

AUDITORS' REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of **PNP Agrotech Private Limited**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of PNP Agrotech Private Limited ("the company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, statement of cash flows for the year then 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 financial statements give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with

the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

NIL

Our opinion is not modified in respect of these matters.

Emphasis of Matters

We draw attention to the following matters in the notes to the financial statements:

We draw attention to Note No.21.9 that, the Board of Directors of the Company have approved the scheme of Amalgamation of the Company with Kolte-Patil Developers Limited, subject to the necessary approvals and the appointed date is April 1, 2023. The Company has filed the Scheme with Registrar of Companies, Pune and approvals from authorities is awaited.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

SMITHA SAILESH
Chartered Accountant
M. No.: 104984

Place: Bangalore
Date:

Annexure- A to Auditors Report

Re: PNP Agrotech Private Ltd.

Referred to in paragraph 3 and 4 of our report of even date,

- (i) (a)(A) According to the information and explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) As explained to us, the company is maintaining proper records showing full particulars of intangible assets;
- (b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) As explained to us, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) As explained to us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate; discrepancies of 10% or more in the aggregate for each class of inventory were not noticed.

(b) According to the information and explanations given to us, the company has not 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.

(iii) According to the information and explanations given to us, during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, provisions of clause 3(iii)(a) to clause 3(iii)(f) are not applicable to the company.

(iv) According to the information and explanations given to us, the company has not made any loans, investments, guarantees, and security. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the company.

(v) According to the information and explanations given to us, company has not accepted any deposits or amounts which are deemed to be deposits, the directives issued by the Reserve Bank of India. Accordingly, the Paragraph 3(v) of the order is not applicable to company.

- (vi) According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records under section 148(1) the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax and cess. Sales-tax, service tax, duty of customs, duty of excise, value added tax are not applicable to the company. No undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, there are no such transactions which are not recorded in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),
- (ix) (a) According to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the company is not declared as wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us, the company has not taken any term loans.
- (d) According to the information and explanations given to us, funds raised on short term basis have not been utilized for long term.
- (e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

- (x) (a) Based upon the audit procedures performed and information and explanations given by management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the company and hence not commented upon
- (xi) (a) Based upon the audit procedures performed and information and explanations given by management, we report that no fraud by the company or any fraud on the company has been noticed or reported during the year. Accordingly, the provisions of clause 3(xi)(a) & 3(xi)(b) of the Order are not applicable.
- (b) According to the information and explanations given to us, there are no whistle-blower complaints received during the year by the company;
- (xii) According to the information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a), 3(xii)(b) & 3(xii)(c) are not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected to him.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of

the Reserve Bank of India Act, 1934 (2 of 1934).

(b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) & 3(xvi)(d) are not applicable.

- (xvii) According to the information and explanations given to us, the company has incurred cash losses in the financial year and in the immediately preceding financial year and the details of cash losses are as mentioned below

Financial Year	Amount of cash losses (Rs.in Thousands)
2021-22	Rs.1,07,37
2022-23	Rs.94,54

- (xviii) There has been no resignation of the statutory auditors during the year.

- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, scheme of amalgamation of the company with its holding company i.e., Kolte-Patil Developers Limited under process, other information accompanying the financial statements, in our knowledge of the Board of Directors and management plans, in our opinion, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- (xx) According to the information and explanations given to us, the provisions of section 135 of the Companies Act are not applicable to the company.

- (xxi) According to the information and explanations given to us, the provisions of preparation of consolidated financial statements are not applicable to the company.

SMITHA SAILESH
Chartered Accountant
M. No.: 104984

Place: Bangalore
Date: 20.05.2023

PNP AGROTECH PRIVATE LIMITED
Balance Sheet as at March 31st,2023

Particulars	Note No.	Amount (Rs.in Thousands)	
		As at March 31st,2023	As at March 31st,2022
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	1	83,115	87,214
(b) Biological Assets other than bearer plants	1	113	178
(c) Capital work-in-progress	1		
(d) Goodwill			
(e) Investment Property			
(f) Other Intangible assets			
(g) Intangible assets under development			
(h) Financial Assets			
(i) Investments			
(ii) Loans			
(iii) Trade receivables			
(iv) Others	2	365	365
(i) Deferred tax assets (net)			
(j) Income Tax Assets (Net)	3		-
(k) Other non-current assets			
Total Non - Current Assets		83,593	87,757
2 Current assets			
(a) Inventories	4	147	378
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	5	205	1,888
(iii) Cash and cash equivalents	6	30	629
(iv) Loans			
(v) Others (to be specified)			
(c) Other current assets	7	178	329
Total Current Assets		560	3,224
Total Assets (1+2)		84,153	90,981
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	8	93,252	93,252
(b) Other Equity	9	(1,15,247)	(1,01,610)
Equity attributable to owners of the Company (I)		(21,994)	(8,357)
Non-controlling interests (II)			
Total equity (I+II)		(21,994)	(8,357)
LIABILITIES			
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings			-
(ia) Lease liabilities			
(ii) Trade payables			
A. Dues of micro and small enterprises			
B. Dues of other than micro and small enterprises			
(iii) Other financial liabilities (other than those specified in (b) below, to be specified)			
(b) Provisions			
(c) Deferred tax liabilities (Net)	10	592	734
(d) Other non-current liabilities			
Total Non - Current Liabilities		592	734
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	1,02,644	95,777
(ia) Lease liabilities			
(ii) Trade payables	12	2,475	2,390
A. Dues of micro and small enterprises			
B. Dues of other than micro and small enterprises			
(iii) Other financial liabilities (other than those specified in (b) below, to be specified)		-	-
(b) Provisions			
(c) Current Tax Liabilities (Net)	13	36	121
(d) Other current liabilities	14	400	315
Total Current Liabilities		1,05,555	98,604
Liabilities associated with assets held for sale			
Total Equity and Liabilities (1+2+3)		84,153	90,981
See accompanying notes forming part of the financial statements	21		

In terms of our report attached

For and on behalf of the Board of Directors
PNP Agrotech Private Limited

SMITHA SAILESH
CHARTERED ACCOUNTANTS
Mem. No.: 104984

Director
DIN : 00588888

Director
DIN: 00881077

Place : BANGALORE
Date : 20.05.2023
UDIN: 23104984BGUVSS9068

PNP AGROTECH PRIVATE LIMITED

Profit and Loss for the Year Ended March 31st, 2023

Particulars	Note No.	Amount (Rs.in Thousands)	
		For the year ended March 31st,2023	For the year ended March 31st,2022
Continuining Operations			
I Revenue from operations	15	5,255	13,744
II Other Income	16	839	111
III Total Revenue (I + II)		6,094	13,855
IV EXPENSES			
(a) Cost of Materials consumed	17	1,524	2,979
(b) Changes in inventory of Finished Goods/WIP	17	9	47
(c) Employee benefit expense	18	2,985	3,051
(d) Finance costs	19	6,726	10,002
(e) Depreciation and amortisation expense	1	4,205	4,366
(f) Other expenses	20	4,303	8,514
Total Expenses (IV)		19,753	28,958
V Profit/(loss) before exceptional items and tax (III - IV)		(13,659)	(15,103)
VI Tax Expense			
-1 Current tax			
-2 Deferred tax			
Total tax expense			
VII Profit/(loss) for the period before exceptional items (V - VI)		(13,659)	(15,103)
VIII Exceptional Items			
IX Profit/(loss) for the period (VII + VIII)		(13,659)	(15,103)
X Other comprehensive income			
(i) Items that will not be reclassified subsequently to profit or loss			
-Remeasurements of the defined benefit liabilities / (asset)		22	6
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
XI Total Comprehensive income/(loss) for the year (IX+X)		(13,637)	(15,097)
XII Earnings per equity share (Face Value Rs. 10) in Rs.			
-1 Basic		(1.46)	(1.62)
-2 Diluted		(1.46)	(1.62)

In terms of our report attached

For and on behalf of the Board of Directors
PNP Agrotech Private Limited

SMITHA SAILESH
CHARTERED ACCOUNTANTS
Mem. No:-104984

Director
DIN: 00881077

Place : BANGALORE

Date : 20.05.2023

UDIN: 23104984BGUVSS9068

Property Plant & Equipment											
S.No.	Particulars	Life of Asset considered (No.of. Years)	Gross Block				Depreciation			Net Block	
			Balance As on 01.04.2022	Additions 01.04.2022 to 31.03.2023	Deletions 01.04.2022 to 31.03.2023	Balance As on 31.03.2023	Balance As on 01.04.2022	Depreciation for FY 22-23	Balance As on 31.03.2023	As on 31.03.2023	As on 31.03.2022
1	BUILDINGS (OTHER THAN FACTORY BUILDINGS) OTHER THAN RCC FRAME STRUCTURE	30	12,913	-	-	12,913	2,160	431	2,591	10,322	10,753
	Store Room & Security Room	30	256	-	-	256	72	9	81	175	184
	D.G. Room	30	431	-	-	431	121	14	135	296	310
	Cold Room	30	91	-	-	91	27	3	30	61	64
	RESERVOIR	30	2,430	-	-	2,430	327	81	408	2,021	2,102
	Irrigation Room	30	1,407	-	-	1,407	395	47	442	965	1,012
	LABOUR QUARTERS	30	172	-	-	172	48	6	54	118	124
	Sump Tank	30	882	-	-	882	248	29	278	605	634
	PACKING & GRADING HALL	30	1,041	-	-	1,041	81	35	116	925	960
	Labour Quarters - Ph-2	30	539	-	-	539	97	18	115	424	442
	Pre cooling Unit	30	5,663	-	-	5,663	743	189	932	4,731	4,920
2	BUILDINGS(TUBE WELLS)	5	959	-	-	959	959	-	959	-	-
	Borewell	5	453	-	-	453	453	-	453	-	-
	Borewell-PHASE 2	5	506	-	-	506	506	-	506	-	-
	COMPUTERS AND DATA PROCESSING UNITS (NESD)	3	125	6	-	131	81	26	106	25	44
	Computers	3	125	6	-	131	81	26	106	25	44
	ELECTRICAL INSTALLATIONS AND EQUIPMENT (NESD)	10	1,229	101	-	1,330	923	123	1,046	284	306
	Electrical Equipment & transformer	10	1,229	101	-	1,330	923	123	1,046	284	306
5	FURNITURE AND FITTING (NESD)	10	309	-	-	309	246	31	277	32	63
	Furniture & Fixture	10	275	-	-	275	218	27	245	30	57
	Finger Stand & Flower Trolley	10	34	-	-	34	28	3	32	2	5
6	LABORATORY EQUIPMENT (NESD)	10	33	-	-	33	28	3	32	1	5
	Lab Equipments	10	33	-	-	33	28	3	32	1	5
7	PLANT AND MACHINERY (GENERAL RATE)	15	40,807	-	-	40,807	21,275	2,641	23,917	16,889	19,530
	Generator	15	461	-	-	461	278	31	307	154	185
	Air Conditioner	15	1,099	-	-	1,099	1,027	7	1,034	65	72
	Reefer Container	15	379	-	-	379	213	25	239	139	165
	Poly House	15	14,235	-	-	14,235	11,162	936	12,099	2,136	3,072
	Water Distribution System	15	4,025	-	-	4,025	2,278	267	2,546	1,479	1,747
	Sprayer	15	95	-	-	95	39	6	46	50	56
	Pump Set	15	108	-	-	108	52	7	59	49	56
	Packing Machine	15	75	-	-	75	23	5	28	47	52
	Weighing Scale	15	11	-	-	11	6	1	7	4	5
	Water Distribution system - Ph - 2	15	1,688	-	-	1,688	609	113	722	966	1,079
	Poly House - 2	15	18,630	-	-	18,630	5,589	1,242	6,831	11,799	13,041
8	PLANT AND MACHINERY ***	5	10,326	-	-	10,326	9,311	951	10,263	64	1,015
	Bed Media & Preparation	5	1,995	-	-	1,995	1,995	-	1,995	-	-
	Rose Plants	5	2,902	-	-	2,902	2,765	78	2,844	58	136
	FARM YARD MANURE & CHEMICALS	5	540	-	-	540	540	-	540	-	-
	INSECTICIDES & PESTICIDES	5	113	-	-	113	113	-	113	-	-
	LABOUR CHARGES-CULTIVATION	5	230	-	-	230	230	-	231	-	-
	Bed media & Preparation - PH - 2	5	4,511	-	-	4,511	3,644	867	4,510	1	867
	Weed Cutter	5	13	-	-	13	10	3	13	0	3
	Deleafing machine	5	23	-	-	23	14	5	19	4	9
9	Land & Development	-	55,497	-	-	55,497	-	-	-	55,497	55,497
	Land	-	55,215	-	-	55,215	-	-	-	55,215	55,215
	Land Development-Fencing	-	282	-	-	282	-	-	-	282	282
10	LIVE STOCK	-	178	-	65	113	-	-	-	113	178
	INDIGENOUS COW	-	178	-	65	113	-	-	-	113	178
	GRAND TOTAL		1,22,377	107	65	1,22,419	34,983	4,205	39,189	83,228	87,392

PNP AGROTECH PRIVATE LIMITED			
Cash Flow Statement for the Year ended March 31st, 2023			
		Amount (Rs. in Thousands)	
		Year Ended	Year Ended
	Cash Flow Statement	31st Mar 2023	31st Mar 2022
A	Cash Flow from Operating Activities		
	Net Profit Before Tax	(13,659)	(15,103)
	Adjustments for :		
	Depreciation and Amortization Expense	4,205	4,366
	Finance Costs	6,726	10,002
	Interest & Dividend received on Investments	-	-
	Share of profit from Firms and LLP	-	-
	Loss on sale of Fixed assets	-	-
	Expense on employee stock option scheme	-	-
	Provision for non-current investments no longer required	-	-
	Sundry Balances Written back	-	-
	(Profit) / loss on sale of Current Investments	-	-
		10,932	14,368
		(2,727)	(735)
	Operating Profit before working capital changes		
	(Increase)/Decrease in Inventories	230	(19)
	(Increase)/Decrease in Trade receivables	1,683	(802)
	(Increase)/Decrease in Financial assets - Loans		
	(Increase)/Decrease in Financial assets - Others		
	(Increase)/Decrease in Other current assets	151	(329)
	(Increase)/Decrease in Other non-current assets	1	177
	(Increase)/Decrease in Restricted Cash Balances (e.g. Dividend A/c)		
	Increase/(Decrease) in Long-term provisions	(142)	(264)
	Increase/(Decrease) in Trade payables	85	174
	Increase/(Decrease) in Other financial liabilities - Non current		
	Increase/(Decrease) in Other non-current liabilities		
	Increase/(Decrease) in Other financial liabilities - Current	-	-
	Increase/(Decrease) in Other current liabilities	85	55
	Increase/(Decrease) in Short-term provisions	(85)	26
		2,007	(981)
	Cash Generated from Operations	(720)	(1,716)
	Income Tax Refund / (Paid) (net)	-	-
	Net Cash Flow from / (used in) Operating Activities (A)	(720)	(1,716)
B	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment and Intangible Assets	(107)	(130)
	Proceeds from Sale of Property, Plant and Equipment	65	-
	Purchase of Current Investments	-	-
	Sale of Current Investments	-	-
	Dividend Income from Related Parties (refer note XX)	-	-
	Investment in Associate and Subsidiaries (refer note XX)	-	-
	Advance towards Investments	-	-
	Inter Corporate Deposits given	-	-
	Fixed Deposit / Margin Money Realized	-	-
	Fixed Deposit / Margin Money Placed	-	-
	Interest Received	-	-
	Net Cash Flow from / (used in) Investing Activities (B)	(42)	(130)
C	Cash Flow from Financing Activities		
	Repayment of long-term / short term borrowings	-	-
	Proceed from long-term / short term borrowings	6,867	11,522
	Net increase / decrease in working capital borrowings		
	Capital contribution/(withdrawal) by Minority	-	-
	Dividend & Tax on dividend paid	-	-
	Finance cost paid	(6,726)	(10,002)
	Net Cash Flow from / (used in) Financing Activities (C)	141	1,521
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(621)	(325)
	Cash and Cash Equivalents (Opening balance)	629	948
	Cash and Cash Equivalents (refer note XX) at the end of the	30	629
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(621)	(325)

We have verified the above Cash Flow Statement of PNP AGROTECH Private Limited for the period ended March 31, 2023 prepared by the company and certify that the statement has been derived from the accounts of the company audited by us.

As Per Our Audit Report attached
SMITHA SAILESH
Chartered Accountants
Mem. No.: 104984

Place: Bangalore
Date : 20 May 2023

Notes to the Financial Statements as at 31st March 2023
Note 2 - Others Non current Financial Assets

Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
	Non- Current	Non- Current
Financial assets at amortised cost		
a) Security Deposits		
- Secured, considered good		
- Unsecured, considered good	365	365
- Doubtful		
Less : Allowance for bad and doubtful deposits		
TOTAL	365	365
b) Current Account in LLP/Firm		
c) Fixed deposit more than 12 months		
d) Operating lease receivables		
Less: Allowance for Credit Losses		
e) Bills of exchange		
f) Advances to directors or other officers that are in nature of financial asset		
g) Maintenance Charges recoverable		
Total Financial assets at amortised cost	365	365
Financial assets at fair value		
a) Derivatives financial instruments designated and effective as hedging instruments carried at fair value		
- Foreign currency forward contracts		
- Foreign currency swaps		
- Interest rate swaps		
- Options		
b) Other* Financial Instruments carried at FVTPL:		
- Held for trading trading derivatives carried at FVTPL		
- Non-Derivative financial assets designated as FVTPL		
- Held for trading non-derivative financial assets		
c) Other* Financial assets carried as FVTOCI:		
- item 1		
Total Financial assets at fair value		
TOTAL	365	365

Notes to the Financial Statements as at 31st March 2023**Note 3- Income Tax**

Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
Current Tax Asset:	-	-
Others		
Total		-

Notes to the Financial Statements as at 31st March 2023
Note 4- Inventories

Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
(a) Finished and semi-finished goods	-	9
(b) Raw materials	147	368
Total Inventories at the lower of cost and net realisable value	147	378

Notes to the Financial Statements as at 31st March 2023		
Note 5 - Trade receivables		
Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
	Current	Current
Trade receivables outstanding for a period of more than 6 months		
(a) Secured, considered good		
(b) Unsecured, considered good	140	189
(c) Doubtful	443	443
Less: Allowance for Credit Losses	(443)	(443)
Other Trade receivables		
(a) Secured, considered good		
(b) Unsecured, considered good	65	1,699
(c) Doubtful		
Less: Allowance for Credit Losses		
TOTAL	205	1,888

Note 5A-Trade receivables Ageing Schedule as at 31st Mar 2023

Amount (Rs. In Thousands)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
	Dues	Less than	6 months -	1-2	2-3	More than	
		6 months	1 year	years	years	3 years	
(i) Undisputed – considered good		65	-	22	111	8	205
(ii) Undisputed – which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed – credit impaired		-	-	-	-	-	-
(iv) Disputed – considered good		-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed – credit impaired		-	-	-	-	-	-
Total		65	-	22	111	8	205

1000

Trade receivables Ageing Schedule as at 31 March 2022

Amount (Rs. In Thousands)

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
	Dues	Less than	6 months -	1-2	2-3	More than	
		6 months	1 year	years	years	3 years	
(i) Undisputed – considered good		1,699	38	111	0	39	1,888
(ii) Undisputed – which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed – credit impaired		-	-	-	-	-	-
(iv) Disputed – considered good		-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed – credit impaired		-	-	-	-	-	-
Total		1,699	38	111	0	40	1,888

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Notes to the Financial Statements as at 31st March 2023**Note 6 - Cash and Bank Balances**

Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
Current Cash and bank balances		
(a) Balances with banks		
- In current accounts	26	624
- In deposit accounts		
(b) Cheques, drafts on hand		
(c) Cash in hand	3	6
(d) Other Bank Balances		
1) Balances held as margin money or security against borrowings, guarantees and other commitments		
2) Earmarked accounts - unpaid dividend accounts		
Total Cash and cash equivalent	30	629

Reconciliation of Cash and Cash Equivalents

Particulars	As at March 31st,2023	As at March 31st,2022
Total Cash and Cash Equivalents	30	629
Add: Non current Cash and bank balances		
Add: Current Restricted cash and bank balances		
Total Cash and Bank Balance	30	629

Notes to the Financial Statements as at 31st March 2023**Note 7- Other current assets**

Particulars	Amount (Rs. In Thousands)	
	As at March 31st,2023	As at March 31st,2022
(a) Advances to suppliers		
(b) Advances to suppliers - Capital expenses		
(c) Advances to related parties		
(d) Advances to employees	-	9
(e) Balances with government authorities (other than income taxes)		
(f) Prepayments		
(g) Unamortised expenses		
(i) Ancillary borrowing costs		
(ii) Discount on shares (where applicable)		
(h) Others - SouthIndia Floriculture		
(i) Insurance claims		
(ii) Receivables on sale of fixed assets		
(iii) Advance given to India Advantage Fund III		
(iv) Electricity Deposit		
(V) Rent Deposit		
(Vi) Advances for Expenses		
(vii) South India Floriculture association		
(viii) Balances with government authorities	178	320
(i) Provision for TDS Receivable		
TOTAL	178	329

Statement of Changes in Equity as at Mar 31st, 2023
Note 8 - Equity Share Capital

				Amount (Rs. In Thousands)
1) Current reporting period				
Balance As at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated Balance As at April 1, 2022	Changes in Equity Share Capital during the current Quarter	Balance As at Mar 31st, 2023
93,252		93,252		93,252
1) Previous reporting period				
Balance As at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated Balance As at April 1, 2021	Changes in Equity Share Capital during the current year	Balance As at March 31, 2022
93,252		93,252		93,252

Particulars	Amount (Rs. in Thousands)		Amount (Rs. in Thousands)	
	As at March 31st,2023		As at March 31st,2022	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Authorised: Equity shares of Rs. 10 each with voting rights Equity shares of ` ___ each with differential voting rights Other shares of ` ___ each	1,00,00,000	1,00,000	1,00,00,000	1,00,000
Issued, Subscribed and Fully Paid: Equity shares of Rs. 10 each with voting rights Equity shares of ` ___ each with differential voting rights Other shares of ` ___ each	93,25,240	93,252	93,25,240	93,252
Total	93,25,240	93,252	93,25,240	93,252

Note 8A : Disclosure of shareholding of promoters:
Shares held by promoters at the end of the year

S. No.	Promoter Name	No. of shares as at 31st Mar,2023 (in'000)	% of total shares	No. of shares as at 31 March, 2022 (in '000)	% Change during the Quarter
1	Kolte Patil Developers Limited	93,25,240	100.00%	93,25,240	-
				-	-
	Total	93,25,240	100.00%	93,25,240	-

All the above equity shares consists of INR 10/- each fully paid up

In terms of our report attached

For and on behalf of the Board of Directors

PNP Agrotech Private Limited

SMITHA SAILESH
CHARTERED ACCOUNTANTS
Mem. No.: 104984

Place : BANGALORE

Date :

Director
DIN : 00588888

Director
DIN: 00881077

Retained earnings, or accumulated earnings, are the profits that have been reinvested in the business instead of being paid out in dividends. The number represents the total after-tax income that has been reinvested or retained over the life of the business.

Notes to the Financial Statements as at 31st March 2023

- Non Current Borrowings

Particulars	Amount (Rs.in Thousands)	Amount (Rs.in Thousands)
	As at March 31st,2023	As at March 31st,2022
Measured at amortised cost*		
A. Secured Borrowings:		
(a) Bonds / Debentures		
1) Non-convertible Bonds / Debentures / Preference Shares		
2) Other Convertible Bonds / Debentures / Preference Shares#		
(b) Term Loans		
-1 From Banks		
-2 From Financial Institutions & Others		
(c) Deferred payment liabilities		
(d) Deposits		
(e) Long term maturities of Finance Lease Obligations		
(f) Liability component of compound financial instruments		
(g) Other Loans		
1) Commercial Papers		
2) Inter-corporate Deposits		
3) Redeemable preference share capital		
4) Transferred Receivables		
5) Other Loans		
(i) Loans from Government		
(ii) Other Loans - Vehicle loan		
(h) Loans from related parties companies		
1) Inter-corporate Deposits		
2) Finance lease obligations		
3) Redeemable preference share capital		
4) Other Loans		
Total Secured Borrowings		
B. Unsecured Borrowings - at amortised Cost		
(a) Bonds / Debentures		
1) Non-convertible Bonds / Debentures / Preference Shares		
2) Other Convertible Bonds / Debentures / Preference Shares#		
(b) Term Loans		
-1 From Banks		
-2 From Financial Institutions & Others		
(c) Deferred payment liabilities		
(d) Deposits		
(e) Long term maturities of Finance Lease Obligations		
(f) Liability component of compound financial instruments		
(g) Other Loans		
1) Commercial Papers		
2) Inter-corporate Deposits		
3) Redeemable preference share capital		
4) Transferred Receivables		
5) Other Loans		
(i) Loans from Government		
(ii) Other Loans - Vehicle loan		
(h) Loans from related parties companies		
1) Inter-corporate Deposits		
2) Finance lease obligations		
3) Redeemable preference share capital		
4) Other Loans		
Total Unsecured Borrowings		
Total Borrowings carried at Amortised Cost		
Measured at FVTPL		
1) Bonds / Debentures		
2) Term Loans		
Total Borrowings carried at FVTPL		
Total Borrowings		

Notes to the Financial Statements as at 31st March 2023**Note 10 - Non Current Provisions**

Particulars		Amount (Rs.in Thousands)	
		As at March 31st,2023	As at March 31st,2022
		Non- Current	Non- Current
(a)	Provision for employee benefits		
	(i) Provision for compensated absences [Leave Encashment]	75	371
	(ii) Gratuity	517	363
(b)	Other Provisions		
	(i) Warranty	-	-
	(ii) Onerous contracts	-	-
	(iii) Other Provisions	-	-
Total Provisions		592	734

Notes to the Financial Statements as at 31st March 2023

Note 11 - Current Borrowings

Particulars	Amount(Rs.in Thousands)	
	As at March 31st,2023	As at March 31st,2022
A. Unsecured Borrowings - at Amortised cost:		
(a) Loans repayable on demand		
-1 From Banks		
- Working Capital Demand Loans		
- Cash Credit / Packing Credits		
- Overdraft facility		
- Others		
-2 from other parties		
(b) Loans from related parties	1,02,644	95,777
(c) Deposits		
(d) Other Loans		
- Commercial Papers		
- Inter-corporate Deposits		
- Other Loans		
Total Unsecured Borrowings	1,02,644	95,777
Total Current Borrowings	1,02,644	95,777

Notes to the Financial Statements as at 31st March 2023**Note 12 - Current Trade Payables**

Particulars	Amount(Rs.in Thousands)	
	As at March 31st,2023	As at March 31st,2022
	Current	Current
i) Creditors for supplies / services	1,339	1,751
ii) Creditors for accrued wages and salaries		
iii) Other Out standing Expenses	747	399
iii) Acceptances		
iv) Professional Charges Payable	227	105
v) Statutory & Tax Audit Fees Payable	162	135
vi) Salary Payable	-	-
Total trade payables*	2,475	2,390

Notes to the Financial Statements as at 31st Mar 2023

Note 12A - Current Trade Payables

Trade payable ageing Schedule as at 31st Mar 2023#

Amount (Rs.in Thousands)

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME		-	-	-	-
(ii) Others	2,218	19	4	234	2,475
iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,218	19	4	234	2,475

Trade payable ageing Schedule as at 31 March 2022#

Amount (Rs.in Thousands)

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					-
(ii) Others	1,418	4	-	968	2,390
iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	1,418	4	-	968	2,390

Notes to the Financial Statements as at 31st March 2023
Note 13 -Other Financial Liabilities

Particulars	Amount (Rs.in Thousands)	
	As at March 31st,2023	As at March 31st,2022
A. Secured Borrowings - at Amortised cost:		
(a) Loans repayable on demand		
-1 From Banks		
- Working Capital Demand Loans		
- Cash Credit / Packing Credits		
- Overdraft facility		
- Others		
-2 from other parties		
(b) Loans from related parties		
(c) Deposits		
(d) Other Loans		
- Commercial Papers		
- Inter-corporate Deposits		
- Other Loans		
Total Secured Borrowings		

Notes to the Financial Statements as at 31st March 2023**Note 13-Current Provisions**

Particulars	Amount (Rs.in Thousands)	
	As at March 31st,2023	As at March 31st,2022
(a) Provision for employee benefits (i) Leave Encashment & Gratuity	36	121
(b) Other Provisions i) Warranty claims ii) Onerous contracts iii) Other Provisions		
Total Provisions	36	121

Notes to the Financial Statements as at 31st March 2023
Note 14 - Other Current Liabilities

Particulars	Amount in (Rs. in Thousands)			Amount in (Rs. in Thousands)		
	As at Mar 31st,2023			As at March 31st,2022		
	Current	Non- Current	Total	Current	Non- Current	Total
a. Advances received from customers			-	-	-	-
b. Deferred Revenue			-	-	-	-
- Deferred Revenue arising from Customer Loyalty program			-	-	-	-
- Deferred Government grant related to assets			-	-	-	-
- Other Deferred Revenues			-	-	-	-
c. Others			-	-	-	-
- Lease Incentives			-	-	-	-
- Employee Recoveries and Employer Contributions	191		191	29	-	29
- Statutory Dues (Excise duty, service tax, sales tax, TDS, Royalty etc.)	207		207	285	-	285
- Professional Tax Payable	1		1	1	-	1
Total Other Liabilities	400	-	400	315	-	315

Notes to the Financial Statements for the year ended 31st Mar,2023**Note 15 - Revenue from Operations**

The following is an analysis of the company's revenue for the year from continuing operations.

Particulars	Amount (Rs. in Thousands)	
	For the year ended March 31st,2023	For the year ended March 31st,2022
(a) Sales of cut Flowers	5,168	13,690
(b) Sale of land		
(c) Rental income		
(d) Project Management Fees		
(e) Other Operating Revenues -		
- Profit from Partnership Firms (Net)		
- Profit from LLPs (Net)		
- Compensation for Surrender of Right		
- Modification & Extra Work Receipts		
- Sale of Milk	87	49
- Sale of Sweet Corn & Mushroom	0	5
Total Revenue from Operations	5,255	13,744

Notes to the Financial Statements for the year ended 31st Mar,2023
Note 16 - Other Income

Particulars	Amount (Rs. in Thousands)	
	For the year ended March 31st,2023	For the year ended March 31st,2022
(a) Interest Income Interest income earned on financial assets that are not designated as at fair value through profit and loss:		
-1 On Bank deposits (at amortised cost)	-	-
-2 On Subsidy		
-3 Other Financial assets carried at amortised cost		
-4 Interest on Income tax Refund	-	15
(b) Dividend Income from		
-1 Current investment		
-2 Equity investments		
(c) Other non-operating income (net of expenses directly attributable to such income)		
-1 Rental income:		
(i) Finance lease contingent rental income		
(ii) Operating lease rental income:		
- Investment property		
- Contingent rental income		
- Royalties		
- Others (aggregate of immaterial items)		
d) Other gains and losses		
-1 Gain/(loss) on disposal of property, plant and equipment		
-2 Gain/(loss) on disposal of biological asset	55	-
-3 Gain/(loss) on disposal of debt instruments at FVTOCI		
-4 Cumulative gain/(loss) reclassified from equity on disposal of debt instruments at FVTOCI		
-5 Net foreign exchange gain/(losses)	-	96
-6 Gain arising on effective settlement of legal claim		
-7 Net gain/(loss) arising on financial assets designated as at FVTPL		
-8 Net gain/(loss) arising on financial Liabilities designated as at FVTPL		
-9 Net gain/(loss) arising on financial assets mandatorily measured at FVTPL		
-10 Net gain/(loss) arising on held for trading financial liabilities		
-11 Hedge ineffectiveness on cash flow hedges		
-12 Hedge ineffectiveness on net investment hedges		
-13 Gain recognised on disposal of interest in former associates		
-14 Net gain/(loss) arising on derecognition of financial assets measured at amortised cost		
-15 Sundry Balances Written Back	665	-
-16 Guarantee premium income		
-17 Miscellaneous Income (Reversal of provision for leave encashments)	117	
-18 Miscellaneous Income	2	-
Total Other Income	839	111

Notes to the Financial Statements for the year ended 31st Mar 2023
Note 17 - Cost of materials consumed

Particulars	Sl. No.	Amount (Rs. in Thousands)	
		For the year ended March 31st,2023	For the year ended March 31st,2022
(a) Opening stock		368	315
i)Chemicals		148	150
ii)Fertilizers		107	53
iii)Packing Materials		113	113
	(A)	368	315
(b) Add: Purchases during the year		1,303	3,032
i)Chemicals		478	991
ii)Fertilizers		712	1,684
iii)Packing Materials		112	357
	(B)	1,303	3,032
(c) Less : Closing stock		147	368
i)Chemicals		29	148
ii)Fertilizers		34	107
iii)Packing Materials		84	113
	(C)	147	368
Cost of materials consumed	(A+B-C)	1,524	2,979

Note 17 B - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended March 31st,2023	For the year ended March 31st,2022
<u>(a) Inventories at the beginning of the year:</u>		
Finished goods	9	43
Work-in-progress		
Stock-in-trade	9	43
(b) Add: Purchases during the year		
Stock-in-trade : Cut Flowers		14
<u>(C) Less : Inventories at the end of the Quarter:</u>		
Finished goods	-	9
Work-in-progress		
Stock-in-trade : Cut Flowers	-	9
Net (increase) / decrease (a+b+c)	9	47

Notes to the Financial Statements for the year ended 31st Mar 2023**Note 18 - Employee Benefits Expense**

Particulars		Amount (Rs. in Thousands)	
		For the year ended March 31st,2023	For the year ended March 31st,2022
(a)	Salaries and wages, including bonus	2,687	3,001
(b)	Contribution to provident and other funds	199	216
(c)	Gratuity & Leave Encashment Expenses	98	(166)
(d)	Share based payment transactions expenses		
	(1) Equity-settled share-based payments		
	(2) Cash-settled share-based payments		
(e)	Staff welfare expenses		
Total Employee Benefit Expense		2,985	3,051

Notes to the Financial Statements for the year ended 31st Mar 2023

Note 19 - Finance Cost

Particulars	Amount (Rs. in Thousands)	
	For the year ended March 31st,2023	For the year ended March 31st,2022
(a) Interest expense		
(i) Borrowings	-	-
(ii) Trade payables		
(iii) Related parties	6,726	10,002
(iv) Interest on delayed / deferred payment of income tax	-	-
(v) obligation under finance lease - Grand Maratha deposit	-	-
(v) Others - Bank charges	-	-
(b) Dividend on redeemable preference shares	-	-
(c) Exchange differences regarded as an adjustment to borrowing costs	-	-
(d) Other borrowing cost	-	-
Total finance costs	6,726	10,002

Notes to the Financial Statements for the year ended 31st Mar 2023
Note 20 - Other Expenses

Particulars	Amount (Rs. in Thousands)	
	For the year ended March 31st,2023	For the year ended March 31st,2022
(a) Electricity Expenses	594	623
(b) Generator Expenses	21	43
(c) Petrol Sprayer	-	12
(d) Labour charges	185	369
(e) Production-labour charges	1,189	1,862
(f) Repair & maintainance	341	230
(g) Consumables	163	42
(h) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	120	150
(i) Other expenses		
(1) Transportation charges	44	148
(2) Air freight /Shipment Charges	-	2,863
(3) Office and Establishment Expenses	79	101
(4) Travel & conveyance-Domestic	118	136
(5) Rates & Taxes		
(i) Registration Fees	-	6
(ii) ROC filing fees	14	1
(iii) Ineligible Taxes	417	234
(iv) Others	3	1
(6) Professional & Consultancy charges	283	838
(7) Security Charges	717	801
(8) Advertisement Expense	8	-
(9) Bank charges	5	24
(10) Miscellaneous Expenses	1	28
Total Other Expenses	4,303	8,514

PNP AGROTECH PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March 2023

Note 23 - Ratio Analysis and its elements *(based on requirements of schedule III)*

Sr. no	Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% change	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	0.01	0.03	-84%	Due to decrease in Current assets & increase in current liabilities in FY 22-23
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	(4.67)	(11.46)	-59%	Due to increase in Net Losses & Loans in FY22-23.
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	(0.40)	(0.07)	452%	Due to decrease in finance cost in FY22-23 as compared to FY 21-22.
4	Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.90)	(18.67)	-95%	Due to increase in accumulated losses in current year as compared to the previous year.
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	5.84	8.22	-29%	Due to decrease in COGS in FY 22-23 as compared to FY 21-22.
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.02	9.24	-46%	Due to decrease in sales in FY 22-23 as compared to FY 21-22.
7	Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	0.54	1.32	-59%	Due to decrease in credit purchases in FY 22-23 as compared to FY 21-22.
8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(0.05)	(0.14)	-65%	Due to decrease in sales in FY 22-23 as compared to FY 21-22.
9	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	(2.60)	(1.10)	136%	Due to reduction in sales for FY 22-23 as compared to FY 21-22.
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt	(0.32)	(0.61)	-48%	Due to increase in accumulated losses in current year as compared to the previous year.
11	Return on Investment	Interest (Finance Income)	Investment	-	-	-	-

PNP AGROTECH PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2023

Note 23 A - Ratio Analysis and its elements *(based on requirements of schedule III)*

Amount (Rs. in Thousands)

SR. NO	Ratio	31-Mar-23	31-Mar-22
1	Current ratio	0.01	0.03
	Current Assets	560	3,224
	Current Liabilities	1,05,555	98,604
2	Debt- Equity Ratio	(4.67)	(11.46)
	Total Debt	1,02,644	95,777
	Shareholder's Equity	(21,994)	(8,357)
3	Debt Service Coverage ratio	(0.40)	(0.07)
	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+Interest	(2,705)	(729)
	Debt service = Interest & Lease Payments + Principal Repayments	6,726	10,002
4	Return on Equity ratio	(0.90)	(18.67)
	Net Profits after taxes – Preference Dividend	(13,637)	(15,097)
	Average Shareholder's Equity	(15,176)	(809)
5	Inventory Turnover ratio	5.84	8.22
	Cost of goods sold	1,533	3,026

	Average Inventory	262	368
6	Trade Receivable Turnover Ratio	5.02	9.24
	Net credit sales = Gross credit sales - sales return	5,255	13,744
	Average Trade Receivable	1,047	1,487
7	Trade Payable Turnover Ratio	0.54	1.32
	Net credit purchases = Gross credit purchases - purchase return	1,303	3,032
	Average Trade Payables	2,432	2,303
8	Net Capital Turnover Ratio	(0.05)	(0.14)
	Net sales = Total sales - sales return	5,255	13,744
	Working capital = Current assets – Current liabilities	(1,04,995)	(95,380)
9	Net Profit ratio	(2.60)	(1.10)
	Net Profit	(13,637)	(15,097)
	Net sales = Total sales - sales return	5,255	13,744
10	Return on Capital Employed	(0.32)	(0.61)
	Earnings before interest and taxes	(6,933)	(5,101)
	Capital Employed = Tangible Net Worth + Total Debt	(21,994)	(8,357)

11	Return on Investment	-	-
	Interest (Finance Income)	-	-
	Investment	-	-

PNP AGROTECH PRIVATE LIMITED

Notes to Financial Statements for the year ended 31st March 2023

Note 24 - Other Statutory Information

Following Disclosure requirements of Schedule III are not given, since there are no such transactions in the Company:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have 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
- (vi) The Company have 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 Group 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
- (vii) The Company does not have any such 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)*

Note 25 - Amount less than Re. 0.5 thousand has been rounded off and shown as Re. 0 thousand.

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

1. CORPORATE INFORMATION

PNP Agrotech Private Limited ("the Company") is a Company registered under the Companies Act, 1956. It was incorporated on 14.09.2011. The Company is primarily engaged in business of floriculture.

1.1. SIGNIFICANT ACCOUNTING POLICIES

A. Statement of Compliance:

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

B. Basis of Preparation of Financial Statements:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

C. Use of Estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. 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 future periods are affected.

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

D. Inventories:

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, if any. Cost includes all changes in bringing the goods to the point of sale.

E. Fixed Assets

Fixed assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortization on Fixed Asset is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013

The estimated useful lives and residual values of the Fixed Assets and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

For transition to Ind AS, the Company has elected to continue with the carrying value of all the Fixed Assets recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Capital Work - In –Progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

F. Miscellaneous Expenditure:

Preliminary expenses have been written off in the year in which they were incurred.

G. Revenue Recognition :

Sales of goods are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

H. Employee Benefits:

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing is determined using the projected unit credit method for which actuarial valuations are being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or a credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions on future contributions to the plans.

A liability for a termination benefit is recognized either when the entity can no longer withdraw the offer of the termination benefit or when the entity recognizes any related restructuring costs, whichever is earlier.

Short-term and other long-term employee benefits: -

A liability is recognized for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

I. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

J. Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

K. Current and Deferred Taxes

Current Tax

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Deferred Tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

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

The carrying amount of deferred income 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 income tax asset to be utilized.

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

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

L. Impairment:

(i) Financial assets (other than at fair value)

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

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii) Non-financial assets

Property, Plant & Equipment and Intangible assets (PPE&IA)

At each Balance Sheet date, the Company reviews the carrying amounts of its PPE&IA to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized as income in the Statement of Profit and Loss as and when they arise.

M. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and are

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities and Contingent assets are not recognized in the financial statements.

N. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

O. Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Financial liabilities are measured at amortised cost using the effective interest method.

Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on remeasurement recognized in profit and loss account.

1.2 Statement of Cash flows

PNP Agrotech Private Limited

Notes to the financial statements for the year ended March 31, 2023

The statement of Cash Flows is prepared in accordance with Ind AS 7 (*Statement of Cash Flows*) notified the Companies (Indian Accounting Standards) (Amendment) Rules, 2017, amending Ind AS 7.

1.3 New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to March 31, 2022:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property Plant and equipment - The amendment clarifies 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 effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies 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 (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The Company has evaluated the amendment and the impact is not expected to be material.

PNP AGROTECH PRIVATE LTD: BANGALORE

The Company has prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013.

Note:- 21.1 Auditors Remuneration towards

Amount in Rupees

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
For Statutory Audit Fee including fees for quarterly limited reviews	1,20,000	1,50,000
For Other Services	0	0
Total	1,20,000	1,50,000

Note:- 21.2

As per Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standard) Rules 2006 the disclosures of employee benefits as defined in the standard are given below:

Defined Contribution Plan:

The Company's contribution to provident fund and employee state insurance is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plan:

The present value of obligation is determined based on actuarial valuation, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company operates post retirement benefit plans as follows:

**DISCLOSURES UNDER IND AS 19 IN RESPECT OF GRATUITY BENEFIT PLAN
FOR THE PERIOD 01 04 2022 to 31 03 2023**

PNP AGROTECH PRIVATE LIMITED

L. ASSUMPTIONS :

	As of 31 03 2023	As of 31 03 2022
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	7.40%	7.00%
Rate of increase in compensation levels	8.00%	7.00%
Expected rate of return on plan assets	----	----
Expected average remaining working lives of employees (in years)	9.51 *	10.01 *
Average remaining working life (years)	14.75 ^	15.75 ^
Retirement Age	60 years	60 years
Withdrawal Rate		
Age upto 30 years	5.00%	5.00%
Age 31 - 40 years	5.00%	5.00%
Age 41 - 50 years	5.00%	5.00%
Age above 50 years	5.00%	5.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

^ It is simple arithmetical difference between retirement age and average age (by zeroing out negatives foremployees above retirement age) and is calculated without using any decrements.

II. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS :

(All figures in Rupees)

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Present value of obligation as at the beginning	469,864	509,050
Interest Expense	32,890	29,416
Current service cost	65,200	77,442
Benefits paid	0	(140,008)
Remeasurements on obligation - (Gain) / Loss	(21,787)	(6,036)
Present value of obligation as at the end of the period	546,167	469,864

III. BREAK UP OF SERVICE COST

(All figures in Rupees)

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Current Service Cost	65,200	77,442

IV. NET INTEREST (INCOME)/EXPENSE :

(All figures in Rupees)

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Interest (Income) / Expense – Obligation	32,890	29,416
Net interest (Income) / Expense for the year	32,890	29,416

V. REMEASUREMENTS FOR THE YEAR (ACTUARIAL (GAIN) / LOSS)

(All figures in Rupees)

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Experience (Gain) / Loss on plan liabilities	(37,153)	3,670
Financial (Gain) / Loss on plan liabilities	15,366	(9,706)

VI. AMOUNTS RECOGNISED IN STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)

(All figures in Rupees)

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Opening amount recognised in OCI outside profit and loss account	(17,663)	(11,627)
Remeasurement for the year - obligation (Gain) / Loss	(21,787)	(6,036)
Total Remeasurements Cost / (Credit) for the year recognised in OCI	(21,787)	(6,036)
Closing amount recognised in OCI outside profit and loss account	(39,450)	(17,663)

VII.THE AMOUNTS TO BE RECOGNISED IN THE BALANCE SHEET :**(All figures in Rupees)**

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Present value of obligation at the end of period	546,167	469,864
Surplus / (Deficit)	(546,167)	(469,864)
Current liability	28,971	23,616
Non-current liability	517,196	446,248
Net asset / (liability) recognised in balance sheet	(546,167)	(469,864)

VIII. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS :**(All figures in Rupees)**

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Service Cost	65,200	77,442
Net interest (Income)/ Expense	32,890	29,416
Net periodic benefit cost recognised in the statement of profit & loss at the end of period	98,090	106,858

IX.RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED :**(All figures in Rupees)**

For the period	01 04 2022 to 31 03 2023	01 04 2021 to 31 03 2022
Net asset / (liability) recognised at the beginning of the period	(469,864)	(509,050)
Benefits directly paid by Company	0	140,008
Amount recognised outside profit & loss for the year	21,787	6,036
Expense recognised at the end of period	(98,090)	(106,858)
Net asset / (liability) recognised at the end of the period	(546,167)	(469,864)

X. AVERAGE DURATION

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 9.15 years.

XI. EXPECTED FUTURE BENEFIT PAYMENTS

The following benefits payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Year Ending March 31	Expected Benefit Payment rounded to nearest thousand (in Rs.)
2024	29,000
2025	36,000
2026	405,000
2027	20,000
2028	23,000
2029 - 2033	160,000

The above cash flows have been arrived at based on the demographic and financial assumptions as mentioned earlier in section 6

XII. EXPECTED CONTRIBUTIONS FOR THE NEXT YEAR

The plan is unfunded as on the valuation date.

XIII. EXPECTED EXPENSE TO BE RECOGNIZED IN PROFIT AND LOSS ACCOUNT FOR NEXT YEAR :

For the period	01 04 2023 to 31 03 2024
Service Cost	67,654
Net Interest Cost	39,343
Expected Expense for next year	106,997

XIV. SENSITIVITY ANALYSIS

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact

- A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point

Discount rate	31 03 2023 Present value of obligation (in Rs.)
6.40%	583,604
8.40%	513,175

- B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point

Salary increment rate	31 03 2023 Present value of obligation (in Rs.)
7.00%	517,853
9.00%	577,669

- C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis point

Withdrawal rate	31 03 2023 Present value of obligation (in Rs.)
4.00%	547,475
6.00%	544,989

XV. RISK EXPOSURE AND ASSET LIABILITY MATCHING

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

Liability Risks

a. Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

**DISCLOSURES UNDER IND AS 19 IN RESPECT OF LEAVE ENCASHMENT
PLAN FOR THE PERIOD 01 04 2022 to 31 03 2023**

PNP AGROTECH PRIVATE LIMITED

I. ASSUMPTIONS :

	As of 31 03 2023	As of 31 03 2022
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	7.40%	7.00%
Rate of increase in compensation levels	8.00%	7.00%
Expected average remaining working lives of employees (in years)	9.51*	10.01*
Average remaining working life (years)	14.75 ^	15.75 ^
Retirement Age	60 years	60 years
Withdrawal Rate		
Age upto 30 years	5.00%	5.00%
Age 31 - 40 years	5.00%	5.00%
Age 41 - 50 years	5.00%	5.00%
Age above 50 years	5.00%	5.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

^ It is simple arithmetical difference between retirement age and average age (by zeroing out negatives foremployees above retirement age) and is calculated without using any decrements.

II. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS :**(All figures in Rupees)**

For the period	01 04 2022 to 31 03 2023	01 04 2021 to 31 03 2022
Present value of obligation as at the beginning of the period	385,522	583,698
Interest Expense	20,489	36,919
Current service cost	60,260	101,943
Benefits paid	(185,651)	(65,337)
Remeasurements on obligation - (Gain) / Loss	(198,027)	(271,701)
Present value of obligation as at the end of the period	82,593	385,522

III. BREAK UP OF SERVICE COST**(All figures in Rupees)**

For the period	01 04 2022 to 31 03 2023	01 04 2021 to 31 03 2022
Current Service Cost	60,260	101,943

IV. NET INTEREST (INCOME)/EXPENSE :**(All figures in Rupees)**

For the period	01 04 2022 to 31 03 2023	01 04 2021 to 31 03 2022
Interest (Income) / Expense – Obligation	20,489	36,919
Net interest (Income) / Expense for the year	20,489	36,919

V. REMEASUREMENTS FOR THE YEAR (ACTUARIAL (GAIN) / LOSS):**(All figures in Rupees)**

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Remeasurement for the year - Obligation (Gain) / Loss	(198,027)	(271,701)
Total Remeasurement Cost / (Credit) for the year	(198,027)	(271,701)

VI. BREAKUP OF REMEASUREMENTS (ACTUARIAL (GAIN) / LOSS)**(All figures in Rupees)**

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Experience (Gain) / Loss on plan liabilities	(201,835)	(264,392)
Financial (Gain) / Loss on plan liabilities	3,808	(7,309)

VII. THE AMOUNTS TO BE RECOGNISED IN THE BALANCE SHEET :**(All figures in Rupees)**

For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Present value of obligation at the end of period	82,593	385,522
Surplus / (Deficit)	(82,593)	(385,522)
Current liability	7,492	36,410
Non-current liability	75,101	349,112
Net asset / (liability) recognized in balance sheet	(82,593)	(385,522)

VIII. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS
:

(All figures in Rupees)		
For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Current service cost	60,260	101,943
Net interest (Income)/ Expense	20,489	36,919
Remeasurements Cost / (Credit) for the year	(198,027)	(271,701)
Net periodic benefit cost recognised in the statement of profit & loss at the end of period	(117,278)	(132,839)

IX. RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED :

(All figures in Rupees)		
For the period	01 04 2022 to	01 04 2021 to
	31 03 2023	31 03 2022
Net asset / (liability) recognised at the beginning of the period	(385,522)	(583,698)
Benefits directly paid by Company	185,651	65,337
Expense recognised at the end of period	117,278	132,839
Net asset / (liability) recognised at the end of the period	(82,593)	(385,522)

X. AVERAGE DURATION

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate, avilment rate and interest rate) is 12.19 years.

XI. EXPECTED FUTURE BENEFIT PAYMENTS FOR ENCASHABLE LEAVES

The following benefits payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Year Ending March 31	Expected Benefit Payment rounded to nearest thousand (in Rs.)
2024	3,000
2025	3,000
2026	3,000
2027	3,000
2028	3,000
2029 – 2033	19,000

The above cash flows have been arrived at based on the demographic and financial assumptions(except availment rate) as mentioned earlier in section 5 .

XII. EXPECTED CONTRIBUTIONS FOR THE NEXT YEAR

The plan is unfunded as on the valuation date.

XIII. SENSITIVITY ANALYSIS

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact

A) Impact of change in Discount rate when base assumption is decreased/increased by 100 basis point

Discount rate	31 03 2023 Present value of obligation (in Rs.)
6.40%	91,121
8.40%	75,245

B) Impact of change in Salary Increase rate when base assumption is decreased/increased by 100 basis point

Salary increment rate	31 03 2023
	Present value of obligation (in Rs.)
7.00%	75,922
9.00%	90,152

C) Impact of change in Availment rate when base assumption is decreased/increased by 100 basis point

Availment rate	31 03 2023
	Present value of obligation (in Rs.)
2.00%	77,877
4.00%	86,282

XIV. RISK EXPOSURE AND ASSET LIABILITY MATCHING

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk-

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

2) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

Note:- 21.3**Earnings per Share:**

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

Particulars

	2022-23	2021-22
	(Rs.in Thousands)	
1. Loss after taxation considered for calculation	(13,637)	(15,097)
Of basic/ diluted earnings per share		
2. Weighted average number of equity shares considered for calculation of basic earnings per share	93,25,240	93,25,240
3. Weighted average number of equity shares considered for calculation of diluted earnings per share	93,25,240	93,25,240
4. Nominal value of equity share (Rs)	10/-	10/-
5. Basic & Diluted Earnings Per Share (Rs).	(1.46)	(1.62)

Note: - 21.4

The Company is primarily engaged in the business of Floriculture and the income is exempt from income tax in view of the same, no deferred tax provision/asset is made/created.

Note: - 21.5**EARNINGS IN FOREIGN EXCHANGE**

Export of Cut Flowers (F.O.B)	31.03.2023	31.03.2022
	(Rs. In Thousands)	
1. Sales – Cut Flowers: Produced	NIL	4,330.57
2. Sales – Cut Flowers: Traded	NIL	84.07

Note:- 21.6**RELATED PARTY DISCLOSURE:****i. List of related party:**

(1) Kolte Patil Developers Ltd.(KPDL)	Holding Company
(2) Kolte Patil Properties Pvt Ltd	Subsidiary of KPDL

Key Management Personnel

(1) Naresh Anirudha Patil	Director
(2) Vandana Naresh Patil	Director

ii. Transactions with the related parties:

The Company has the following transactions with the related parties:

	(Rs. in Thousands)	
	2022-23	2021-22
1. Kolte Patil Developers Ltd		
Loan Received	813.25	3,584.15
Loan Repaid	NIL	1,063.46
Interest payable	6,726.32	10,001.68
Principal Loan Payable	60,674.60	59,861.34
Interest Payable	41,969.82	35,916.13
Sales	76.36	NIL
Re-imbursement of Exps. to KPDL	733.61	NIL
2. Kolte Patil Properties Private Limited.		(Rs in Thousands)
Purchases	NIL	23.10
Sales	NIL	5.15
Balance Payable	NIL	0.85

Note:- 21.7

Estimated amount of contracts remaining to be executed on Capital Account and not provided for	Rs. Rs. Nil
Contingent Liabilities	Rs. Nil

Note:- 21.8**Impairment of Assets**

In the view of Accounting Standard required by IND AS- 36,"Impairment of Assets" issued by the ICAI, the company has reviewed its fixed assets and does not expect any loss as on 31.03.2022on account of impairment.

Note:- 21.9

The Board of Directors of the Company have approved the scheme of Amalgamation of the Company with its holding company (100% shares held) i.e. Kolte-Patil Developers Limited, subject to the necessary approvals and the appointed date is April 1, 2023. The Company has filed the Scheme with Registrar of Companies, Pune and approvals from authorities is awaited.

Note:- 21.10

The spread of COVID-19 has severely impacted many local economies around the globe. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2023 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

Note:- 21.11

The Company has no outstanding dues to Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

Note:- 21.12

Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.