.14	2,316.83

Sensitivity

Particulars	As at 31 March 2023	As at 31 March 2022
Impact on standalone profit or loss		
Sensitivity		
1% Increase in FCER	-15.24	-23.17
1% Decrease in FCER	15.24	23.17

(b).Credit Risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments if a 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

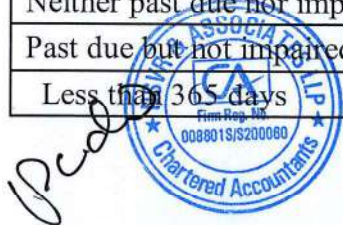
The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed 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 2023. 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	As at March 31,2023	As at March 31,2022
Neither past due nor impaired		
Past due but not impaired		
Less than 365 days	6,421.63	7,125.52



More than 365 days	755.27	991.70
	7,176.89	8,117.22
Less : Allowance for expected credit losses	671.24	851.75
Total	6,505.65	7,265.46

Reconciliation of impairment of trade receivables and other assets

Particulars	As at 31 March 2023	As at 31 March 2022
Impairment of Trade receivable	-	-
Balance at the beginning of the year	851.75	773.74
Add: Provision made during the year	131.48	78.01
Less: Reversal of earlier years provisions		-
Less: Bad debts written off from earlier years provisions	(311.99)	-
Balance at the end of the year	671.24	851.75

(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.

The table below summarises the maturity profile of the Company's financial liabilities on undiscounted basis:

<u>Maturities</u>	<u>Upto 1 year</u>	<u>1-5 Years</u>	<u>Above 5 Years</u>	<u>Total</u>
31-Mar-23				
Non-current borrowings	319.32	1,192.32	-	1,511.64
Current borrowings	3,068.00	-	-	3,068.00
Trade payables	2,354.24	38.77	-	2,393.01



Other financial liabilities	64.30	-	-	64.30
Total	5,805.85	1,231.08	-	7,036.94

<u>Maturities</u>	<u>Upto 1 year</u>	<u>1-5 Years</u>	<u>Above 5 Years</u>	<u>Total</u>
31-03-2022				
Non-current borrowings	362.93	1,695.05		2,057.98
Current borrowings	2,658.32	-		2,658.32
Trade payables	3,682.80	47.07		3,729.87
Other financial liabilities	64.83			64.83
Total	6,768.87	1,742.12	-	8,510.99

38. Details of CSR expenditure:

As required by Section 135 read with Schedule VII of the Companies Act 2013, corporate social responsibility (CSR) expenditure required to be spent by the Company during the year, computed at 2% of its average net profit before tax for the immediately preceding three financial years.

Particulars	As at 31 March 2023	As at 31 March 2022
i) Amount required to be spent by the company during the year	9.69	9.55
ii) Amount required to be set off for the financial year, if any	-	-
iii) Total CSR obligation for the financial year	9.69	9.55
iv) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	9.69	9.55
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



39. 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.



40. Ratios

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	% Change	Reason for Variance
Current Ratio	Current assets	current liabilities	1.50	1.37	9.73	
Debt- Equity ratio	Total Debt	shareholders Equity	2.06	3.17	(34.98)	1
Debt service coverage ratio	Net profit after tax + non cash operating expenses +interest	Interest & lease payments + principal repayments	1.84	2.06	(10.82)	
Return on equity ratio	Net profit after taxes – preference dividend	Average shareholder's equity	0.24	0.16	49.71	2
Inventory turnover ratio	Net sales = Total sales - sales return	Average Inventory	4.03	4.73	(14.87)	
Trade receivable turnover ratio	Net credit sales = gross credit sales – sales return	Average trade receivables	1.70	1.72	(1.42)	
Trade payable turnover ratio	Net credit purchases = gross credit purchase – purchase return	Average trade payables	2.10	2.52	(16.49)	
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital=Current assets- current liabilities	3.58	4.29	(16.62)	
Net profit ratio	Net profit after tax	Net sales = Total sales – sales return	0.07	0.04	80.40	3
Return on capital employed	Earning before interest and tax	Capital employed = Tangible net worth+Total debt(long term)-Deferred tax liability	0.37	0.26	41.19	4



Pcdw

1. Repayment of debt and also increase in equity resulted in decrease of this ratio.
2. Increase in the net profit has contributed towards increase in the return on equity.
3. Improvement in the profit has resulted in increase in the net profit ratio.
4. Increase in earnings before interest and taxes for current year has contributed to the improvement in this ratio.



41. CAPITAL MANAGEMENT

The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

Gearing Ratio:

Particulars	As at 31 March 2023	As at 31 March 2022
Current and non current borrowings	4,579.63	4,716.30
Less: Cash and bank balances	257.27	132.28
Net Debt (A)	4,322.36	4,584.02
Total Equity (B)	3,947.11	3,087.07
Net Debt to equity Ratio (A/B)	1.10	1.48

42. Contingent Liabilities/Assets:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Corporate Guarantees	800.00	800.00
Capital Commitments:		
i)Contract to be executed(net of advance)	251.26	300
ii)Claims against the company not acknowledged as debts	19.63	19.63
Total	1070.89	1119.63

*The Company vide its 0042 Board meeting had approved for purchase of land in Karnataka of 10 acre at Kadachur Industrial Area, Yadagir district, dated on 02-12-2021. Accordingly, as at 31st March 2023 the company had paid an advance amounting to Rs.123.74 lakhs towards purchase of 33% out of total consideration payable of rs. 375.00 lakhs accordingly as at 31st March 2023, balance of Rs. 251.26 lakhs is disclosed as commitment.



43. Research expenses recognised in the statement of profit and loss account

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Others	50.54	48.93
Total	50.54	48.93

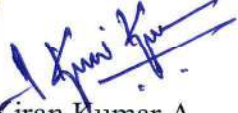
44. Previous period/year figures have been regrouped/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

For NSVR & Associates LLP.,
Chartered Accountants
Firm Regd. No. 008801S/S200060


Venkata Ratnam P
Partner
M.NO: 230675
UDIN: 23230675BGWGRD1081



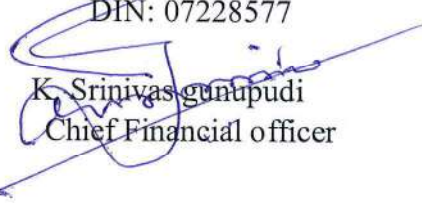
On behalf of Board of Directors
For Nova Agritech Limited

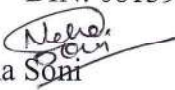

Kiran Kumar A
(Managing Director)
(DIN: 08143781)


Sreekanth Y
(Director)
DIN: 07228577


Basant Kumar N
(Director)
DIN: 08139510

Place : Hyderabad
Date: 02-09-2023


K. Srinivas gunupudi
Chief Financial officer


Neha Soni
Company Secretary



INDEPENDENT AUDITOR'S REPORT

To the members of Nova Agritech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of Nova Agritech Limited ("the Company"), which comprise the balance sheet as on 31st March, 2023, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with 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, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for ended on that date.

Basis for Opinion

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

Our opinion is not modified in respect of this matter.



NSVR & ASSOCIATES LLP

Key Audit Matters

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

Key audit matter	How the matter was addressed in our audit
1. Trade Receivables And Trade Payables : Net Trade Receivables amounting to Rs.10,567.63 lakhs Trade Payables amounting to Rs.2, 727.61 lakhs. Both Trade receivables & Trade Payables are recognized at their anticipated realized value, which is the Original invoice amount less estimated value of allowance. Both Trade receivables & Trade Payables are considered as key audit matters in the audit due to size of trade receivables & trade payables balance and the high level of management judgment used in determining the provision.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors, amongst others, include the following: • We obtained balance confirmations from both vendors and customers on sample basis; • We analyzed the aging of trade receivables & payables; and • We obtained a list of long outstanding receivables, Payables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.



2. Valuation of inventory : The Net carrying value of the inventory is Rs.4,172.10 Lakhs as on 31.03.2023 which is 23.08% of the total assets of the company. Valuation of Inventories is considered as key audit matter in the audit due to size of the Inventory and valuation of Inventory includes management judgment. According to financial statements and accounting principles inventories are measured at lower of cost or net realizable value. The company has specific procedure to identify the risk of obsolescence and measure the inventories at cost or net realizable value.	To obtain sufficient and appropriate audit evidence, our principal audit procedures and procedures performed by component auditors, amongst others, include the following: • We have obtained written confirmations of inventories held by the stores in-charge of different locations. • We have tested the effectiveness of controls present for inwards and issues for consumption. We have selected samples of current six months purchases present in closing stock and have verified there Goods Receipt Notes and subsequent payments made by the company.
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We have employed analytical procedures such as reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the corresponding period; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the yearly 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 Consolidated financial statements and our auditor's report thereon. The other information as stated above is expected to be made



available to us after the date of this auditor's report.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

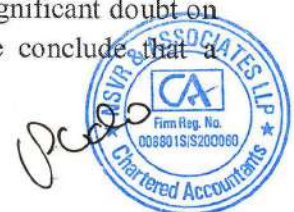
Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a



material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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



communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2022 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, The Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/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 Consolidated Ind AS 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. The 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.
- v. The management has represented to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whetherto the best of their recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on the audit procedures performed by us, which has considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) contain any material mis-statement.
- vii. The company hasn't declared any Dividend for the current year.



- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 008801S/S200060



P. Venkata Ratnam

Partner

M.no: 230675

UDIN: 23230675BGWGRG5029

Place: Hyderabad

Date: 02-09-2023.

Annexure - A to the Independent Auditors' Report
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Nova Agritech Limited ("the Company") as on 31st March, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing



the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Annexure - B to the Independent Auditors' Report
(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

There are no Adverse or Qualification remarks in the Independent Auditors' Report of subsidiaries (Nova AgriSciences Private Limited and Nova Agri Seeds Private Limited) to be indicated under Consolidated Independent Auditors' Report.

For NSVR & ASSOCIATES LLP

Chartered Accountants

Firm Registration No: 008801S/S200060




P Venkata Ratnam

Partner

M.No: 230675

UDIN: 23230675BGWGRG5029

Place: Hyderabad

Date : 02-09-2023.

PART I FORM OF BALANCE SHEET
NOVA AGRI TECH LIMITED
sy. No. 251/A/I, Singannaguda Village Mulugu Mandal siddipet Medak TG 502279 IN
CIN: U0111TG2007PLC53901
Consolidated Balance sheet as on 31st March 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

Particulars	Note No	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Assets				
1 Non-current Assets				
(a) Property, Plant and Equipment	3	1,557.64	1,682.42	1,600.69
(b) Good will	3	116.15	116.15	116.15
(c) Other Intangible assets	3	11.83	3.11	4.18
(d) Capital Work In Progress	3	63.00	5.04	-
(e) Financial Assets				
(i) Investments	4	0.01	0.01	0.01
(ii) Other financial assets	5	31.35	72.98	90.80
(f) Deferred Tax Assets (Net)	6	457.31	417.50	356.94
Total Non-current Assets(A)		2,237.29	2,297.21	2,168.77
2 Current Assets				
(a) Inventories	7	4,172.10	3,679.60	3,542.27
(b) Financial Assets				
(i) Trade Receivables	8	10,567.63	9,298.58	8,497.55
(ii) Cash and Cash Equivalents	9	335.18	164.21	31.55
(iii) Other financial assets	10	3.71	2.85	2.35
(c) Other Current Assets	11	762.41	587.32	501.37
Total Current Assets(B)		15,841.02	13,732.55	12,575.08
Total Assets(A+B)		18,078.33	16,029.77	14,743.85
Equity and Liabilities				
1 Equity				
(a) Equity Share Capital	12	1,254.05	1,254.05	1,254.05
(b) Other Equity	12	5,133.92	3,065.06	1,688.93
Total Equity(A)		6,387.97	4,319.12	2,942.99
2 Liabilities				
I. Non-current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	1,635.73	2,363.79	1,835.21
(ii) Other financial liabilities	14	71.11	71.94	400.93
(b) Provisions	15	89.18	92.98	71.66
(c) Deferred Tax Liabilities (Net)				
Total Non-current Liabilities (B)		1,796.02	2,528.70	2,307.81
II. Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	5,459.78	4,062.76	3,274.98
(ii) Trade payables				
(a) Total outstanding dues of micro enterprises and small enterprises	17	682.01	1,816.24	2,555.55
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,045.59	1,431.90	2,077.33
(iii) Other financial liabilities	18	595.29	706.26	655.66
(b) Other current liabilities	19	171.35	247.60	178.05
(c) Provisions	20	128.79	97.34	84.55
(d) Current Tax Liabilities (Net)	21	811.51	819.85	666.96
Total Current Liabilities (C)		9,894.34	9,181.96	9,493.10
Total Equity and Liabilities(A+B+C)		18,078.33	16,029.77	14,743.87

The accompanying notes are an integral part of the restated financial information.

As per our report of even date attached
For NSVR & Associates LLP,
Chartered Accountants
Firm Reg. No. 008015/S200060
C.A. Reg. No. 003015/S200060
Vedkata Ratnam P
Partner
M.NO : 230675
UDIN : 23230675BQWGR05029

Place: Hyderabad
Date: 02-09-2023



For and on behalf of Board of Directors

Nova Agritech Limited

Kiran Kumar A
(Managing Director)
DIN: 08143781

Sreekanth Y
Director
(DIN: 07228577)
K. Srinivas Gunupudi
(Chief Financial officer)

Basanth Kumar N
(Director)
(DIN: 08139510)
Neha Soni
(Company secretary)

PART II FORM OF STATEMENT OF PROFIT AND LOSS

NOVA AGRITECH LIMITED

sy. No. 251/A/1, Singannaguda Village Mulugu Mandal siddipet Medak TG 502279 IN

CIN: U01111TG2007PLC53901

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

S.No	Particulars	Note No	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
	Income				
I	Revenue from operations	22a	21,055.54	18,556.77	16,057.74
II	Other Operating Income	22b	-	2.64	6.46
	Other income	23	37.82	1.68	28.46
III	Total Income (I+II)		21,093.35	18,561.09	16,092.66
	Expenses				
IV	Cost of Material Consumed	24	11,994.18	12,211.67	9,855.52
	Changes in inventories of finished goods	25	139.84	-863.44	48.98
	Employee benefits expenses	26	2,730.80	2,647.30	2,209.75
	Finance costs	27	857.24	715.09	733.25
	Depreciation and Amortisation expenses	28	236.09	222.52	214.51
	Other expenses	29	2,318.84	1,783.50	2,163.53
	Total expenses(IV)		18,277.00	16,716.64	15,225.53
V	Profit/(loss) before exceptional items and tax from continuing operations (I- IV)		2,816.36	1,844.44	867.13
VI	Exceptional Items				
VII	Profit/(loss) before tax from continuing operations (V-VI)		2,048.95	1,368.93	630.00
VIII	Tax expense:				
	(1) Current tax		807.21	536.08	275.73
	(2) Deferred tax		-39.81	-60.57	-38.60
IX	Profit/(Loss) for the year from continuing operations		2,048.95	1,368.93	630.00
X	Profit/(loss) from discontinued operations (after tax)				
XI	Other Comprehensive Income				
A	(i) Items that will not be reclassified to profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans		-19.90	-7.20	-23.64
	Tax impact on above items		5.01	1.81	5.95
B	(i) Items that will be reclassified to profit or loss				
	Other comprehensive income for the year, net of tax		-14.89	-5.39	-17.69
XII	Total Comprehensive Income for the year, net of tax (IX+X+XI)		2,063.84	1,374.32	647.69
XIII	Earnings per equity share				
	(Nominal value per equity share of ₹ 2 each)				
	(1) Basic Earnings per Equity share		3.27	2.18	1.00
	(2) Diluted Earnings per Equity share		3.27	2.18	1.00

The accompanying notes are an integral part of the restated financial information.

As per our report of even date attached

For NSVR & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

FRN : 008301S/S200060

UDIN : 23230675BGWGRG5029

Venkata Ratnam P

Partner

M.NO : 230675

UDIN : 23230675BGWGRG5029

For and on behalf of Board of Directors
Nova Agritech Limited

Kiran kumar A
(Managing Director)
DIN: 08143781

Sreekanth Y
Director
(DIN: 07228577)

Basant Kumar N
(Director)
(DIN: 08139510)

K. Srinivas Gunupudi
(Chief Financial officer)

Neha Soni
(Company secretary)

Place: Hyderabad

Date: 02-09-2023

PART III FORM OF STATEMENT OF CASH FLOWS
NOVA AGRITECH LIMITED
SY.No.251/A/1,SINGANNAGUDA VILLAGE MULUGU MANDAL SIDDIPET,MEDAK TG 502279 IN
CIN: U01119TG2007PLC053901
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(All amounts are in INR lakh except share data or unless otherwise specified)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
A. Cash flow from operating activities			
Net profit before tax as per restated statement of profit and loss	2,816.36	1,844.43	867.13
Adjustments for :			
Depreciation and amortization expenses	236.09	222.52	214.51
Provision for expenses and expected credit loss	268.50	112.44	119.47
Finance costs	857.24	715.09	733.25
(profit)/loss on sale of Assets	(33.10)		
Operating profit before working capital changes	4,145.09	2,894.50	1,934.35
Adjustments for working capital changes in:			
(increase)/decrease in operating assets:			
Trade receivables	(1,537.55)	(913.47)	(1475.13)
Other financial assets	(0.36)	(0.50)	0.11
Inventories	(492.49)	(137.33)	190.40
Other current assets	(93.17)	11.47	(262.06)
Trade payables	(520.54)	(1384.74)	326.74
Other current liabilities	(76.25)	76.73	(96.46)
Non current provisions	(3.80)	21.31	(2.56)
Other financial liabilities	(111.80)	50.60	50.86
Current provisions	51.36	12.80	16.14
Changes in Working Capital	(2,784.59)	(2263.13)	(1251.96)
Cash generated from operations	1,360.50	631.37	682.39
Income tax paid	(815.55)	(383.19)	(164.26)
Net cash flows generated (used in)/from operating activities (A)	544.95	248.18	518.13
B. Cash flow from investing activities			
Purchase/ Sales of Property, plant and equipment (Including CWIP) and Adv for Capital Goods	(352.22)	(405.62)	(307.34)
Sale proceeds from sale of Fixed Assets	125.41		
Decrease/(Increase) in Capital Work-in Progress			
Decrease/(Increase) in Other Non current Loans & Advances	41.12	17.82	(5.00)
Net cash flows (used in)/from investing activities (B)	(185.69)	(387.81)	(312.34)
C. Cash flow from financing activities			
Proceeds from Non current Borrowings	-	528.58	372.41
Repayment of Non current borrowings	(728.06)	(328.99)	-
Proceeds from / (Repayment of) Current Borrowings	1429.71	739.86	(10.32)
Proceeds from/ (Repayment of) Current maturities	(32.69)	47.93	188.20
Finance costs	(857.24)	(715.09)	(733.25)
Net cash flows (used in)/from financing activities (C)	(188.28)	272.28	(182.96)
Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)	170.98	132.66	22.83
Cash and cash equivalents at the beginning of the year	164.21	31.55	8.72
Cash and cash equivalents at the end of the year	335.18	164.21	31.55

Cash and Cash Equivalents include the following for Cash flow purpose

Particulars	As at 31 March 2023	As at March,31,2022	As at March,31,2021
Cash and Cash Equivalents/ Bank Balances	335.18	164.21	31.55
Less: Unclaim dividend			
Cash and Cash Equivalents/ Bank Balances	335.18	164.21	31.55

The accompanying notes are an integral part of the restated financial information.

As per our report of even date attached

For NSVR & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

FRN . 0088013/S2000060


Venkata Ratnam P.
Partner
M.NO : 230675
UDIN : 232306758GWGRG5029

For and on behalf of Board of Directors
NOVA AGRITECH LIMITED
Singannaguda


Kiran Kumar A
(Managing Director)
DIN: 08143781


Sreekanth Y
Director
(DIN: 07228577)


Basant Kumar N
(Director)
(DIN: 08139510)


K. Srinivas Gunupudi
(Chief Financial officer)


Neha Soni
(Company secretary)

Place: Hyderabad
Date: 02-09-2023

PART IV FORM OF STATEMENT OF CHANGES IN EQUITY

NOVA AGRITECH LIMITED

SY.No.251/A/1,SINGANNAGUDA VILLAGE MULUGU MANDAL SIDDIPET,MEDAK TG 502279 IN

CIN: U01119TG2007PLC053901

Statement Of Changes In Equity

(All Amounts are in lakhs Unless and otherwise Specified)

Particulars	Equity share capital		Other equity		
	No of Shares	Amount	Reserves and Surplus		
			Retained earnings	Other comprehensive income	Total
As on 01-04-2020	1,25,40,548	1,254.05	1,010.80	24.49	1,035.29
Adjustment					
Adjusted balance as on 01-04-2020	1,25,40,548	1,254.05	1,010.80	24.49	1,035.29
Profit or loss for the year			630.00		630.00
Other comprehensive income				23.64	23.64
Total comprehensive income			630.00	23.64	653.64
As on 01-04-2021	1,25,40,548	1,254.05	1,640.80	48.13	1,688.93
Adjustment					
Adjusted balance as in 01-04-2021	1,25,40,548	1,254.05	1,640.80	48.13	1,688.93
Profit or loss for the year			1,368.94		1,368.94
Other comprehensive income				7.20	7.20
Total comprehensive income			1,368.93	7.20	1,376.13
balance as on 31-03-2022	1,25,40,548	1,254.05	3,009.73	55.34	3,065.06
Adjustment					
Adjusted balance as in 01-04-2022	1,25,40,548	1,254.05	3,009.73	55.34	3,065.06
Profit or loss for the year			2,048.95		2,048.95
Other comprehensive income				19.90	19.90
Total comprehensive income			2,048.95	19.90	2,068.85
Balance as on 31-03-2023	1,25,40,548	1,254.05	5,058.68	75.24	5,133.92

For NSVR & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

FRN . 008801S/5200660

Venkata Ratnam P
Partner

M.NO : 230675

UDIN : 23230675BGWGRG5029

Place: Hyderabad

Date: 02-09-2023

For and on behalf of Board of Directors

Nova Agritech Limited

Kiran Kumar A
(Managing Director)
DIN: 08143781Basanth Kumar N
(Director)
(DIN: 08139510)K.Srinivas Gunupudi
(Chief Financial officer)Sreekanth Y
Director
(DIN: 07228577)Neha Soni
(Company secretary)

1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Information

Nova Agritech Limited (the Company) was incorporated on 9th May, 2007 to carry on the business, 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.

Nova Agritech Limited is an agri-input manufacturer offering soil health management, crop nutrition and crop protection products focused on tech-based farmer driven solution approach, wherein we mainly offer ecologically sustainable and nutritionally balanced products based on our R&D. The Company manufactures, distributes and markets 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

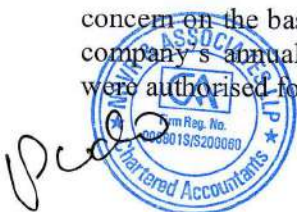
The company was initially incorporated with the name “Nova Agritech Private Limited ” and subsequently changed its name to “Nova Agritech Limited ” and converted into a public limited company .

1.2 Basis of Preparation of financial Statements

a) Statement of Compliance

The consolidated financial statements of Nova Agritech Limited (the Company) (“NATL” or “the Company”) along with its subsidiaries (collectively termed as “group” or “the consolidated entities”) have been prepared and presented in accordance with and in compliance to all material aspects, with Indian Accounting Standards 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 2022.

These consolidated financial statements have been prepared by the company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the company's annual reporting date 31 March 2023. These consolidated financial statements were authorised for issuance by the company's Board of Directors on 2nd September 2023.



b) Basis of measurement

These consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- b) 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
- c) Long-term borrowings are measured at amortized cost using the effective interest rate method 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.

1.3 Scope of Consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and its subsidiaries as at 31 March, 2023.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the group's holding of voting rights relative to the size and dispersion of



the holdings of the other voting rights holders.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the equity



holder of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Details of entities controlled by the company are as under:

Name of the enterprises	Country of Incorporation	Nature of business	Shareholding/Controlling interest
Nova Agri sciences private limited	India	Engaged in the business of Manufacturing and Marketing of wide range of plant protection products agricultural, horticultural and home gardens.	100%
Nova Agri seeds India Private Limited	India	Production of crop seeds	100%



2. Summary of significant accounting policies

2.1 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal



of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

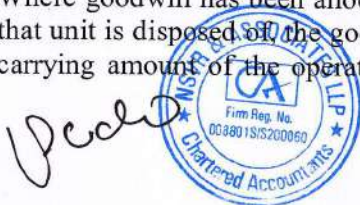
Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill



disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.2 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 Group'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 Group'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 Group'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 Group has identified twelve months as its



operating cycle.

2.3 Functional and presentation currency

These consolidated 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 presented in lakh.

2.4 Fair value measurement

The Company measures financial instruments, such as, derivatives 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 minimising the use of unobservable inputs.

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, 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 recognised 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 categorisation (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.

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial 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 was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

2.6 Property plant and equipment:

Recognition and Measurement

The cost of an item of property, plant and equipment are recognised 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, non-refundable 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.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

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

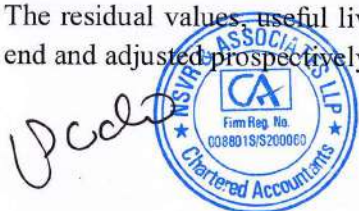
Depreciation

Depreciation on items of PPE is provided on written down value basis, computed on the basis of useful lives as mentioned in Schedule II to the Companies Act, 2013. Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

The estimated useful lives are as follows:

Type of Asset	Estimated Useful Life
Office Equipment	5 Years
Computers And Data Processing Units	3 Years
Furniture and Fittings	10 Years
Motor Vehicles	8 Years
Plant & Machinery	8 Years
Buildings	30 Years
Electrical Installations and Equipment	10 Years

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.



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.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress.

2.7 Goodwill and other intangible assets

Goodwill

Goodwill represents the excess of consideration transferred, together with the amount of non-controlling interest in the acquiree, over the fair value of the Company's share of identifiable net assets acquired.

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying value of the equity accounted investee.

Research and development expenses:

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Otherwise, it is recognised in profit or loss as incurred.

Subsequent to initial recognition, development expenditure, capitalized if any, is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.



2.8 Financial instruments

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

a. Financial assets

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, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

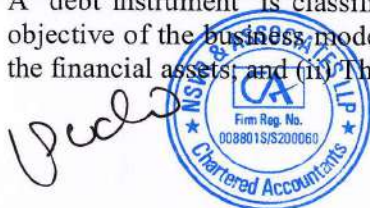
Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) 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 amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at 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 recognised 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.

Debt instrument at 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.

Equity Instruments

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. There is no recycling of the amounts from OCI to 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 asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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.

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

De-recognition

A financial liability is derecognised 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 recognised 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 recognised gains, losses (including impairment gains or losses) or interest.



Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.9 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. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.10 Inventories

Inventories of all procured raw materials, spares and stores, consumables, supplies and loose tools are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost of raw material and packing materials includes all charges in bringing the goods to their present location and condition, including non-creditable taxes and other levies, transit insurance and receiving charges. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, non-creditable duties and taxes as applicable and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

2.11 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.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

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.

2.12 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 recognised in the statement of profit and loss in the period in which they arise.

Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and



carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

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.

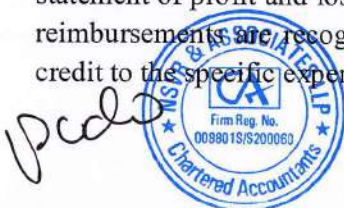
Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Onerous contracts

A provision for onerous contracts is recognised 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 recognises any impairment loss on the assets associated with that contract.

Reimbursement rights

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



2.13 Revenue recognition:

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 from manufacture, distribute and market a wide range of product categories consisting of Manufacturing and Marketing of wide range of plant nutrition and plant protection products agricultural, horticultural and home gardens.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those services.

Revenue from providing services is recognised in the accounting period in which such services are rendered. At contract inception, the Company assesses its promise to transfer services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Revenues in excess/short of invoicing are classified as assets/liabilities, as the case may be.

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 recognising the refund liability the Company also recognises 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.

2.14 Dividend and Interest Income

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee and term deposits.

Interest income or expense is recognised using the effective interest method (EIR).

Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

2.15 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

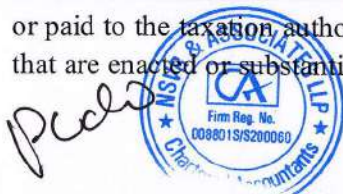
2.19 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised 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



recognised outside the statement of profit and loss is recognised 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 recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be 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 utilised.

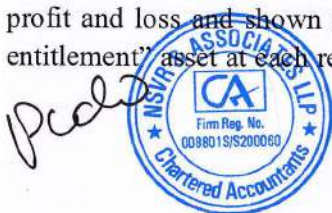
Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised 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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified year, i.e., the year for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer



probable that it will pay normal tax during the specified period.

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 recognised 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.

2.20 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.

2.16 Share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

2.17 Significant accounting judgements, estimates, and assumption

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, 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 an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values 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. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of financial and non-financial assets

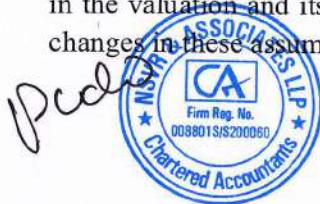
Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised 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 recognised, 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.

2.18 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and had there is no significant impact on the consolidated financial statements.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the consolidated financial statements.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework



This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no transactions within the scope of these amendments that arose during the period.

2.19 New Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible



temporary differences. The company does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its consolidated financial statements.



Note No.3 : Property plant and equipment

Particular	Land	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Electrical equipment	Total
Gross Block									
As at 31st March, 2020	311.03	970.35	226.05	23.19	86	12.86	47.51	15.25	1692.24
Additions during the year	41.2	56.9	156.04	1.69	5.54	0.03	41.99	8.83	312.21
Deductions during the year	-	-	-	-	-	-	-	-	-
As at 31st March 2021	352.23	1,027.26	382.08	24.88	91.54	12.88	89.49	24.08	2004.44
Additions during the year	164	2.18	26.33	5.3	57.47	3.72	31.12	19.46	309.58
Deductions during the year	-	-	-	5.99	-	-	-	0.44	6.43
As at 31st March 2022	516.23	1,029.44	408.41	24.19	149.01	16.6	120.61	43.1	2307.6
As at 31st March 2022	516.23	1029.44	408.41	24.19	149.01	16.6	120.61	43.1	2,307.60
Additions during the year	-	6.69	48.67	20.72	96.81	0.87	15.12	12.25	201.13
Deductions during the year	32.94	90.80	-	-	-	-	-	-	123.74
As at 31st March 2023	483.29	945.33	457.08	44.91	245.82	17.47	135.73	55.35	2,384.99
Accumulated depreciation									
Up to 31st March, 2020		91.6	64.13	6.23	-3.57	5.57	24.17	2.57	190.7
For the year		84.15	66.61	4.9	27.45	3.1	22.59	4.26	213.06
On deductions		-	-	-	-	-	-	-	-
Up to 31st March 2021		175.75	130.74	11.12	-	8.68	46.76	6.83	403.75
For the year		82.29	81.18	5.08	12.82	2.71	32.41	4.94	221.45
On deductions		-	-	-	-	-	-	-	-
Up to 31st March 2022		258.04	211.92	16.21	36.71	11.39	79.17	11.77	625.20
For the year		75.21	72.12	4.81	36.06	2.74	31.30	11.33	233.58
On deductions		31.43	-	-	-	-	-	-	31.43
Up to 31st March 2023		301.82	284.04	21.02	72.77	14.13	110.47	23.10	827.35
Net Block									
As at 31st March 2021	352.23	851.51	251.34	13.75	67.66	4.2	42.74	17.25	1600.69
As at 31st March 2022	516.23	771.40	190.95	13.97	112.30	4.79	41.44	31.33	1,682.42
As at 31st March 2023	483.29	643.51	173.04	23.89	173.05	3.33	25.26	32.25	1,557.64

Capital work in progress

Particulars	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Opening Balance	5.04	-	4.87
Add:- Additions during The Year	63.00	5.04	-
Less:- Capitalisations during the year	5.04	-	4.87
Closing Balance	63.00	5.04	-



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Capital Working In Progress

Projects In Progress

	Less than 1 year	Amount in CWIP 1-2 Years	2-3 Years	More than 3 Years	Total
	63.00	-	-	-	63.00

Capital Working In Progress

Projects In Progress

	Less than 1 year	Amount in CWIP 1-2 Years	2-3 Years	More than 3 Years	Total
	5.04	-	-	-	5.04

Capital Working In Progress

Projects In Progress

	Less than 1 year	Amount in CWIP 1-2 Years	2-3 Years	More than 3 Years	Total
	-	-	-	-	-

Goodwill

Particulars

Opening
Additions During The Year
Deductions During The Year
Closing

As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
116.15	116.15	116.15

Impairment

Opening

For The Year

Closing

Net Block

	116.15	116.15	116.15
	-	-	-
	-	-	-
	-	-	-
	116.15	116.15	116.15

Other Intangible Assets

Particulars

Opening
Additions During The Year
Deductions During The Year
Closing

As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
7.55	7.55	7.55
11.24	-	-
-	-	-
18.79	7.55	7.55

Amortization

Opening

For The Year

Closing

Net Block

	4.44	3.37	1.95
	2.51	1.07	1.42
	6.95	4.44	3.37
	11.83	3.11	4.18



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Note No 4**Non current investments****Unsecured, considered good****Particulars****Investments measured at FVTPL****In Equity shares of other than subsidiary companys :-**

100 equity shares of Rs.10/- each in
Agri Genome Resource India Pvt Ltd

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
------------------------	------------------------	------------------------

0.01	0.01	0.01
------	------	------

Total of Investments measured at FVTPL

0.01	0.01	0.01
------	------	------

Foot notes :

Aggregate value of quoted investments and market value thereof

Aggregate value of unquoted investments

-	-	-
0.01	0.01	0.01

Note No 5**Other non - current financial assets****Unsecured, considered good****Particulars**

Security deposits with other agencies

Inter corporate deposits

Less

Allowance for doubtful advances

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
25.82	26.33	27.93
155.16	196.28	212.50
180.98	222.61	240.43
149.63	149.63	149.63
31.35	72.98	90.80

Note No 6**Deferred tax assets (net)****Particulars**

Deferred tax asset

Deferred tax assets (net)

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
457.31	417.50	356.94
457.31	417.50	356.94

Note No 7**Inventories****Unsecured, considered good****Particulars**

Raw material

Finished goods

Packing material

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
1,171.34	795.00	1,187.80
2,257.42	2,397.26	1,533.82
743.33	487.34	820.65
4,172.10	3,679.60	3,542.27



Note No 8**Trade receivables**

Particulars	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Trade receivables considered good- unsecured	11,690.41	10,467.94	9,554.47
Less : Allowance for expected credit loss	1,122.78	1,169.37	1,056.93
Total	10,567.63	9,298.58	8,497.55

Ageing schedules**Trade receivables ageing schedule for the year ended 31 March 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	more thn 3 years
Undisputed Trade Receivables -considered Good	6,777.69	3,512.94	560.43	181.77	-
Undisputed Trade Receivables -considered doubtful	-	-	-	-	-
Disputed Trade Receivables -considered Doubtful	-	-	-	-	657.57
Disputed Trade Receivables -considered good	-	-	-	-	-
Less : Allowance for credit loss	-	-	-	-	1,122.78
Total trade receiavbles Current	6,777.69	3,512.94	560.43	181.77	657.57
					10,567.63

Trade receivables ageing schedule for the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 Months-1 year	1-2 years	2-3 years	more thn 3 years
Undisputed Trade Receivables -considered Good	5,588.43	3,508.82	406.09	172.75	-
Undisputed Trade Receivables -considered doubtful	-	-	-	-	-
Disputed Trade Receivables -considered Doubtful	-	-	-	-	791.86
Disputed Trade Receivables -considered good	-	-	-	-	-
Less : Allowance for credit loss	-	-	-	-	-1,169.37
Total trade receiavbles Current	5,588.43	3,508.82	406.09	172.75	791.86
					9,298.58

Loss allowance on debtors

Particulars	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Opening balance	1,169.37	1,056.93	937.46
Current year	268.50	112.44	119.47
Bad debts written off	315.09	-	-
Closing balance	1,122.78	1,169.37	1,056.93



Note No 9**Cash and Cash Equivalents****Particulars**

Cash on hand

Cash

Balance with banks

Current account

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
107.15	64.94	11.10
228.03	99.27	20.45
335.18	164.21	31.55

Note No 10**Loans****Unsecured, considered good****Particulars**

Security and Other Deposits

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
3.71	2.85	2.35
3.71	2.85	2.35

Note No 11**Other current assets****Unsecured, considered good****Particulars**

Balance with revenue authorities

Other advances

Advance to capital goods

Advance to material suppliers

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
76.16	345.50	408.57
228.86	144.38	92.80
179.36	97.44	
278.03		
762.41	587.32	501.37



Share Capital

Equity Share Capital:

Authorized share capital:

10,00,00,000 Equity Shares of Rs. 2/- each.
2,00,00,000 Equity Shares of Rs.10/- each.

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ISSUED, SUBSCRIBED & FULLY PAID UP CAPITAL

6.27,02,740 Equity Shares of Rs. 2/- each,	6,27,02,740	12,54,05,480			
25,00,000 Equity shares of Rs.2/-each	25,00,000	50,00,000			
Less : Treasury shares	(25,00,000)	(50,00,000)			
			1,25,40,548	12,54,05,480	12,54,05,480
6.27,02,740 Equity Shares of Rs. 10/- each,	6,27,02,740	12,54,05,480			
			1,25,40,548	12,54,05,480	12,54,05,480
Total					

Reconciliation of Shares outstanding as at beginning and the end of the financial year

	2023-23	2022-22	2020-21	2013-20
Balance as at the beginning of the year				
	No of shares	Amount	No of shares	Amount
	1,25,40,548	12,54,05,480	1,25,40,548	12,54,05,480
Add : On split of shares				
	6,62,03,740	3,25,40,548		
Add: Shares issued during the Year				
	50,00,000	50,00,000		
Less : Treasury shares	(25,00,000)	(50,00,000)		
	6,62,03,740	12,54,05,480	1,25,40,548	12,54,05,480
*Balance as at the end of the year			1,25,40,548	12,54,05,480

*Balance as at the end of the year

Details of Shareholders Holding more than 5% of shares in the company

[illegible]

hares held by Promoters at the end of the year

Name of the Promoter	As at 31 March 2023		As at 31 March 2022		As at 31st March 2021	
	No of shares	% of shares	No of shares	% of shares	No of shares	% of shares
Promoters						
Aurakash ARI Retail (India) Private Limited	1,53,88,000	23.60	30,77,608	24.54	30,77,628	24.54
Arjan Kumar Akutai	3,11,34,360	47.60	62,26,872	49.55	62,26,872	49.65
Relu Family Trust	4,55,22,400	71.20	93,04,486.00	74	93,04,500.00	74

1. Rights Attached to Equity Shares;

the company has only one class of Equity shares having a par value of Rs. 2/- each. The shareholders have equal rights per share in terms of dividend.

During the FY 2022-23 as on 6 January 2023 the company has allotted the 5,00,000 equity shares of Rs. 10/- each at fair value of Rs. 25/- each to the Nova Arntech Limited

Employee Welfare Trust under the Nova AgriTech Limited Share Based Employee Benefit Scheme 2022. The same were considered as treasury shares and not included in paid up capital of the company.

in accordance with a resolution of our Board dated January 18, 2023, and Shareholders' resolution dated February 17, 2023, wherein each Entity, Share of our Common Stock of face

value of ₹ 10 each, fully paid-up, was sub-divided into five Equity Shares of our Company of face value of ₹ 2 each.

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NOTE 12

Other Equity

Particulars	As on 31 March 2023			As on 31 March 2022			As on 31 March 2021			2019-20		
	Surplus in the Statement of P&L	Other Comprehensive Income	Total	Surplus in the Statement of P&L	Other Comprehensive Income	Total	Surplus in the Statement of P&L	Other Comprehensive Income	Total	Surplus in the Statement of P&L	Other Comprehensive Income	Total
Opening Balance	3,009.74	55.43	3,065.07	1,640.80	48.13	1,688.93	1,010.80	24.49	1,035.29	3,436.07	448.87	3,884.94
Additions during the year	2,048.95	19.90	2,068.85	1,368.54	7.20	1,375.74	630.00	23.64	653.64	201.89	-	201.89
Less: Depreciation	(1,058.69)	(76.73)	(1,135.42)	(3,006.24)	(55.33)	(3,061.57)	(2,640.80)	(26.13)	(2,666.93)	(1,035.29)	(24.49)	(1,059.78)
Closing Balance	3,999.00	98.60	4,097.60	483.10	0.00	483.10	404.00	28.00	432.00	3,602.67	424.68	4,027.35



Note No 13
Non current borrowings

Particulars

Secured Loans

Vehicle loans from banks
CELC Loan
Term loan from corporation loan
GELC Loan

Unsecured Loans

Term loan from Shriram city union finance limited
Vehicle loans
From Directors and Related Parties
Term Loan from India Infoline Limited
Inter corporate Deposits

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
116.75	41.39	29.69
-	-	3.12
505.07	584.11	40.00
-	110.25	-
621.82	735.76	72.81
535.97	654.20	885.74
15.93	27.69	22.56
462.02	944.61	627.67
-	1.52	1.44
-	-	225.00
1,635.73	2,363.79	1,835.21

Bank	Amount	ROI	Repayment Schedule	Security	Amount O/S
Union Bank of India	Rs 105 lakhs	7.50% p.a	Repayable in 36 monthly equal installments of Rs 3,26,616	EM of factory land and buildings/sheds	78.37
ICICI Bank	Rs . 35 lakhs	7.50 p . A	Repayable in 60 equal installments of Rs 70293	Exclusive first charge on the entire fied assets of the company by way of Hypothecation of moveable assets/ machinaries proposed to be purchased	23.71
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	52.80
Indus Bank	Rs 15.60 lakhs	9.05 pa	Repayable in 60 monthly equal installments of Rs.32853/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 21.90 lakhs	1.70
Indus Bank	Rs 7.70 lakhs	9.05% pa	Repayable in 60 monthly equal installments of Rs.16294/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	0.94
Corporation Ban	Rs. 80 Lakhs	11.05% pa	Repayable in 84 monthly equal installments of Rs.132400/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 99.39 lakhs	23.37
Corporatio UGE	Rs.240 Lakhs	10.05 %pa	Repayable in 60 monthly equal installments of Rs.666666/- each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land	-
ICICI Bank	Rs. 20.87 Lakhs	8.80% pa	Repayable in 60 monthly equal installments of Rs.43163/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	2.11
ICICI Ban	Rs.12.19Lakhs	8.80 % pa	Repayable in 60 monthly equal installments of Rs.25637/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	1.25



ICICI Ban	Rs.12.19Lakhs	8.80 % pa	Repayable in 60 monthly equal installments of Rs.25637/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	1.25
Covid Loan	Rs. 240 Lakhs	10% pa	Repayable in 18 monthly equal installment of Rs. 1333333/-each	Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	239.91
IIFL Corporation	Rs.40 Lakhs Rs.480 Lakhs	8.80% 10% pa	Repayable in 60 monthly equal installment of Rs. 146624/-each equal installments of	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs Secured by hypothecation of Factory	- 358.74
UBI 1	Rs. 16 Lakhs	5.95 % pa	Repayable in 80monthly equal installments of Rs.24384/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	13.58
Vehicle Loan	Rs. 16 Lakhs	5.95 % pa	Repayable in 80monthly equal installments of Rs.24384/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs Secured by hypothecation of Factory building being constructed at a cost of Rs. 385. 82 lakhs & Land amounting to Rs. 69.96 lakhs	13.58
Shri Ram City	Rs. 1000 Lakhs	26.80%	Repayable in 60 monthly equal installments of Rs. 3041667/- each	Secured by hypothecation of Vehicle purchased amounting to Rs. 9.05 lakhs	654.20
ICIC Fourtuner	Rs. 49 lakhs	7.60% pa	Repayable in 85 monthly equal installments of Rs. 75400/- each	Secured by hypothecation of factory building	
UBI bank Tractor	Rs. 8 lakhs	11.15% Pa	Repayable in 37 Installments	Secured by hypothecation of factory building	7.73
UBI Volva	Rs. 50 lakhs	8.35% pa	Repayable in 84 monthly equal installments of Rs. 78806/- each	Secured by hypothecation of factory building	47.47
UBI kia vehicle loan	Rs. 15.50 Lakhs	8.45%	Repayable in 84 monthly installments of ₹.23137 each	Secured by hypothecation	14.96

Note No 14

Other non-current financial liabilities

Particulars

Security Deposits

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
71.11	71.94	400.93
71.11	71.94	400.93



Note No 16
Current borrowings

Particulars	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Secured Loan			
From Corporation Bank	4,960.33	3,564.46	2,791.43
Current maturities	400.06	432.74	384.82
Unsecured Loan			
Credit cards	99.39	65.56	98.73
Total	5,459.78	4,062.76	3,274.98

Bank	Amount	Date	Security	Amount O/s(lakhs)
Corporation Bank	Rs. 3000 lakhs	13th Feb 2023	Secured by Hypothecation of Stock, Trade receivables & all other current assets of the company	2,398.24
Corporation Bank	Rs. 2000 lakhs	15th Nov 2023	Secured by Hypothecation of Stock, Trade receivables & all other current assets of the company	1,991.73
ICICI Bank	Rs. 100 Lakhs	11th Nov 2019	-	99.39

Note No 17
Non current provisions

Particulars	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Provision for gratuity	89.18	92.98	71.66
Total	89.18	92.98	71.66



Note No 17
Trade payables

Particulars	As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
Suppliers of goods	2,727.61	3,248.14	4,632.88
Total	2,727.61	3,248.14	4,632.88

Trade payables ageing

Trade payables ageing for the year ended 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	<1 year	1-2 years	2-3 years	>3 years	
(i) MSME	682.01	-	-	-	682.01
(ii) Others	2,002.76	42.84	-	-	2,045.59
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,684.77	42.84	-	-	2,727.61

Trade payables ageing for the year ended 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	<1 year	1-2 years	2-3 years	>3 years	
(i) MSME	1,816.25	-	-	-	1,816.24
(ii) Others	1,379.48	10.88	41.54	-	1,431.90
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	3,195.72	10.88	41.54	-	3,248.14



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Dues to Micro, Small and Medium Enterprises

The information as required to be disclosed Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) is as given below and the information mentioned in Balance Sheet. Trade Payables dues to Micro and Small Enterprises, has been determined on the basis of information available with the Company and relied on by the auditors:

Particulars	For the year ended 31 st March, 2023		For the year ended 31 st March, 2022		For the year ended 31 st March, 2021	
The amounts remain unpaid to micro and small supplies at the end of the year :-						
- Principal	682.01		1,816.24		2,555.55	
- Interest						

The amount of interest paid by the buyer on terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during each accounting year

The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act

The amount of interest accrued and remaining unpaid at the end of each accounting year ; and

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act



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Note No 18
Other current financial liabilities

Particulars

Expenses payable

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
595.29	706.26	655.66
595.29	706.26	655.66

Note No 19
Other Current Liabilities

Particulars

Statutory Dues Payables

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
171.35	247.60	178.05
171.35	247.60	178.05

Note No 20
Current provisions

Particulars

Provision for gratuity

Provision for sales returns

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
12.88	4.56	4.25
115.91	92.78	80.29
128.79	97.34	84.54

Note No 21
Current tax liability

Particulars

Current tax liability (net)

Total

As on 31 March 2023	As on 31 March 2022	As on 31 March 2021
811.51	819.85	666.96
811.51	819.85	666.96



Note No.22

Revenue from Operations

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) Revenue from contract with customers sales	21,055.54	18,556.77	16,057.74
A	21,055.54	18,556.77	16,057.74
b Other Operating Income			
Interest Income	-	-	3.46
Rental Income	-	-	3.00
Sale of Scrap	-	2.64	-
B	-	2.64	6.46
Total (A+B)	21,055.54	18,559.41	16,064.20

Note No.23

Other income

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Gain on Foreign Exchange fluctuation	-	1.40	27.76
Discount received		0.29	-
Miscellaneous Income		-	-
Other Income	37.82	-	0.70
Total	37.82	1.68	28.46

Note No.24

Cost of material consumed

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Raw material			
Opening stock of raw material	795.00	1,187.80	1,159.62
Closing stock of raw material	1,171.34	795.00	1,187.80
Purchases (Net)	12,626.51	11,485.56	9,714.10
Packing material			
Opening stock of packing material	487.34	820.65	990.24
Closing stock of packing material	743.33	487.34	820.65
Total	11,994.18	12,211.67	9,855.52

Note No.25

Changes in inventories of Finished goods

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Finished Goods			
Opening stock of finished goods	2,397.26	1,533.82	1,582.80
Closing stock of finished goods	2,257.42	2,397.26	1,533.82
Total	139.84	-863.44	48.98



Note No 26**Employee benefit expenses**

Particulars
Salaries and Wages
Contribution to provident and other funds
Staff welfare expenses
Total

For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
2,550.49	2,449.48	2,102.84
138.50	118.10	54.88
41.81	79.73	52.03
2,730.80	2,647.30	2,209.75

Note No.27**Finance costs**

Particulars
Interest On CC
Interest On Term Loans
Other borrowing costs
Total

For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
453.75	345.88	343.61
360.19	342.56	348.80
43.30	26.65	40.85
857.24	715.09	733.25

Note No.28**Depreciation and amortization expenses****Particulars**

Depreciation on property plant and equipment

Total

For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
236.09	222.52	214.51
236.09	222.52	214.51



Note No.29
Other expenses

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Power & Fuel	38.43	23.98	14.34
Rental Expense	5.49	5.54	11.64
Repairs & Maintenance(Others)	92.77	49.62	91.40
Research & Development Expenses	65.67	49.93	61.23
Travelling Expenses	683.91	418.56	462.39
Transport Charges	462.23	611.82	733.95
Office Maintenance	41.18	18.52	57.53
Marketing Expenses	131.01	92.60	277.74
Subscriptions & Renewals	9.52	1.67	16.91
Bank Charges	22.90	5.89	30.34
Insurance Expenses	62.92	60.23	32.47
Rates & Taxes	33.70	48.68	28.10
Consultancy Charges	117.16	69.29	0.91
Audit Fees	13.11	8.55	6.05
Loading & Unloading Expenses	19.40	18.72	59.92
Allowance for doubtful debts	268.50	112.44	119.47
Postage & Courier Charges	2.87	11.24	21.87
Printing & Stationary Expenses	12.45	20.64	0.75
Electricity	26.37	23.63	19.53
Telephone Expenses	37.40	42.55	15.58
General office expenses	29.18	79.83	88.74
CSR expenses	21.65	9.55	12.69
Loss on foreign exchange	121.04		
	2,318.84	1,783.50	2,163.53



30. Changes in liabilities arising from financing activities

For the year ended 31 March 2023

Particulars	Current Borrowings	Non-current Borrowings
As at 1 April 2022	3,630.02	2,796.52
Borrowings made during the year	1,429.71	
Borrowings repaid during the year	-	760.73
Effect of changes in foreign exchange rates	-	-
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
Borrowings made during the year	-	-
As at 31 March 2023	5,059.73	2,035.79

For the year ended 31 March 2022

Particulars	Current Borrowings	Non-current Borrowings
As at 1 April 2021	2,890.16	2,220.04
Borrowings made during the year	739.86	576.49
Borrowings repaid during the year	-	-
Effect of changes in foreign exchange rates	-	-
Recognition of right of use liability during the year	-	-
Payment of lease liability	-	-
Borrowings made during the year	-	-
As at 31 March 2022	3,630.02	2,796.52

31. Auditor's remuneration

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) Audit fees	11.11	6.55
b) Other charges		
Tax Audit	2.00	2.00
Certification fee		
TOTAL	13.11	8.55



32. Earnings per share

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity holders	2,048.95	1,368.94
Profit attributable to equity holders for basic EPS		
Weighted average number of equity shares outstanding during the year – Basic	627.03	627.03
Weighted average number of equity shares outstanding during the year – Diluted	627.03	627.03
Earnings per share of par value ` 2/- -Basic ( `)	3.27	2.18
Earnings per share of par value ` 2/- – Diluted ( `)	3.27	2.18

*Pursuant to a resolution of our Board dated January 18, 2023 and Shareholders' resolution dated February 11, 2023, wherein each Equity Share of our Company of face value of ₹ 10 each, fully paid-up, was sub-divided into five Equity Shares of our Company of face value of ₹ 2 each and accordingly, 1,30,40,548 equity shares of our Company of face value of ₹ 10 each were sub-divided into 6,52,02,740 Equity Shares of face value of ₹ 2 each .

**25,00,000 Equity Shares of face value of ₹ 2 each held by the Nova agri tech employee welfare trust pursuant to employee stock option plan are treated as treasury share till the time of exercise of options of employees in accordance with Ind As 102. These treasury are not considered in the paid up capital and also not considered in the calculation of EPS.

In a Capitalisation or bonus issue or a share split, the number of ordinary shares outstanding is increased without an increase in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

33. Income taxes

The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:



Amount recognised in statement of profit & loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current income tax:		
Current income tax charge	807.21	536.08
Deferred Tax:		
Relating to origination and reversal of temporary differences	(39.81)	(60.57)
Income tax expense reported in the statement of profit and loss	767.41	475.51

Other comprehensive income section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Re-measurement gains/(losses) on defined benefit plans	19.90	7.20
Tax charged to OCI	(5.01)	(1.81)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before income tax	2,816.36	1,844.45
Accounting profit before income tax		
At India's statutory income tax rate of 25.17% (31 March 2022: 29.12%)	708.88	464.25
Tax effect of deductible expenses for tax purposes:		
Depreciation allowable under income tax act	56.91	49.5
Others	0.78	5.16
At the effective income tax rate of 25.63% (31 March 2023: 25.17%)	57.69	54.66
Tax effect of Non-deductible expenses for tax purposes:		
Depreciation debited to profit & Loss	60.09	56.01



CSR Expenses	5.45	2.4
Gratuity	6.14	5.44
On account of consolidation	44.60	2.07
At the effective income tax rate of 25.17% (31 March 2023: 25.17%)	116.29	65.92
Total tax expense reported in the statement of profit and loss	767.41	475.51
	767.41	475.51
Effective income tax rate	27.25%	25.78%

**Deferred tax relates to the following
Balance Sheet**

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets:		
WDV differences of assets as per books and tax laws	(58.29)	(26.39)
Gratuity Provision	(25.69)	(24.55)
Provision for expected credit losses	(349.44)	(355.34)
Remeasurement Loss on defined benefit obligations	4.42	1.81
Others	(28.31)	(13.03)
Net deferred tax (assets)/liabilities	(457.31)	(417.50)

Reflected in the balance sheet as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets (continuing operations)	(457.31)	(417.50)
Deferred tax liabilities/(assets), net	(457.31)	(417.50)

34. Employee benefits

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
Salaries and Wages	2,550.49	2,449.48
Contribution to provident and other funds	138.50	118.10
Staff welfare expenses	41.81	79.73
Total	2,730.80	2,647.30



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.

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employers Contribution to Provident fund	82.54	79.78
Employers Contribution to Employee state insurance	11.15	11.30
Total	93.69	91.08

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31 March 2023 and 31 March 2022 consist of the following.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	19.47	23.31
Interest on net defined benefit liability/(asset)	7.07	5.5
Expected Return on plan Assets	-	-
Components of defined benefit costs recognized in statement of profit or loss - (A)	26.54	28.81
Actuarial (gain) / loss on plan obligations	(19.91)	(7.20)
Components of defined benefit costs recognized in other comprehensive income - (B)	(19.91)	(7.20)
Total (A+B)	6.63	21.63

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 2023	For the year ended 31 March 2022
Present value of defined benefit obligation	102.06	97.54
Less: Fair value of plan assets		
Net liability recognized in the balance sheet		
Current portion of the above	12.88	4.56
Non-current portion of the above	89.18	92.98

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Defined benefit obligations at the beginning of the year	97.54	75.92
Benefits Paid	(2.11)	-
Expenses Recognised in statement of Profit & Loss	26.54	28.81
Current service cost	19.47	23.31
Interest on defined obligations	7.07	5.50
Expenses Recognised in statement of OCI	(19.91)	(7.20)
Actuarial loss/(gain) due to change in assumptions	-	
Actuarial loss/(gain) due to experience changes	(19.91)	(7.20)
Defined benefit obligations at the end of the year	102.06	97.54

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 2023	For the year ended 31 March 2022
Interest/discount rate	7.5%	7.25%
Rate of increase in compensation	5.00%	5.00%
Expected Average Remaining Service	20.8	22.00



35. Related party disclosure

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

Nature of Relationship	Name of the Related Parties
Directors of the Group	Ramesh babu nemani (w.e.f 23 rd March 2022) Swapna kandula (w.e.f 19 th March 2020) Kiran kumar adapa (w.e.f 17 th March 2021)
Independent Directors of the Company	Malathi Siripurapu (w.e.f 17 th March 2021) Sreekanth Yenigalla (w.e.f 6 th December 2017) Nadella Basanth Kumar (w.e.f. 26 th May 2018) Kiran kumar Atukuri (w.e.f 8 th September 2018) Rajesh Cherukuri (w.e.f 2 nd January 2023)
Key Managerial Persons	Malathi S Sreekanth Yenigalla Kiran Kumar Atukuri Basanth Kumar Nadella Neha Soni (Company Secretary) (w.e.f 22 nd October 2020) Bhargavi Kandula (CFO) (Resigned on 16 th Dec 2022) Gunupudi Kamoji Srinivas (CFO)(w.e.f 03 rd January 2023)
Enterprises having significant influence over the company	Suraksha Agri Retails (India) Private Limited. Nova FertiCare Private limited. Nova Dairy Tech India Private limited.



Nova Health sciences Private Limited.
Agri Genome Resources India private
limited.
AIC Nova Foundation for Agricultural
Innovation and research

Transactions with related parties :

Particulars	For the year ended 31 st March, 2023	For the year ended 31 st March, 2022
Managerial Remuneration to KMP*		
Short Term employee benefits :-		
Malathi siripurapu	271.82	271.82
Sreekanth yenigalla	53.16	49.5
Kiran kumar atukuri	53.56	49.8
Basanth kumar nadella	33.11	30.83
Neha soni	6.00	6.00
Bhargavi kandula	11.52	13.78
Gunupudi kamoji srinivas	5.48	
Total	434.66	421.73
Advances taken by the group		
O/s balance of loan taken by the group:-		
Malathi S	295.59	592.39
Sreekanth yenigalla	2.21	14.34
Kiran kumar atukuri	154.85	284.01
Basanth kumar Nadella	9.37	54.87
Total	462.02	944.61
Purchases and Sales to Other Related Parties :-		
Sales to Suraksha Agri Retails India Pvt Limited		104.79



Transactions with subsidiaries :

Particulars	For the year months ended 31 st March, 2023	For the year months ended 31 st March, 2022
Nova Agri Sciences Private Limited		
Sales to subsidiary	268.80	2,451.74
Purchases from subsidiary	1,219.77	1,155.39
Receivable from subsidiary	-	
Payables to subsidiary	684.82	1,910.36
Investment in subsidiary	180.00	180.00
Income from lease to subsidiary	4.00	-
Nova Agri Seeds India Private Limited		
Investment in subsidiary	5.00	5.00

36. Financial instruments and fair values

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 instruments by category

The carrying value and fair value of financial instruments as of 31 March 2023 and 2022, respectively were as follows.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Total carrying value	Total fair value	Total carrying value	Total fair value
Assets				
Investments	0.01	0.01	0.01	0.01
Loans	35.06	35.06	72.98	72.98



Cash and cash equivalents including the other bank balances	335.18	335.18	9,298.58	9,298.58
Trade and other receivables	10,567.63	10,567.63	164.21	164.21
Total	10,937.88	10,937.88	9,535.77	9,535.77
Liabilities				
Trade and other payables	2,727.61	2,727.61	3,248.14	3,248.14
Non-current borrowings	1,635.73	1,635.73	2,363.79	2,363.79
Current borrowings	5,459.78	5,459.78	4,062.76	4,062.76
Other financial liabilities	595.29	595.29	706.26	706.26
Total	10,418.42	10,418.42	10,380.95	10,380.95

There has 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.

37. 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, security deposits .

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.

(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.

i. 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.

Particulars	Increase/decrease in basis points	Effect on profit before tax
31-03-2023		
INR	100.00	(66.34)
INR	(100.00)	66.34
31-03-2022		
INR	100.00	(54.82)
INR	(100.00)	54.82

ii. 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. The summary of derivative instruments and unhedged foreign currency exposure is as below.

Un-hedged foreign currency exposure as at the reporting date (all amounts are payable in US dollars stated at Indian rupee in lakhs)

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and without considering impact of derivatives not designated as hedges.

Particulars	As at 31 March 2023	As at 31 March 2022
Imports	3,339.93	3,498.57
Total	3,339.93	3,498.57



Sensitivity		
Particulars	As at 31 March 2023	As at 31 March 2022
Impact on standalone profit or loss		
Sensitivity		
1% Increase in FCER	(33.40)	(34.98)
1% Decrease in FCER	33.40	34.98

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and without considering impact of derivatives not designated as hedges.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a 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 2023. The Company's credit period for trade and other receivables payable by its customers generally ranges from 30-90 days.



Particulars	As at 31 March 2023	As at March 312022
Neither past due nor impaired		
Past due but not impaired		
Less than 365 days	10,290.63	9,097.25
More than 365 days	1,399.78	1,370.69
Less : Allowance for credit losses	(1,122.78)	(1,169.37)
Total	10,567.63	9,298.57

Reconciliation of impairment of trade receivables and other assets

Impairment of Trade receivable

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,169.37	1,056.93
Add: Provision made during the year	268.5	112.44
Less: Reversal of earlier years provisions	-	-
Less: Bad debts written off from earlier years provisions	315.09	-
Balance at the end of the year	1,122.78	1,169.37

(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.

The table below summarises the maturity profile of the Company's financial liabilities on undiscounted basis.



<u>Maturities</u>	On demand	Upto 1 year	1-5 Years	Above 5 Years	Total
<u>31-03-2023</u>	-				
Non-current borrowings			1,706.84		1,706.84
Current borrowings		5,059.73			5,059.73
Trade payables		2,684.77	42.84		2,727.61
Other current liabilities		171.35			171.35
Other financial liabilities		595.29			595.29
		8511.14	1749.68		10260.82
<u>31-03-2022</u>					
Non-current borrowings			2,363.8		2,363.79
Current borrowings		4,062.76			4,062.76
Trade payables		3,195.72	52.42		3,248.14
Other current liabilities		247.6			247.60
Other financial liabilities		706.26	71.94		778.20
		8212.34	2488.16		10700.49

38. Details of CSR expenditure

As required by Section 135 read with Schedule VII of the Companies Act 2013, corporate social responsibility (CSR) expenditure required to be spent by the Company during the year, computed at 2% of its average net profit before tax for the immediately preceding three financial years.

Particulars	As at 31 March 2023	As at 31 March 2022
i) Amount required to be spent by the company during the year	18.54	9.55
ii) Amount required to be set off for the financial year, if any	-	
iii) Total CSR obligation for the financial year	18.54	9.55
iv) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	21.65	9.55
v) Shortfall/ (Pre spent) at the end of the year ((iii)-(iv))*	(3.11)	-
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

39. 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.

40. Ratio analysis

Ratio	Numerator	Denominator	31-03-2023	31-03-2022	Variance (in %)	Reason
Current ratio	Current Assets	Current Liabilities	1.60	1.50	6.67	1
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.11	1.49	(25.50)	
Debt Service Coverage ratio	Earnings for debt service	Debt service	2.44	2.10	16.19	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.38	0.38	-	2
Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.36	5.14	4.28	
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	2.12	2.09	1.44	
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	4.23	2.91	45.36	3
Net Capital Turnover Ratio	Revenue	Working capital	3.54	4.09	(13.45)	
Net Profit ratio	Net Profit	Revenue	0.13	0.10	30.00	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.27	0.24	12.50	

1. Increase in reserves and surplus ,has resulted in decrease in the Debt -Equity ratio.
2. Decrease in average trade payables contribute to the increase.
3. Improve in the profit has resulted in increase in the return on equity.



41. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

Particulars	As at 31 March 2023	As at 31 March 2022
Gross Debt (Long term and short term borrowings including current maturities)	7,095.52	6,426.55
Less: cash and cash equivalents	(335.18)	(164.21)
Net debt (A)	6,760.34	6,262.34
Total equity (B)	6,387.97	4,319.13
Capital and net debt Gearing Ratio	1.06	1.45

Debt Equity ratio

Particulars	As at 31 march 2023	As at 31 march 2022
Total Debt	7,095.52	6,426.55
Total Equity	6,387.97	4,319.13
Debt Equity ratio	1.11	1.49

42. Contingent liabilities /Assets :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Corporate Guarantees	800	800
Capital Commitments:		
i)Contract to be executed(net of advance)	251.26	300
ii)Claims against the company not acknowledged as debts	19.63	19.63
Total	1070.89	1119.63



*The Company vide its 0042 Board meeting had approved for purchase of land in Karnataka of 10 acre at Kadechur Industrial Area, Yadagir district, dated on 02-12-2021. Accordingly, as at 31st March 2023 the company had paid an advance amounting to Rs.123.74 lakhs towards purchase of 33% out of total consideration payable of rs. 375.00 lakhs accordingly as at 31st March 2023, balance of Rs. 251.26 lakhs is disclosed as commitment.

43. Research expenses recognised in statement of profit and loss account

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Others	65.67	49.93
Total	65.67	49.93

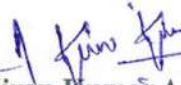
44. Previous period/year figures have been regrouped/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

For NSVR & Associates LLP.,
Chartered Accountants
Firm Regd.No: 008801S/S200060


Venkata Ratnam P
Partner
M.NO: 230675
UDIN: 23230675BGWGRG5029



On behalf of Board of Directors
For Nova Agritech Limited


Kiran Kumar A
(Managing Director)
(DIN: 08143781)




Sreekanth Y
(Director)
DIN: 07228577


Basant Kumar N
(Director)
DIN: 08139510

Place : Hyderabad
Date: 02-09-2023


Srinivas Gunupudi
Chief Financial officer


Neha Soni
Company Secretary