

**SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED**

**CIN: U74999TN2016PTC112925**

**Annual Report  
FY 2021-22**

# Index

S. No	Particulars	Page No
1	Notice of the Annual General Meeting	1
2	Director's Report	7
3	Independent Auditors' Report	29
4	Balance Sheet	41
5	Profit & Loss Statement	42
6	Statement of Cash Flow	43
7	Statement of Changes in Equity	44
8	Notes to Financial Statement	45

**NOTICE OF THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED**

NOTICE is hereby given that the Sixth Annual General Meeting (“AGM”) of Samunnati Agro Solutions Private Limited (the “Company”) will be held on Monday, September 5, 2022 at 12 P.M. IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 (hereinafter collectively referred to as “Circulars”) and other applicable circulars issued by the Ministry of Corporate Affairs (“MCA”), to transact the businesses set out below. Members participating through the VC / OAVM facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013. The proceedings of the AGM will be recorded at the Registered Office of the Company situated at Baid Hi Tech Park, 8<sup>th</sup> Floor, No 129B, East Coast Road, Thiruvanmiyur, Chennai - 600 041.

In compliance with the Circulars issued by the MCA, the Notice of the AGM and the Audited Financial Statements for the Financial Year 2021-22, along with the Reports of the Board of Directors and Auditors thereon and other documents required to be attached thereon is being circulated to the Members of the Company through electronic mode.

**ORDINARY BUSINESS:**

**ITEM NO. 1 - TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022 ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON**

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

**“RESOLVED THAT** the Audited Financial Statements of the Company along with the Reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2022, as circulated to the Members and laid before the Meeting, be and are hereby approved and adopted.”

**SPECIAL BUSINESSES:**

**ITEM NO. 2 - TO CONSIDER AND APPROVE APPOINTMENT OF MR. ANUJ VIJAYKUMAR NARANG AS DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152, 161 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-

enactment(s) thereof, for the time being in force) read with Articles of Association of the Company, Mr. Anuj Vijaykumar Narang (DIN: 01686940), who was appointed as Additional Director of the Company on November 16, 2021 and who holds the office till the conclusion of this Annual General Meeting, be and is hereby appointed as Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question or clarifications that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

**ITEM NO. 3 - TO CONSIDER AND APPROVE RE-APPOINTMENT OF DR. VENKATESH TAGAT AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with Schedule IV of the Act and Articles of Association of the Company, Dr. Venkatesh Tagat (DIN:02728441), be and is hereby re-appointed as an Independent Director, not liable to retire by rotation, for a second term of five years with effect from August 16, 2022 up to August 15, 2027.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question or clarifications that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

**By Order of the Board of Directors**

Sd/-  
Anil Kumar S G  
Director  
DIN:01189011

Place: Chennai  
Date: 04.08.2022

**NOTE:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY SUBJECT TO PROVISIONS OF THE ARTICLES OF ASSOCIATION. However, as per the Circulars issued by MCA, the entitlement for appointment of proxy has been dispensed with for the General Meetings conducted through VC / OAVM. Accordingly, the Attendance Slip, Proxy Form and Route Map have not been annexed to this Notice of AGM.
- 2) Corporate Members intending to nominate their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 3) The explanatory statement as required under Section 102 of the Companies Act, 2013 is annexed hereto and forms an integral part of the Notice.
- 4) Members may kindly note that since the Annual General Meeting of the Company is scheduled to be held through VC / OAVM, the login credentials shall be shared with the Members along with the instructions for logging in, to their registered mail ids. In case of any clarifications in this regard, Members can reach out to us at [secretarial@samunnati.com](mailto:secretarial@samunnati.com) or 044-66762400.
- 5) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013 read with rules issued thereunder shall be available electronically for inspection.

## ANNEXURE TO THE NOTICE

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

The following statement contains all the material facts relating to the Special Businesses as set out in this Notice:

#### **ITEM NO. 2 - TO CONSIDER AND APPROVE APPOINTMENT OF MR. ANUJ VIJAYKUMAR NARANG AS DIRECTOR OF THE COMPANY**

Mr. Anuj Vijaykumar Narang, Director (DIN: 01686940) was appointed as an Additional Director of the Company through Circular Resolution passed by the Board of Directors of the Company on November 16, 2021.

As per the provisions of Section 161 of the Companies Act, 2013 (“the Act”), an Additional Director of the Company shall hold office up to the date of the next Annual General Meeting (AGM). Accordingly, Mr. Anuj Vijaykumar Narang holds office as Director of the Company until the date of this AGM.

Considering the expertise and performance during his tenure and after taking note of the consents and disclosures received, the appointment of Mr. Anuj Vijaykumar Narang as Director of the Company is being placed before the Members for their approval.

The Board recommends passing of the resolution at Item No. 2 of the Notice as an Ordinary Resolution.

A brief profile and other information as required under the Secretarial Standards are disclosed under Para - B of this statement.

Except Mr. Anuj Vijaykumar Narang, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item No. 2.

#### **ITEM NO. 3 - TO CONSIDER AND APPROVE RE-APPOINTMENT OF DR. VENKATESH TAGAT AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

Dr. Venkatesh Tagat (DIN:02728441) was appointed as an Independent Director by the Members at the Annual General Meeting (“AGM”) of the Company held on August 16, 2017. Accordingly, Dr. Venkatesh Tagat’s tenure as Independent Director of the Company expires on August 15, 2022.

As per the provisions of Section 149(10) and (11) of the Companies Act, 2013 (“the Act”), an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company but shall be re-appointed by the Company by passing a special resolution and disclosure of such re-appointment in the Boards’ Report.

Considering Dr. Tagat's experience, expertise, knowledge and performance evaluation and after taking note of the consents and disclosures / declarations received from him, the Board at its Meeting held on August 04, 2022 had re-appointed Dr. Venkatesh Tagat as an Independent Director, not liable to retire by rotation, for a second term of five years with effect from August 16, 2022 up to August 15, 2027, subject to approval of the Members.

In the opinion of the Board, Dr. Venkatesh Tagat fulfils the conditions specified in the Act and the Rules framed thereunder and he is independent of the Management. A brief profile of Dr. Venkatesh Tagat and other information as required under the Secretarial Standards are disclosed under Part - B of this statement.

The Board recommends the re-appointment of Dr. Venkatesh Tagat for a further term of five years.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Dr. Venkatesh Tagat is being placed before the Members for their approval by means of a Special Resolution.

Except Dr. Venkatesh Tagat, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item no. 3.

#### **B. DISCLOSURE UNDER SECRETARIAL STANDARDS 2 ON GENERAL MEETINGS**

<b>Name of the Director</b>	<b>Mr. Anuj Vijaykumar Narang</b>	<b>Dr. Venkatesh Tagat</b>
<b>DIN</b>	01686940	02728441
<b>Date of Birth</b>	08/09/1971	14/04/1954
<b>Age</b>	50 years	68 years
<b>Qualification(s)</b>	Commerce graduate and Post Graduate degree in Management	Ph.D
<b>Date of Appointment (Initial Appointment)</b>	November 16, 2021	June 20, 2017
<b>Nature of his expertise in specific functional areas</b>	Has more than 25 years' experience in P&L management, Business Development, Sales & Marketing, Budgeting and Strategic Planning in the Commodity and Consumer space. He was focused on consulting with leading FMCG Companies and offering risk management services for Supply Chain & Procurement. In the past, he has been associated with Engelhart Commodities Singapore, Czarnikow Group and ITC Foods.	More than 31 years of experience in agriculture finance field - retired as CGM, NABARD
<b>Number of Board Meeting attended</b>	Two	Four
<b>Inter-se relationship</b>	None	None

<b>with any other directors and KMPs of the Company</b>		
<b>Directorships in other Companies</b>	<ul style="list-style-type: none"> <li>- Clean Climate Technologies Private Limited</li> <li>- Samunnati Investment Management Services Private Limited</li> <li>- Kamatan Farm Tech Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Samunnati Financial Intermediation &amp; Services Private Limited</li> <li>- Sanghamithra Rural Financial Services</li> </ul>
<b>Number of shares held in the Company</b>	Nil	Nil
<b>Details of remuneration sought to be paid</b>	Not Applicable	Not Applicable
<b>Details of remuneration last drawn</b>	Nil	Nil

## DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the Fifth Annual Report together with the Audited Financial Statements of Samunnati Agro Solutions Private Limited (“the Company” or “Samunnati Agro”) for the year ended March 31, 2022.

### A. FINANCIAL PERFORMANCE

The summarised financial performance of your Company is given in the table below:

(INR MN)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations (A)	21,209.90	7,647.75
Other Income (B)	34.01	54.79
<b>Total Income - (A+B)</b>	<b>21,243.91</b>	<b>7,702.54</b>
<u>Expenditure</u>		
<b>Total Expenses (including Interest &amp; Depreciation)</b>	<b>21,711.20</b>	<b>7,792.83</b>
<b>Profit / (Loss) before Tax</b>	<b>(467.29)</b>	<b>(90.29)</b>
Less: Tax expenses:		
1. Current tax	-	-
2. Deferred tax	(110.90)	(19.14)
<b>Profit / (Loss) after tax</b>	<b>(356.39)</b>	<b>(71.15)</b>
Other Comprehensive Income	0.13	0.64
<b>Total Comprehensive Income/ (Loss) for the year</b>	<b>(356.26)</b>	<b>(70.51)</b>

\* previous year figures have been regrouped/rearranged wherever necessary

### B. SUMMARY OF OPERATIONS

The Gross Transaction Value / Sales of the Company during FY 2021-22 increased to INR 21,102.33 MN from INR 7,567.48 MN during FY 2020-21, registering a growth of ~ 179%. The Gross Margin earned during FY 2021-22 was INR 409.16 MN compared to INR 212.67 MN during FY 2020-21. Loss before tax stood at INR 467.29 MN during FY 2021-22 as against INR 90.29 MN during FY 2020-21. The total Comprehensive Loss stood at INR 356.26 MN for FY 2021-22, as compared to INR 70.51 MN for FY 2020-21.

The Assets under Management (AUM) as on March 31, 2022 stood at INR 4,310.66 MN as compared to INR 2,742.33 MN as on March 31, 2021, comprising both receivables and inventory. The Book size has grown from INR 3,325.41 MN as of March 31, 2021 to INR 5,334.89 MN as of March 31, 2022.

### **C. COMPANY OVERVIEW AND OPERATIONS**

The Company was incorporated on October 14, 2016 under the Companies Act, 2013. Samunnati Agro Solutions uses two-pronged approach wherein:

- The Company deeply engages with value chain participants on the demand side enabling the value chain to operate at higher equilibrium.
- The Company works with value chain participants on the supply side and applies the AMLA (Aggregation, Market Linkage, Advisory Services) approach to make markets work for Small Holder Farmers.

The Company has incorporated Samunnati Investment Management Services Private Limited on March 8, 2022 as a wholly owned subsidiary, which will manage an Alternative Investment Fund (“AIF”) (Category 2 - Debt fund) with emphasis on Sustainability, Scalability and Impact.

#### **Impact of COVID-19 Pandemic**

The entire spectrum of business of the Company was impacted due to the second wave of COVID during H1FY'22. Keeping in view the safety and health of the employees, the Company advised the field force to avoid / restrict travel and field visits.

As a result, the sales and New Customer Acquisitions were majorly impacted during H1 FY2022. Although business was impacted during H1 FY2022 due to second wave of COVID, the Company was able to expand the business during the latter part of the year. The Company onboarded 129 new customers during FY 2022 as against 91 new customers during FY 2021. Also, some highly rated customers were onboarded during the year.

#### **Numbers at a glance**

The Company expanded its operations to 157 districts in the country during FY 2022 (132 districts during FY 2021). Also, the number of districts with total GTV of more than INR 1000 MN has increased to 30 districts during FY2022 from 17 districts during FY 2021. The number of active relationships with the Company (including buyers & suppliers) has increased to 1429 entities during FY 2022 from 896 entities during FY 2021.

There has also been significant increase in the number of customers and transactions during FY 2022 across the entire spectrum as summarized below:

#### **Number of customers**

Type of Customers	FY 2021	FY 2022
Buyers	192	268
Suppliers	557	1011

### Number of transactions

Transaction with	FY 2021	FY 2022
Buyers	11,169	29,132
Suppliers	10,557	27,144

The average transaction size also improved across the board with the B2B transaction size increasing by 5% to INR 6.26 MN from INR 5.95 MN although the number of cycles only increased marginally to 17 cycles during FY 2022 as against 14 cycles during FY 2021.

The number of commodities in which the Company deals has also improved from 168 commodities to 293 commodities as summarized below:

Nature of Commodity	FY 2021	FY 2022
Agri Input	20	32
Agri Processing	9	11
Commodities	36	55
Food processing	33	54
Fresh produce	46	103
Livestock	7	11
Services & Others	17	27
<b>Total number of commodities</b>	<b>168</b>	<b>293</b>

### Products

- Market linkage is one of the major challenges faced by the FPO ecosystem. To overcome this, Samunnati shouldered the market risks to facilitate linkages with the markets.
- New products in Agri Commerce like Structured Trade Facility, EXIM and Market Linkage were introduced during the year.
- Further to acquisition of Kamatan Farm Tech Private Limited, the Company has ventured into farm gate procurement.
- Samunnati procured 1.72L MT of Soyabean, Maize and Groundnut from 31 FPOs in the pilot phase, majorly from MP, Gujarat, Maharashtra and Rajasthan, with cooperation of KVH team.
- The Company shall be increasing the said FPO engagement with 200 FPOs in the current financial year.

### Outlook

In India, due to the absence of good and sustainable agricultural marketing, farmers are usually exploited by local traders and middlemen. Though the government has set up regulated markets, farmers also need to be introduced and exposed to online platforms to sell their produce.

The agricultural sector in India is expected to gain better momentum in the coming years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing and cold storage.

The government's priority continues to be on doubling the farmers income. In this regard, the government has announced the following measures for the Agricultural sector as part of the budget for FY 2023:

- The Government shall ensure wheat and paddy farmers get assured income by making direct payments of INR 2.37 lakh crore for minimum support price (MSP) from April 2022 to March 2023.
- Oilseed cultivation shall be expanded to reduce dependency on imports and production of millet will be encouraged.
- Kisan drones shall be employed for crop assessments, digitalisation of land records, spraying of pesticides and nutrients.
- Chemical-free natural farming shall be promoted all over India which will help farmers improve their income as well as sustainable agricultural productivity.
- About 9 lakh farmers will benefit from the Ken-Betwa River linking project. A total of INR 44,000 crore has been earmarked for this project.

The forecast for the current year is for normal rains during the southwest monsoon which would be good as farmers would respond to record high prices of many agri field crops like oilseeds, paddy, cotton, sugar, maize, spices.

The COVID-19 crisis has also exposed the vulnerability of India's agriculture and food markets. Both demand and supply shocks emphasise the need for reforms to connect farmers to markets, ensure adequate labour supplies and create safety nets to make them more resilient.

As challenges come with an opportunity, the pandemic helped the Indian agriculture sector make significant progress in adjusting to changing circumstances and capitalizing on opportunities. At a time when most sectors of the economy are reported to be under stress, the agricultural sector continues to be promising and cushioning the economy.

The disruption caused by the pandemic also underlines the need for robust, secure crop / fresh produce storage facilities, ready availability of Market linkages for the produce to reduce wastages. All these augur well for the Company as they present a great opportunity for growing the business.

The Company endeavors to continue its effort to make markets work for small holder farmers through its innovative product solutions for various Agri value chain stakeholders. The Company shall also aim to work on new models in line with the prevalent Agri market reforms to deepen presence in commodity market linkage segment.

#### **D. COMPOSITE SCHEME OF ARRANGEMENT**

The Board of Directors of the Company had, at the Meeting held on October 28, 2021, approved the Composite Scheme of Arrangement ("Scheme") for:

- a) the slump sale (i.e., transfer and vesting) of the Business Undertaking of Samunnati Financial Intermediation & Services Private Limited as a going concern into Samunnati Finance Private Limited, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013, and

b) post giving effect to (a) above, the amalgamation of Samunnati Agro Solutions Private Limited into Samunnati Financial Intermediation & Services Private Limited, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013.

Further to this, the abovesaid Companies had filed a joint application before the National Company Law Tribunal, Chennai (“NCLT”) on December 04, 2021, seeking its directions for convening of the Meetings concerned stakeholders and for dispensation of Meetings wherever approvals of the particular class of stakeholders had already been filed with the NCLT.

In this connection, NCLT had passed an order dated March 29, 2022 [CA/(CAA)/118(CHE)2021] (“NCLT Order”) directing the Company to convene the Meetings of the concerned stakeholders seeking their approval for implementation of the Scheme. Accordingly, the Meeting of all stakeholders i.e., Secured Creditors, Unsecured Trade Creditors and Unsecured Loan Creditors of the Company were convened on May 04, 2022 and approvals with requisite majority were obtained. Subsequently, the Company along with the above said companies had filed its petition before the NCLT on May 13, 2022. The matter is now pending hearing before NCLT.

**E. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT**

No material change and commitment that affect the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this report.

**F. DIVIDEND**

Your Directors do not recommend any dividend for the year under review.

**G. TRANSFER TO RESERVES**

Your Company has not made any transfer to reserves during the year under review.

**H. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year 2021-22.

**I. NON-ACCEPTANCE OF DEPOSITS**

The Company has not accepted any deposits within the ambit of Section 73 of the Companies Act, 2013 and hence Chapter V of the Companies Act, 2013 is not applicable to the Company. The Company has filed Return of Deposits in Form DPT 3 disclosing particulars of receipt of money or loan by the Company but not considered as deposits in terms of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.

**J. INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. Further, the internal financial control system of

the Company is supplemented with internal audit, regular reviews by the management and checks by the Statutory Auditors. It provides reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with the Company's policies. The Board monitors this system and ensures adequacy of the same. The Statutory Auditors of the Company also provide their opinion on the internal financial control framework of the Company.

During the year, no material or serious omissions and commissions have been observed by the Auditors, reflecting the efficiency and adequacy of internal financial controls.

**K. CHANGES TO SHARE CAPITAL**

During the year under review there was no change in the Company's Share Capital structure. The Authorised Capital of the Company as at March 31, 2022 was INR 65,00,000/- (Indian Rupees Sixty-Five Lakhs only) divided into 6,50,000 (Six Lakhs Fifty Thousand only) equity shares of INR 10/- (Indian Rupees Ten only) each and the Paid up Capital was INR 63,24,840/- (Indian Rupees Sixty Three Lakhs Twenty Four Thousand Eight Hundred and Forty only) divided into 6,32,484 (Six Lakhs Thirty Two Thousand Four Hundred and Eighty Four) equity shares of INR 10/- (Indian Rupees Ten only) each.

The details of the opening and closing Authorised and Paid-up Capital of the Company is mentioned below:

Particulars	Opening (April 01, 2021)	Closing (March 31, 2022)
Authorised Capital (INR)	65,00,000/-	65,00,000/-
Paid Up Capital (INR)	63,24,840/-	63,24,840/-

**L. DISCLOSURE UNDER SECTION 67(3)(C) OF COMPANIES ACT, 2013**

The disclosure with regard to voting rights not exercised directly by the employees of the Company as required under Section 67(3)(c) of Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable to the Company.

**M. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any Equity Shares with differential rights during the financial year 2021-22.

**N. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS / SWEAT EQUITY SHARES**

While the Company has not issued any Employee Stock options or Sweat Equity Shares during the financial year 2021-22, as part of the Holding Company's ESOP Scheme that is applicable to the employees of the subsidiaries, some employees of the Company have been issued ESOPs from the holding company.

**O. EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 ('the Act'), the annual return in Form MGT-7 is placed on the website of the Company and is available on <https://site.samunnati.com/annual-returns/>

**P. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING THE YEAR**

S. No.	Name of the Director	DIN/PAN	Category	Changes during the year, if any
1.	Dr. Venkatesh Tagat	02728441	Independent Director	Nil
2.	Mr. Anil Kumar S G	01189011	Director	Nil
3.	Mr. Pravesh Sharma	02252345	Director	Appointed w.e.f. April 27, 2021
4.	Mr. Anuj Vijaykumar Narang	01686940	Additional Director	Appointed w.e.f. November 16, 2021
5.	Mr. Nitin Chaudhary	02800113	Director	Resigned w.e.f. October 30, 2021
6.	Mr. Ravi B S G	ASPPR3461B	Company Secretary	Appointed w.e.f. July 28, 2021 Resigned w.e.f. February 11, 2022

Dr. Venkatesh Tagat (DIN: 02728441) was appointed as an Independent Director for the first term of five years effective August 16, 2017. His office of directorship is due for retirement on August 15, 2022. After taking into account his performance during the first term of five years and considering the knowledge, acumen, expertise, experience and the substantial contribution he brings to the Board, the Board, at its Meeting held on August 04, 2022, approved the reappointment of Dr. Venkatesh Tagat as an Independent Director of the Company for a second term of 5 years with effect from August 16, 2022, whose office shall not be liable to retire by rotation.

The Board recommends the above reappointment to the shareholders. The notice convening the Annual General Meeting, sets out the details.

**Q. DETAILS OF MEETINGS OF THE BOARD**

The Directors of the Company met 4 (Four) times during the financial year 2021-22. The details of Board Meetings held during the year and the attendance of Directors at the said Meetings are given below:

BOARD MEETINGS		
S. No.	Date of Meeting	No. of Directors who attended the Meeting
1.	April 27, 2021	3/3
2.	July 28, 2021	4/4
3.	October 28, 2021	3/4
4.	January 19, 2022	4/4

#### **R. DETAILS OF BOARD COMMITTEE**

The Constitution of the Board Committee as of March 31, 2022 is as below:

##### **Finance Committee**

The composition of the Finance Committee is as follows:

- a. Mr. Anil Kumar S G - Member
- b. Mr. Anuj Vijaykumar Narang - Member

##### **Details of Finance Committee Meetings**

The details of Finance Committee Meetings held during the financial year 2021-22 and the attendance at the said Meetings are given below:

S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	April 26, 2021	2/2
2.	May 10, 2021	2/2
3.	May 12, 2021	2/2
4.	May 26, 2021	2/2
5.	May 29, 2021	2/2
6.	June 17, 2021	2/2
7.	June 30, 2021	2/2
8.	July 22, 2021	2/2
9.	September 01, 2021	2/2
10.	September 16, 2021	2/2
11.	September 25, 2021	2/2
12.	November 25, 2021	2/2
13.	December 03, 2021	2/2
14.	December 27, 2021	2/2
15.	January 12, 2022	2/2
16.	January 31, 2022	2/2
17.	February 18, 2022	2/2
18.	March 01, 2022	2/2
19.	March 07, 2022	2/2

**S. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given loan, guarantee or provided any security in connection with loan to any person or any other body corporate.

**T. REGULATORY COMPLIANCE**

The Company has complied with all the mandatory regulatory requirements under the Companies Act, 2013, and other applicable statutes and regulations.

**U. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AS OF MARCH 31, 2022**

As of March 31, 2022, the Company had one wholly owned subsidiary as given below:

**Samunnati Investment Management Services Private Limited:**

The Company has incorporated Samunnati Investment Management Services Private Limited on March 8, 2022 as a wholly owned subsidiary, which will manage an Alternative Investment Fund (“AIF”) (Category 2 - Debt fund) with emphasis on Sustainability, Scalability and Impact.

However, the capital contribution was made by the Company in the said subsidiary on April 20, 2022, pursuant to which Samunnati Investment Management Services Private Limited became a wholly owned subsidiary of the Company.

The information as required under the first provision to sub Section (3) of Section 129 is given in Form AOC-1 in **Annexure I**.

**V. RELATED PARTY TRANSACTIONS**

During the year under review, the Company has entered into transactions with the holding company, Samunnati Financial Intermediation & Services Private Limited and Kamatan Farm Tech Private Limited which is the subsidiary of the holding company.

Pursuant to notification G.S.R. 464(E) issued by the Ministry of Corporate Affairs dated June 5, 2015, a holding company, subsidiary company and subsidiary of a holding company which are private limited companies under the Companies Act, 2013, are not considered as a “Related Parties”.

As Samunnati Financial Intermediation & Services Private Limited, Kamatan Farm Tech Private Limited and the Company are all private limited companies, the transactions entered into with them are not considered as related party transactions for the purpose of Section 188 of the Companies Act, 2013. Also, the Company has not entered into transaction with any other related party.

In view of this, the disclosure in Form AOC-2, under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is not applicable to the Company.

**W. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

The Board of Directors of the Company had at the Meeting held on October 28, 2021, approved the Composite Scheme of Arrangement (“Scheme”). Further the Company along with its Holding Company, Samunnati Financial Intermediation & Services Private Limited & Samunnati Finance Private Limited had filed a joint application before the National Company Law Tribunal, Chennai (“NCLT”) on December 04, 2021, seeking its directions for convening of the Meetings of the Creditors and for dispensation of Meetings wherever approvals of the particular class of stakeholders had already been filed with the NCLT.

In connection with this, the NCLT has passed an order dated March 29, 2022 [CA/(CAA)/118(CHE)2021] (“NCLT Order”) directing the Company to convene the Meetings of concerned stakeholders.

Pursuant to the NCLT Order, the Company has obtained the approval of the Secured Creditors, Unsecured Trade Creditors and Unsecured Loan Creditors and has along with its Holding Company, Samunnati Financial Intermediation & Services Private Limited & Samunnati Finance Private Limited filed a joint petition before the National Company Law Tribunal, Chennai seeking its approval for the Scheme. The matter is now pending hearing before NCLT.

**X. DECLARATION FROM INDEPENDENT DIRECTORS**

Dr. Venkatesh Tagat, Independent Director of the Company has submitted the declaration as required under Section 149(7) of the Companies Act 2013 (“the Act”), stating that he meets the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, he fulfills the conditions specified in the Act and the rules made thereunder for appointment as Independent Director including the integrity, expertise and experience and confirms that he is independent of the Management.

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

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Your Company believes in providing a safe and harassment free workplace for every individual and endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, can be accessed at the following link: <https://site.samunnati.com/samunnati-agro-solutions-private-limited-policy/>

During the financial year 2021-22, your Company has not received any complaints pertaining to sexual harassment.

**Z. STATUTORY AUDITORS, THEIR REPORT AND FINANCIAL STATEMENTS**

The report of the Statutory Auditors along with the Financial Statement together with the Notes to the Financial Statement is enclosed to this report. The observations made in the Auditors' Report are self-explanatory, contain no qualification, reservations, adverse remarks and disclaimers and therefore do not call for any further comments. The Board of Directors had at their Meeting held on July 28, 2021, recommended the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Reg No. 003990S / S200018) as Statutory Auditors of the Company for an initial term of 3 (three) consecutive years. Further to that the Members at the 5<sup>th</sup> Annual General Meeting held on August 30, 2021 had approved the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants as Statutory Auditors from the conclusion of the 5<sup>th</sup> Annual General Meeting till the conclusion of the 8<sup>th</sup> Annual General Meeting of the Company (i.e. FY 2021-22 to FY 2023-24).

**AA. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS**

During the year under review, the Statutory Auditors of the Company have examined the books as required under Section 143(12) of the Companies Act, 2013 and have not identified any employee related frauds.

**BB. DETAILS OF PENALTIES / FINES / LATE FEES PAID BY THE COMPANY**

No penalty, fine or late fee has been levied on the Company during the financial year 2021-22.

**CC. COST AUDITOR AND COST AUDIT REPORT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

**DD. SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT**

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed Ms. Jayashree S Iyer, Practicing Company Secretary (Membership No.10394/Certificate of Practice No.21403) to undertake the Secretarial Audit of the Company for the financial year 2021-22. The Secretarial Audit Report in the prescribed Form MR-3 is annexed as **Annexure II**. There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor in her Report dated May 30, 2022.

**EE. COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

**FF. INTERNAL AUDIT**

The Company has an internal Audit department and the Head of the department reports to the Board of Directors of the Company.

In line with the requirement of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules 2014, the Board of Directors appointed M/s. T.R. Chadha & Co LLP, Chartered Accountants (Reg. No. 06711N/N500028) as the external Internal Auditors of the Company for FY 2021-22.

The Internal Auditors (both in-house and external) of the Company carried out the Audit and confirmed that the checks and control systems prevalent are commensurate with the size and turnover of the Company. The significant observations from the Internal Audit are tabled to the Board of Directors on a quarterly basis.

#### **GG. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER**

The Company believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company has implemented a vigil mechanism to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing.

The Company has established a whistle blowing framework and separate email addresses are designated wherein the employees or the stakeholders can report the matters falling under the purview of Vigil Mechanism. There was no complaint received under this category during the financial year ended March 31, 2022.

#### **HH. CORPORATE SOCIAL RESPONSIBILITY**

Although the provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility do not specifically apply to the Company, the Company believes in doing ethical business in a manner that is socially responsible to customers, environment friendly and the society in general.

#### **II. HUMAN RESOURCES**

The Company had 259 employees on payroll as on March 31, 2022. The employee relations have been cordial during the year ended March 31, 2022. The Board wishes to place on record its appreciation to all its employees for their sustained efforts and immense contribution to the level of performance and growth of the business during the year. The management team of the Company comprises of young passionate driven professionals committed to achieve the organizational goals.

Initial part of FY 2021-22 entailed work from home across all locations on account of the pandemic and related lockdown. During this period, as part of its employee well-being program, Samunnati had rolled out several initiatives like HR Samvad, Sam-Milan, Special Projects, special sessions focused on Employee Wellness and exclusive connect sessions with every region. All these initiatives were launched and implemented virtually and physically, with an idea to encourage collaboration between the team members during trying times and also act as a constant source of support/strength for the team members and their families. The Company also ran several employee

engagement sessions to ensure that the employees felt more connected to each other. Monthly learning challenges were run to encourage better learning in the organization and increased participation levels were observed across the organization.

## **JJ. TECHNOLOGY RELATED UPDATES**

### **Technology initiatives**

Keeping in view of the expanding Agri commerce business, a comprehensive assessment of the technology platforms and solutions was conducted during September 2021. Basis the insights, the technology team has developed a strategy and roadmap for next 3 years. A detailed report is being submitted to the Board. This lays the foundation for the technology stack and position Samunnati as a leading digital Agri commerce solutions provider in the market.

#### **Core systems update**

##### **Zoho Books, Creator and Tally**

Several enhancements were brought in to support Bill To Ship To (BTST), Market Linkages (ML), Structured Trade Facility and Exim products in Zoho Books and Creator. To enhance customer communication, additional module of Zoho CRM for ML desk was implemented.

For better transparency of Market Linkage transaction “Fair price functionality” has been implemented. Automated data feeds have been created from Zoho Books to Tally for financial reporting and insights.

The Company has undertaken an exercise to bring 100% of data from Zoho Creator and Books into the Azure BI platform. This will allow management reports to be developed by the BI team and also ensure that the Company has all historical data in the BI platform so as to report on historical trends.

#### **Analytics and insights**

“Board” planning and analytics solution has been implemented during May 2022 for better managing the Annual Operating Plan (AOP) and actuals across product, client segments & region. The Board solution is a leading FP&A solution in the market with interactive dashboard functionalities. Through this, the Company can track the performance at different dimensions.

Power BI solution has been implemented for providing data and insights to the leadership, finance, and field level staff. These interactive reports come with advanced features including client / transaction level privileges.

#### **Project LEAP: NetSuite ERP Implementation**

The NetSuite ERP implementation, which will replace Zoho Creator, Books, Tally and SunInfor kicked off on 2<sup>nd</sup> of May 2022. The expected go-live date is 1<sup>st</sup> October 2022, with an aggressive implementation timeline of 5 months. This implementation will deliver an ERP foundation that will

include financials across all legal entities, financial consolidation, Service Agro-Commerce (BTST & STF).

The project is progressing well, with detailed To-Be process flows having developed for BTST & STF, with sign-offs from business & operations. Critical dependencies are data migration, customization development and the delivery of custopedia for customer, supplier and contract on-boarding which are being closely monitored. The project is under development phase currently and is expected to be delivered as planned on 1<sup>st</sup> October 2022.

#### **Farmer Network Platform**

The integration of the various Farmer Network platforms (FPO Gateway, BMS, IPL, SAFAL, etc.) into a single platform is underway. This will provide a unified platform and portal for the FPOs to interact with Samunnati. Furthermore, the Company has already transitioned the development methodologies of all these Farmer Network platforms to an Agile framework, with a 2-week sprint cycle.

Plans are to develop a Farmer & FPO digitization dashboard in the coming quarter, which will deliver the extent of digitization at the FPO, RM, State, Zone & Samunnati, and also provide digitization metrics at the level of initiatives such as BMGF, SBI, etc. The Company is working with the business team to rollout the farmer network platforms during Q2 FY'2022-23.

#### **KK. RISK MANAGEMENT**

The Company keeps the Board informed periodically of the significant risks associated with the business of the Company and the various risk identification and mitigation processes put in place by the management. During the year under review, the Company has not identified any element of risk which may threaten the existence of the Company. The Company also has a research desk dedicated to analysing trends and movements of commodities, which in turn helps the Company to take informed decisions, thereby minimizing market, price and other related risks.

#### **LL. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors based on the representations received from the operating management after due enquiry, confirm that:

- a) In the preparation of the annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the Company as at March 31, 2022 and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;

- e) The Board of Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**MM. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**Conservation of Energy**

S. No.	Particulars	
1	The steps taken or impact on conservation of energy	The Company is taking adequate steps to conserve the energy at all the levels and has also implemented various measures for reduction in consumption of energy like: a. Recycling and reduced usage of paper b. Energy efficient lighting in its offices c. Introduction of mobile based training application for employees d. Virtual meetings, reviews, planning and mobile based learning sessions
2	The steps taken by the Company for utilizing alternate sources of energy	Not Applicable
3	The capital investment on energy conservation equipment	During the year under review, no capital investment made on energy conservation equipment

**Technology Absorption**

The Company has no Technology Absorption during the period under review as given below:

(i) the efforts made towards technology absorption;	NA
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	NA
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
(a) the details of technology imported;	NA
(b) the year of import;	NA
(c) whether the technology been fully absorbed;	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv) the expenditure incurred on Research and Development.	NA

**Foreign exchange earnings and outgo:**

Particulars	Inflow	Outflow
Current Year	INR 23.07 MN	INR 263.28 MN
Previous Year	INR 40.15 MN	NIL

**NN. ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for employees who have contributed to the growth and performance of your Company. Your Directors thank the clients, vendors, bankers, lenders, Members, auditors and business partners of the Company for their continued support. Your Directors also thank the Central and State Governments and other statutory authorities for their continued support.

**For SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED**

Sd/-  
Anuj Vijaykumar Narang  
Director  
DIN: 01686940

Sd/-  
Anil Kumar S G  
Director  
DIN: 01189011

Place: Chennai  
Date: 04.08.2022

**ANNEXURE - I**  
**Form AOC-1**

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

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

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in INR)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	-
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
4.	Share capital	-
5.	Reserves & surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	-
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	-
14.	% of shareholding	-

\* Samunnati Investment Management Service Private Limited was Incorporated on March 08, 2022 - As per Section 2(41) of Companies Act, 2013, the first financial year of the company is from March 08, 2022 to March 31, 2023. Hence the Books of Account of Samunnati Investment Management Service Private Limited are not closed as of March 31, 2022. The capital contribution was made on April 20, 2022.

Names of subsidiaries which are yet to commence operations - **Samunnati Investment Management Service Private Limited**

Names of subsidiaries which have been liquidated or sold during the year - **Nil**

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extent of Holding %	NA
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations - **NIL**
2. Names of associates or joint ventures which have been liquidated or sold during the year - **NIL**

For **SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED**

Sd/-

**Anuj Vijaykumar Narang**  
Director  
DIN: 01686940

Sd/-

**Anil Kumar S G**  
Director  
DIN: 01189011

**Place: Chennai**

**Date: 04.08.2022**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2022

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

To,

The Board of Directors

M/s. Samunnati Agro Solutions Private Limited

CIN.:U74999TN2016PTC112925

Baid Hi Tech Park, 8th Floor, No129 B,

East Coast Road, Thiruvanmiyur

Chennai-600041

Dear Members,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Samunnati Agro Solutions Private Limited** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the soft copy of Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of COVID-19 Pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 generally complied with the provisions of Acts, Rules, Regulations, Guidelines, Standards listed hereunder, subject to the reporting made hereinafter:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder to the extent applicable to the Company;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent applicable to the Company;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations to the extent applicable to the Company;
- (vi) Other laws, as amended from time to time, specifically applicable to the Company viz.,
  - a) Agricultural Produce Marketing (Regulation) Act 2017
  - b) Food Safety & Standards Rules, 2011 & Regulations
  - c) Rubber Board Act, 1947



**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/ IBBI/IPA-002/IP-N00741/2018-19/12211**

---

- d) Spice Board Act, 1986
- e) Trade License under Shop & Establishment Act, 1954

I report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has generally complied with the applicable laws, rules, regulations and guidelines.

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

- (i) Secretarial Standards issued and amended by The Institute of Company Secretaries of India;

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

I further report that

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- (ii) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (iii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as stipulated in the Companies Act, 2013, 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.
- (iv) As per the minutes of the meetings duly recorded and confirmed by the Directors, the decisions of the Board were carried through by majority while there were no dissenting views recorded as part of the minutes.
- (v) The Compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial auditors, tax auditors and other designated professionals.

I further report that based on the information received, explanations given, process explained, records maintained, statutory compliance and statutory internal audit reports submitted to the Board on quarterly basis, and taken on record by the Board of Directors of the Company, in my opinion 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.



**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/ IBBI/IPA-002/IP-N00741/2018-19/12211**

---

I further report that during the audit period:

- i) Articles of Association of the Company was amended pursuant to Amended and Restated Shareholders' Agreement dated April 12, 2021, executed by the Holding Company.
- ii) The Board of Directors of the Company had, at the Meeting held on October 28, 2021, approved the Composite Scheme of Arrangement, subject to the approval of Shareholders and Creditors of the Company the requisite sanction of the National Company Law Tribunal ("NCLT") and other regulatory or government bodies/tribunals or institutions as may be applicable for:
  - a) The amalgamation of Samunnati Agro Solutions Private Limited into Samunnati Financial Intermediation & Services Private Limited, pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 after the slump sale (i.e., transfer and vesting) of the Business Undertaking of Samunnati Financial Intermediation & Services Private Limited ('Holding Company') as a going concern into Samunnati Finance Private Limited and Further to this, a joint application was filed before the National Company Law Tribunal, Chennai ("NCLT") on December 04, 2021, seeking its directions for convening of the Meetings of the concerned stakeholders and for dispensation of Meetings wherever approvals of the particular class of stakeholders had already been filed with the NCLT.  
In this connection, NCLT had passed an order dated March 29, 2022 [CA/(CAA)/118(CHE)2021] ("NCLT Order") directing the Company to convene the Meetings of Secured and Unsecured Creditors seeking their approval for implementation of the Scheme and also dispensed with the meeting of Equity shareholders as the approval of the Equity shareholders for the Scheme was filed with the NCLT. Accordingly, the meetings of each class of creditors were held on May 4, 2022 and approvals with requisite majority were obtained. Further to this, Petition has been filed before the NCLT and awaiting hearing.
- iii) Samunnati Investment Management Services Private Limited was incorporated as wholly owned subsidiary.
- iv) The Company has issued Commercial Papers aggregating to Rs 75 crore during the year.



Jayashree S Iyer  
Company Secretary  
FCS 10394  
CP 21403

UDIN: F010394D000425701

Place: Chennai  
Date : 30.05.2022

*In view of the covid pandemic all the documents were examined digitally.*

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



**JAYASHREE S IYER**  
**COMPANY SECRETARY & INSOLVENCY PROFESSIONAL**  
**C.P.No.21403/IBBI/IPA-002/IP-N00741/2018-19/12211**

---

**'ANNEXURE - A'**

To,  
The Board of Directors  
M/s. Samunnati Agro Solutions Private Limited  
CIN o.:U74999TN2016PTC112925  
Baid Hi Tech Park, 8th Floor, No129 B,  
East Coast Road, Thiruvanmiyur  
Chennai-600041

Dear Sir

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the M/s .Samunnati Agro Solutions Private Limited (the 'Company'). My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The review was done to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of provisions of all laws, rules, regulations, standards applicable is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.



Jayashree S Iyer  
Company Secretary

FCS 10394

CP 21403

UDIN: F010394D000425701

Place: Chennai  
Date : 30.05.2022



**INDEPENDENT AUDITORS' REPORT**

To the Members of Samunnati Agro Solutions Private Limited

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Samunnati Agro Solutions Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and 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 (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and loss and other comprehensive income, changes in equity 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

**Emphasis of matter**

We draw attention to Note 43 to the financial statements, regarding the management's impairment assessment of property, plant and equipment, intangible assets, right to use assets, inventory, trade receivables valuation as at 31 March 2022 being considered as unimpaired and recoverable based on the future operations plans and cash flows wherein projections are made based on the various judgments and estimates related to inflation, discount rates, and implications expected to arise from COVID-19 pandemic, wherein actual results could vary.

Our opinion is not modified in respect of the above matter.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the audit or otherwise appears to be materially misstated. When we read the reports containing the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### **Responsibilities of the Management and Those Charged with Governance for Financial Statements**

The Company's management and Board of Directors are 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 state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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.

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

### **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 with reference to the financial statements 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 Matters**

The audited financial statements of the Company for the corresponding year ended 31 March 2021 prepared in accordance with Ind AS included in these financial statements, have been audited by the predecessor auditors whose audit report dated 28 July 2021 expressed an unmodified opinion on those audited financial statements.

Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Statement of Changes in Equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
- (e) The matter described in the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditors' 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 as at 31 March 2022 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022; and
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
   
  
 (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
   
  
 (c) Based on such audit procedures that we have 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 (a) and (b) contain any material mis-statement.
  - v. The Company has not paid or declared dividend during the year and until the date of this report.



3. With respect to the matter to be included in the Auditors' Report under section 197(16):

Since the Company is a private limited company, the provisions of Section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, reporting on the compliance with the provisions of Section 197 of the Act is not applicable.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018



**Kothandaraman V**  
Partner  
Membership No. 025973  
UDIN: 22025973AJRIQR8200

Place of Signature:  
Date: May 26, 2022



## Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Samunnati Agro Solutions Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2022.

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising 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 as at Balance Sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as leasehold lands / buildings under property, plant & equipment / right of use assets in the financial statements, the lease agreements are in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence this clause is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) a) The inventory, except stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained from the parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.

b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of



current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) Based on our audit procedures & according to the information and explanation 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, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) Based on our audit procedures & according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.

(v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and 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 rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, except for a few delays, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears, as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) Based on our audit procedures and as per the information and explanations given by the management, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix) (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a



declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

- (c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company taking loan from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company
- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture and hence the question of the Company raising any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

(x)

- (a) According to the information and explanations given to us, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year and hence the question of whether money raised were applied for the purposes for which those are raised does not arise. Accordingly, paragraph 3(x) of the Order is not applicable to the Company.
- (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 and hence the question of whether the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi)

- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistle blower complaints were received during the year by the Company.

(xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the



details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24)

(xiv) (a) To the best of our knowledge and belief and 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.

(b) We have considered the reports of the Internal Auditors for the period under audit.

(xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the question of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The company has incurred cash losses of Rs.451.37 million in the financial year and Rs. 84.70 million in the immediately preceding financial year.

(xviii) There has been a resignation by statutory auditor during the year. We have requested for a no objection certificate from the outgoing auditors to which they have replied to us there is no objection in our taking up the statutory audit and no other issues or concerns were expressed by the outgoing auditors.

(xix) On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report of the Company's capability of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx)



(a) In view of the losses, the Company is not required to spend money towards Corporate Social responsibility as per the provision of Section 135 of the Act. Accordingly, paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to ongoing project to special account in compliance with provision of sub-section (6) of section 135. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

For **PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No.003990S/S200018

*Kothandaraman V*

**Kothandaraman V**  
Partner  
Membership No. 025973  
UDIN: 22025973AJRIQR8200

Place of Signature: Chennai  
Date: May 26, 2022



## Annexure B

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

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

### **Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to financial statements**

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles.



and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

#### **Opinion**

We have audited the internal financial controls with reference to financial statements of Samunnati Agro Solutions Private Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

For PKF Sridhar & Santhanam LLP  
Chartered Accountants  
Firm's Registration No.003990S/S200018



Kothandaraman V  
Partner  
Membership No. 025973  
UDIN: 22025973AJRIQR8200

Place of Signature: Chennai  
Date: May 26, 2022



Samunnati Agro Solutions Private Limited  
 Standalone Balance Sheet as at March 31, 2022  
 (All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	45.17	5.85
Intangible assets	3	-	0.16
Intangible assets under development	3	43.82	14.92
Biological assets other than bearer plants	3	0.64	0.48
Right-of-use assets	3	17.76	7.19
Financial assets			
Investments	4	30.00	30.00
Other financial assets	5	9.54	6.50
Income tax assets (net)	6	13.15	4.09
Deferred tax assets (net)	7	151.38	40.52
<b>Total non-current assets</b>		<b>311.46</b>	<b>109.71</b>
<b>Current assets</b>			
Inventories	8	833.27	22.68
Financial assets			
Investments	4	-	50.01
Trade receivables	9	3,477.39	2,719.65
Cash and cash equivalents	10	150.95	193.26
Bank balances other than above	11	290.70	128.19
Other financial assets	5	66.79	52.73
Other current assets	12	204.33	49.18
<b>Total current assets</b>		<b>5,023.43</b>	<b>3,215.70</b>
<b>Total assets</b>		<b>5,334.89</b>	<b>3,325.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	6.32	6.32
Other equity	14	304.60	660.86
<b>Total equity</b>		<b>310.92</b>	<b>667.18</b>
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	5.30	92.71
Lease liabilities	16	9.99	5.61
Provisions	17	7.89	3.09
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	4,104.21	2,220.94
Lease liabilities	16	9.59	3.35
Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		-	
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		634.53	77.85
Other financial liabilities	18	60.73	88.98
Other current liabilities	19	189.73	165.24
Provisions	17	2.00	0.46
<b>Total current liabilities</b>		<b>5,000.79</b>	<b>2,556.82</b>
<b>Total equity and liabilities</b>		<b>5,334.89</b>	<b>3,325.41</b>
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Regn No. 003990S/S200018

V. Kothandaraman

Partner

Membership No. 025973

Place : Chennai

Date : May 26, 2022



For and on behalf of the Board of Directors of  
 Samunnati Agro Solutions Private Limited

  
 S G Anil Kumar  
 Director  
 DIN: 01189011

  
 Lailit Malik  
 Group Chief Financial Officer

Place: Chennai  
 Date : May 26, 2022

  
 Anuj Vijay Kumar Narang  
 Director  
 DIN: 01626940  


**Samunnati Agro Solutions Private Limited**

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

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>REVENUE</b>			
Revenue from operations	21	21,209.90	7,647.75
Other income	22	34.01	54.79
<b>Total income</b>		<b>21,243.91</b>	<b>7,702.54</b>
<b>EXPENSES</b>			
Cost of materials consumed			
Purchase of stock in trade	23	21,522.39	7,370.26
Changes in inventories of stock in trade	24	(829.22)	(15.45)
Employee benefit expenses	25	230.73	79.31
Finance cost	26	343.01	169.02
Depreciation and amortization expense	27	15.92	5.59
Other expenses	28	428.37	184.10
<b>Total expenses</b>		<b>21,711.20</b>	<b>7,792.83</b>
<b>Loss before tax</b>		<b>(467.29)</b>	<b>(90.29)</b>
<b>Tax expense</b>	30		
Current tax		-	-
Deferred tax		(110.90)	(19.14)
<b>Total tax expense</b>		<b>(110.90)</b>	<b>(19.14)</b>
<b>Loss for the year</b>		<b>(356.39)</b>	<b>(71.15)</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit and loss		0.17	0.90
(ii) Income tax relating to items that will not be reclassified to profit and loss		(0.04)	(0.26)
<b>Total other comprehensive income</b>		<b>0.13</b>	<b>0.64</b>
<b>Total comprehensive income for the year</b>		<b>(356.26)</b>	<b>(70.51)</b>
<b>Earnings per share (Face value of Rs. 10 each)</b>			
Basic earnings per share (Rs.)		(563.48)	(112.49)
Diluted earnings per share (Rs.)		(563.48)	(112.49)
Significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Regn No. 003990S/S200018

  
V. Kothandaraman

Partner

Membership No. 025973  
Place : Chennai  
Date : May 26, 2022

For and on behalf of the Board of Directors of  
Samunnati Agro Solutions Private Limited

S.G Anil Kumar  
Director  
DIN: 01189011

Lalit Malik  
Group Chief Financial Officer

Place: Chennai  
Date : May 26, 2022

  
Anuj Vijay Kumar Narang  
Director  
DIN: 01686940

Samunnati Agro Solutions Private Limited  
 Cash Flow Statement for the year ended March 31, 2022  
 (All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. Cash flow from operating activities</b>			
Loss before tax		(467.29)	(90.29)
<b>Adjustments for:</b>			
Depreciation and amortization expenses		15.92	5.59
Provision for inventory obsolescence		20.15	-
Loss / (gain) on fair valuation on investments		-	(0.32)
Allowance for expected credit loss		215.56	73.94
Gratuity and leave encashment expenses		9.56	1.67
Income from investment in mutual funds		(1.07)	(0.06)
Interest income		(13.07)	(13.43)
Interest expenses		290.13	152.10
Bad debts written off		-	0.86
Operating profit before working capital changes		69.89	130.06
<b>Change in operating assets and liabilities</b>			
(Increase) / decrease in inventories		(830.74)	(13.93)
(Increase) / decrease in trade receivables		(973.16)	(1,198.68)
(Increase) / decrease in other financial assets		(28.90)	(29.99)
(Increase) / decrease in other assets		(155.15)	(26.70)
Increase / (decrease) in trade payables		556.68	56.49
Increase / (decrease) in other financial liabilities		(42.90)	-
Increase / (decrease) in other liabilities and provisions		21.27	133.97
<b>Cash used in operations</b>			
Less: Income taxes refund/ (paid)		(1,383.01)	(948.78)
<b>Net cash (used in) operating activities (A)</b>		(9.12)	4.99
		<b>(1,392.13)</b>	<b>(943.79)</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment, intangible assets and IAUD		(73.45)	(11.60)
Proceeds from sale of property, plant and equipment		-	0.09
Proceeds from sale of investments		51.08	33.49
Investments in margin money deposits with banks		(162.51)	(61.41)
Interest income received		24.87	14.20
<b>Net cash (used in) investing activities (B)</b>		<b>(160.01)</b>	<b>(25.23)</b>
<b>C. Cash flows from financing activities</b>			
Proceeds / (repayment) from borrowings		1,795.86	1,207.36
Payment of lease liabilities		(10.65)	(3.22)
Interest expenses paid		(275.48)	(142.58)
<b>Net cash from financing activities (C)</b>		<b>1,509.73</b>	<b>1,061.56</b>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>		<b>(42.41)</b>	<b>92.54</b>
<b>E. Cash and cash equivalents at the beginning of the financial year</b>		<b>193.36</b>	<b>100.82</b>
<b>F. Cash and cash equivalents at end of the year</b>		<b>150.95</b>	<b>193.36</b>
<b>Cash and cash equivalents include</b>			
Balances with banks		150.95	136.21
- in current accounts		-	56.94
- In deposit accounts (with original maturity of 3 months or less)		-	0.21
Cash on hand		<b>150.95</b>	<b>193.36</b>

Significant accounting policies

2

The accompanying notes form an integral part of the financial statements.

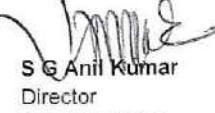
As per our report of even date attached

For PKF Sridhar & Santhanam LLP  
 Chartered Accountants  
 Firm Regn No. 003990S/S200018

  
 V. Kothandaraman  
 Partner  
 Membership No. 025973

Place : Chennai  
 Date : May 26, 2022

For and on behalf of the Board of Directors of  
 Samunnati Agro Solutions Private Limited

  
 S G Anil Kumar  
 Director  
 DIN: 01189011

  
 Lalit Malik  
 Group Chief Financial Officer

  
 Anuj Vijay Kumar Narang  
 Director  
 DIN: 01686940  


Place: Chennai  
 Date : May 26, 2022

**Samunnati Agro Solutions Private Limited**  
**Statement of Changes in Equity for the year ended March 31, 2022**  
<sup>(All amounts are in millions of Indian Rupees ₹), unless otherwise stated)</sup>

<b>A. Equity share capital</b>		<b>Equity share capital</b>	
<b>Particulars</b>		<b>As at</b>	<b>As at</b>
		<b>March 31, 2022</b>	<b>March 31, 2021</b>
Balance at the beginning of the year		6.32	6.32
Changes in Equity Share Capital due to prior period errors		-	-
Issued during the year		-	-
<b>Balance at the end of the year</b>		<b>6.32</b>	<b>6.32</b>

<b>B. Other equity</b>		<b>Securities Premium</b>	<b>Retained Earnings</b>	<b>Other comprehensive income</b>	<b>Total</b>
Balance as at April 01, 2020		773.63	(42.35)	0.09	731.37
Changes in accounting policy or prior period errors		-	-	-	-
Comprehensive income for the year		-	(71.15)	0.64	(70.51)
<b>Balance as at March 31, 2021</b>		<b>773.63</b>	<b>(113.50)</b>	<b>0.73</b>	<b>660.86</b>
Changes in accounting policy or prior period errors		-	-	-	-
Comprehensive income for the year		-	(356.39)	0.13	(356.26)
<b>Balance as at March 31, 2022</b>		<b>773.63</b>	<b>(469.89)</b>	<b>0.86</b>	<b>304.60</b>

Significant accounting policies

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm Regn No. 003990S/S200018  
  
V. Kothandaraman  
Partner  
Membership No. 0255973

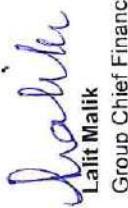
Place : Chennai  
Date : May 26, 2022

For and on behalf of the Board of Directors of  
Samunnati Agro Solutions Private Limited

  
Anuj Vijay Kumar Narang  
Director  
DIN: 01189011

Anuj  
Vijay  
Kumar  
Narang  
Director  
DIN: 01686940



  
Lalit Malik  
Group Chief Financial Officer

Place : Chennai  
Date : May 26, 2022

## **Samunnati Agro Solutions Private Limited**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022

(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

### **1. Corporate information:**

Samunnati Agro Solutions Private Limited was incorporated on 14 October 2016 with its registered office at No: 129-B, 8th Floor, Baid Hi Tech Park, ECR, Thiruvanmiyur, Chennai - 600113. The Company is engaged in the business of wholesale trading of agri-inputs and commodities.

### **2. Basis of preparation of financial statements**

#### **2.1. Statement of compliance with Ind AS and basis for preparation and presentation of financial statements**

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments rules issued thereafter.

For all periods up to and including the period ended 30 September 2020 & 2021 and year ended March 2021 & March 22, the Company prepared its financial statements in accordance with the accounting standards notified under the Section 133 of the Companies Act, 2013, read together with Companies (Accounts) Rules 2014.

#### **2.2. Functional and presentation currency**

These financial statements are presented in Indian Rupees ('INR', '₹' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest millions, unless otherwise indicated. Amounts less than the rounding off norms adopted by the Company are disclosed as 0.

#### **2.3. Basis of measurement**

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

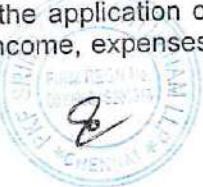
#### **2.4. Measurement of fair value changes**

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### **2.5. Use of estimates and judgements and estimation uncertainty**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may



differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are areas that involved a higher degree of estimation and judgement or complexity in determining the carrying amount of some assets and liabilities.

#### **Property, plant and equipment (PPE)**

Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

#### **Current tax**

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

#### **Deferred tax assets**

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### **Fair value**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

#### **Effective Interest Rate (EIR) Method**

The Company recognizes interest expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

#### **Impairment of financial assets**

The measurement of impairment losses on receivables, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.



The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk.
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulae and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model.

It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary. Refer note 2.11(e) for detailed accounting policy on expected credit loss.

#### **Impairment of Non-financial assets (PPE)**

The impairment assessment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

#### **Defined benefit plans and other long term employee benefits**

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **Provisions and other contingent liabilities**

The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

### **2.6. Revenue recognition**

#### **a. Sale of goods**

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step process:

- i. Identifying the contract with customer
- ii. Identifying the performance obligations
- iii. Determining the transaction price
- iv. Allocating the transaction price to the performance obligations
- v. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from sale of products or services is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services.



Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The Company has assessed its revenue arrangements based on the substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

**b. Dividend and interest income**

Dividends are recognized in Statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Interest income is recognized when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**2.7. Property, Plant and Equipment (PPE)**

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Assets held for sale or disposals are stated at the lower of their net book value and net realizable value.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis. Assets costing less than Rs.5,000 are fully depreciated in the period of purchase.

PPE is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized

**2.8. Intangible assets**

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses, if any

The intangible assets, that are not yet ready for their intended use are carried at cost and are reflected under intangible assets under development. Direct costs associated in developing the intangible asset are capitalized when the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use.
- Management intends to complete the intangible asset and put it to use.
- There is ability to use the intangible asset
- There is an identifiable asset that will generate expected future economic benefits and
- There is an ability to measure reliably the expenditure attributable to the intangible asset during its development.



Otherwise, it is recognized in profit and loss as incurred

Intangible assets comprises of computer software which is amortized over the estimated useful life. The amortization period is lower of license period or 36 months which is based on management's estimates of useful life. Amortisation is calculated using the straight line method to write down the cost of intangible assets over their estimated useful lives.

An intangible asset is de-recognized on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is de-recognized.

## **2.9. Foreign exchange transactions and translations**

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in Statement of Profit and Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

## **2.10. Financial Instruments**

### **a. Recognition and initial measurements**

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

A financial asset or financial liability is 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 of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

### **b. Classifications and subsequent measurement**

#### **Financial assets**

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair Value Through Profit or Loss (FVTPL)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit or Loss (FVTPL):



## **Samunnati Agro Solutions Private Limited**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2022  
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

- The asset is held within a business model whose objective is to hold assets to collect contractual 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial assets at FVTPL** – These are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

**Financial assets at amortised cost** – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in statement of profit and loss.

Financial assets are not re-classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing its financial assets.

### **Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

### **c. De-recognition**

#### **Financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized as gain or loss in the statement of profit and loss.

#### **Financial liabilities**

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or gets expired. The difference between the carrying amount of the financial liability de-



recognized and the sum of consideration paid and payable is recognized as gain or loss in the statement of profit and loss.

The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit and loss.

**d. Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**e. Impairment of financial instruments**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company follows 'simplified approach' and measures the loss allowance at an amount equal to lifetime expected credit losses. This impairment allowance is computed based on historical credit loss experience and management assessment.

**f. Write offs**

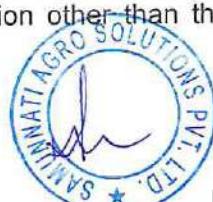
Trade Receivables are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs and also considered not recoverable per terms of insurance against default of such trade receivables. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

**2.11. Employee benefits****a. Short- term employee benefits**

Short-term employee benefits are determined as per Company's policy/scheme on an undiscounted basis and are recognized as expense as the related services is provided. Short-term employee benefit liabilities are recognized for the amount expected to be paid, if the Company has a present legal obligation to pay, as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**b. Contribution to PF and other funds**

Company's contribution paid/payable during the year to provident fund and employees state insurance is recognized in the Statement of profit and loss. The Company has no further obligation other than the contributions made.



**c. Gratuity**

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognized at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement of defined benefit plans, comprising of actuarial gains / losses are recognized immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

**d. Leave encashment/ compensated absences/ sick leave**

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

**2.12. Finance cost**

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortised cost. Finance costs are charged to the Statement of profit and loss.

**2.13. Current and deferred tax**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in the statement of profit and 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.

- i. Current tax comprises of the expected tax payable on the taxable income for the year and any adjustment to the tax payable in respect of previous years. The amount of current tax for the year is determined in accordance with the applicable tax rates which reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using the tax rates enacted or substantively enacted by the reporting date under the provisions of the Income Tax Act, 1961. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.
- ii. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are 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 enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence 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.



Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

#### **2.14. Impairment of assets other than financial assets**

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized in Statement of profit and loss.

#### **2.15. Provisions and contingent liabilities**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

In those cases, where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized or disclosure is made.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation (such as from insurance) is recognized as a separate asset. However, this asset may not exceed the amount of the related provision.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, the related asset is disclosed.



## **2.16. Leases**

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

## **2.17. Inventories**

Inventories are measured at the lower of cost and the net realizable value. Costs includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition, net of discounts and rebates and is determined on weighted average basis. Net realizable value represents the estimated selling price of inventories in the ordinary course of business, less the estimated costs necessary to make the sale.

## **2.18. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

## **2.19. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after



deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## **2.20. Recent accounting pronouncements**

### **a) Changes in Accounting Standards that were applicable and adopted from the current financial year:**

The following Accounting Standards have been modified on miscellaneous issues with effect from June 18, 2021. Such changes include clarification/guidance on:

- i) Ind AS 107 Financial Instruments: Disclosures – Additional disclosures relating to interest rate benchmark reform (IBOR reform) including nature and extent of risks to which the entity is exposed due to financial instruments subject to interest rate benchmark reform and how the Company manages those risks; the Company's progress in completing the transition to alternative benchmark rates and how the Company is managing the transition.
- ii) Ind AS 109 Financial Instruments – Guidance provided on accounting for modifications of contracts resulting from changes in the basis for determining the contractual cash flows as a result of the IBOR reform; various exceptions and relaxations have been provided in relation to the hedge accounting.
- iii) Ind AS 116 Leases – Extension of optional practical expedient in case of rent concessions as a direct consequence of COVID-19 pandemic till June 30, 2022 and guidance on accounting for modification of lease contracts resulting from the IBOR reform.
- iv) Ind AS 102 Share based payments – Alignment of liabilities definition with the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India.
- v) Ind AS 103 Business Combination – Alignment of assets and liabilities definition with the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards
- vi) Amendment of definition of term 'recoverable amount' in Ind AS 105, Ind AS 16 and Ind AS 36 from 'fair value less cost to sell' to 'fair value less cost of disposal'.

None of these amendments has any material impact on the financial statements for the current year.

### **b) Changes in Schedule III Division III of Companies Act, 2013 notified and adopted by the Company:**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 to be effective from April 01, 2021. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### In Balance Sheet:

- i) Certain additional disclosures in the statement of changes in equity.



- ii) Specified format for disclosure of shareholding of promoters.
- iii) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- iv) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- v) Specific disclosure under regulatory such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and Advances to Promoters, Directors, Key Managerial Personnel (KMP) and related parties, details of benami property held, relationship with struck-off companies, financial ratios, etc.

In Statement of Profit and Loss:

- i) Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head "additional information" in the notes forming part of financial statements.

The amendments are extensive, and the Company has given effect to them as required by law in the current year financial statements to the extent applicable.

**c) New accounting standards/amendments notified but not yet effective**

The following Accounting Standards have been modified on miscellaneous issues with effect from April 01, 2022. Such changes include clarification/guidance on:

- i) Ind AS 103 Business Combination – Identified assets acquired and liabilities assumed (including contingent assets and contingent liabilities) must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the Institute of Chartered Accountants of India (ICAI).
- ii) Ind AS 109 Financial Instruments – Guidance provided on identifying substantial modification of the terms of an existing financial liability basis difference in discounted present value of the cash flows between old and new terms (the '10 percent' test).
- iii) Ind AS 16 Property, Plant and Equipment (PPE) – Clarification provided on accounting for excess of net sale proceeds of items produced over the cost of testing as deduction from the directly attributable costs considered as part of cost of an item of PPE.
- iv) Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets – Illustrative guidance provided on the cost of fulfilling a contract - incremental costs of fulfilling the contract and allocation of other costs that relate directly to fulfilling contracts, and clarification provided on recognising impairment loss that has occurred on assets used in fulfilling the contract before a separate provision for onerous contract established.

None of these amendments is expected to have any material impact on the financial statements of the Company.

**2.21. Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



## 3 Property, plant and equipment &amp; Intangible assets &amp; Right of Use assets

Particulars	Computers and accessories	Office equipment	Furniture and fittings	Plant & Machinery	Freehold Land <sup>#</sup>	Leasehold improvements	Vehicles	Total (A)	Intangible assets	Intangible assets under development <sup>^</sup>	Biological assets	Right of Use assets
Gross Block												
As at April 1, 2020	2.96	0.54	1.65	-	-	0.98	1.50	7.63	0.32	2.39	0.48	12.42
Additions	2.13	0.06	-	-	-	-	-	2.19	-	12.53	-	0.10
Disposals	-	-	(0.11)	-	-	-	-	(0.11)	-	-	-	-
As at March 31, 2021	5.09	0.60	1.54	-	-	0.98	1.50	9.71	0.32	14.92	0.48	12.52
Additions	4.53	0.74	0.59	2.85	-	27.76	-	7.05	43.52	0.01	28.90	0.17
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	9.62	1.34	2.13	2.85	27.76	0.98	8.55	53.23	0.33	43.82	0.65	34.63
Depreciation												
As at April 1, 2020	0.84	0.05	0.11	-	-	0.18	0.17	1.35	0.09	-	-	2.34
Charged For the Year	1.70	0.06	0.17	-	-	0.22	0.38	2.53	0.07	-	-	2.99
On Disposals	-	-	(0.02)	-	-	-	-	(0.02)	-	-	-	-
As at March 31, 2021	2.54	0.11	0.26	-	-	0.40	0.55	3.86	0.16	-	-	5.33
Charged For the Year	2.17	0.18	0.22	0.05	-	0.22	1.36	4.20	0.17	-	0.01	11.54
On Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	4.71	0.29	0.48	0.05	-	0.62	1.91	8.06	0.33	-	0.01	16.87
Net Block												
As at March 31, 2021	2.55	0.49	1.28	-	-	0.58	0.95	5.85	0.16	14.92	0.48	7.19
As at March 31, 2022	4.91	1.05	1.65	2.80	27.76	0.36	6.64	45.17	-	43.82	0.64	17.76

<sup>^</sup>Intangible assets under development (IAUD) ageing schedule

As at March 31, 2022

Particulars	Amount of IAUD for a period of			Amount of IAUD for a period of						
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	28.90	12.53	2.39	-	43.82	12.53	2.39	-	-	14.92
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>28.90</b>	<b>12.53</b>	<b>2.39</b>	<b>-</b>	<b>43.82</b>	<b>12.53</b>	<b>2.39</b>	<b>-</b>	<b>-</b>	<b>14.92</b>

The following projects have undergone a time over run.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	To be completed in
UI development of web based online marketplace	2.39	-	-	-	2.39	-

57 There are no projects which has undergone cost overrun as at March 31, 2022 and March 31, 2021.

As at March 31, 2021  
To be completed in

2.39

**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021		
<b>4 Investments</b>				
<b>Non-current investments</b>				
<b>Investments in other companies carried at amortised cost</b>				
300,000 (March 31, 2021: 300,000) Compulsorily convertible debentures ("CCDs") of Rs. 100 each of Kamatan Farm Tech Private Limited (unquoted)	30.00	30.00		
	<u>30.00</u>	<u>30.00</u>		
<b>Current investments</b>				
<b>Investments carried at fair value through profit or loss</b>				
<b>Investments in Mutual Funds - Unquoted</b>				
Tata Liquid Fund Regular Plan - Growth	-	50.01		
	<u>-</u>	<u>50.01</u>		
	As at March 31, 2022	As at March 31, 2021		
	Non-Current	Current	Non- Current	Current
<b>5 Other financial assets (at amortised cost)</b>				
Security deposit	9.54	-	6.50	-
Margin money held with financial institution	-	54.00	-	48.00
Interest accrued on deposits and others	-	12.06	-	0.26
Other receivables	-	0.73	-	4.47
	<u>9.54</u>	<u>66.79</u>	<u>6.50</u>	<u>52.73</u>
	As at March 31, 2022	As at March 31, 2021		
<b>6 Current tax assets (Net)</b>				
Advance tax (net of provisions)			13.15	4.09
			<u>13.15</u>	<u>4.09</u>
<b>7 Deferred tax assets (net)</b>				
Deferred tax			151.38	40.52
			<u>151.38</u>	<u>40.52</u>
<b>Tax effect of items constituting deferred tax assets / (liabilities) :</b>	<b>Balance as at April 01, 2021</b>	<b>(Charge) / credit to statement of profit and loss</b>	<b>(Charge) / credit to OCI</b>	<b>Balance as at March 31, 2022</b>
Fixed assets	0.16	(7.46)	-	(7.30)
Provisions for employee benefits	0.12	2.37	(0.04)	2.45
Impairment loss allowance	39.92	54.25	-	94.17
Carried forward losses	0.32	61.74	-	62.06
<b>Total</b>	<b>40.52</b>	<b>110.90</b>	<b>(0.04)</b>	<b>151.38</b>
<b>Tax effect of items constituting deferred tax assets / (liabilities) :</b>	<b>Balance as at April 01, 2020</b>	<b>(Charge) / credit to statement of profit and loss</b>	<b>(Charge) / credit to OCI</b>	<b>Balance as at March 31, 2021</b>
Fixed assets	0.25	(0.09)	-	0.16
Provisions for employee benefits	0.70	(0.32)	(0.26)	0.12
Impairment loss allowance	21.39	18.53	-	39.92
Carried forward losses	-	0.32	-	0.32
Others	(0.70)	0.70	-	-
<b>Total</b>	<b>21.64</b>	<b>19.14</b>	<b>(0.26)</b>	<b>40.52</b>



**Samunnati Agro Solutions Private Limited**  
 Notes to financial statements for the year ended March 31, 2022  
 (All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>8 Inventories</b>		
(At lower of cost and net realisable value unless otherwise stated)		
Stock in trade	853.42	24.20
Less: Provision for inventory	(20.15)	(1.52)
	<b>833.27</b>	<b>22.68</b>
<b>9 Trade receivables</b>		
<i>Unsecured</i>		
<i>Considered good</i>		
Less: Allowance for expected credit loss	3,288.02	2,567.43
	(31.42)	(15.79)
	<b>3,256.60</b>	<b>2,551.84</b>
Having significant increase in credit risk	252.97	76.95
Less: Allowance for expected credit loss	(42.91)	(44.00)
	<b>210.06</b>	<b>32.95</b>
<i>Credit impaired</i>		
Less: Allowance for expected credit loss	310.58	233.89
	(299.85)	(98.83)
	<b>10.73</b>	<b>135.06</b>
	<b>3,477.39</b>	<b>2,719.65</b>

Above balances of trade receivables include balances with related parties (refer note 38).

**Ageing schedule**

	Current but not due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>As at March 31, 2022</b>							
Undisputed Trade Receivables – considered good	2,817.03	470.99	-	-	-	-	3,288.02
Undisputed Trade Receivables – which have significant increase in credit risk	-	133.00	119.97	-	-	-	252.97
Undisputed Trade receivable – credit impaired	-	-	-	94.43	125.16	90.99	310.58
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>2,817.03</b>	<b>603.99</b>	<b>119.97</b>	<b>94.43</b>	<b>125.16</b>	<b>90.99</b>	<b>3,851.57</b>
Less: Allowance for expected credit loss							(374.18)
<b>Net Total</b>							<b>3,477.39</b>
<b>As at March 31, 2021</b>							
Undisputed Trade Receivables – considered good	2,433.09	134.34	-	-	-	-	2,567.43
Undisputed Trade Receivables – which have significant increase in credit risk	-	15.30	61.65	-	-	-	76.95
Undisputed Trade receivable – credit impaired	-	-	-	150.21	62.81	20.87	233.89
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>2,433.09</b>	<b>149.64</b>	<b>61.65</b>	<b>150.21</b>	<b>62.81</b>	<b>20.87</b>	<b>2,878.27</b>
Less: Allowance for expected credit loss							(158.62)
<b>Net Total</b>							<b>2,719.65</b>

**10 Cash and cash equivalents**

Cash on hand	-	0.21
Balances with banks:		
- on current accounts	150.95	136.11
- on deposit accounts (with original maturity of 3 months or less)	-	56.94
	<b>150.95</b>	<b>193.26</b>

**11 Other bank balances**

Deposits with original maturity for more than 3 months but less than 12 months	290.70	128.19
	<b>290.70</b>	<b>128.19</b>

**12 Other assets**

Advance to suppliers	117.82	16.14
Employee advances	1.93	1.00
Prepaid expenses	34.97	8.37
Balance with statutory authorities	49.61	23.67
	<b>204.33</b>	<b>49.18</b>



Samunnati Agro Solutions Private Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts are in millions of Indian Rupees, unless otherwise stated)

### 13 Share capital

As at March 31, 2022	As at March 31, 2021
6.50	6.50
6.50	6.50
6.32	6.32
6.32	6.32

**Issued, subscribed and paid-up (fully paid up)**

### Equity shares

632,484 (March 31, 2021 : 632,484) equity shares of Rs.10 each fully paid up

6.32	6.32
<b>6.32</b>	<b>6.32</b>

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

As at March 31, 2022		As at March 31, 2021	
Number	Amount	Number	Amount
6,32,484	6.32	6,32,484	6.32
-	-	-	-
<b>6,32,484</b>	<b>6.32</b>	<b>6,32,484</b>	<b>6.32</b>

b. Shares held by the holding company

Samunnati Financial Intermediation & Services  
Private Limited (equity shares of Rs. 10 each)

6,32,484                    6.32                    6,32,484                    6.32

c. Terms / rights attached to equity shares

### Equity shares

**Equity shares**  
The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion of their shareholding.

d. Particulars of shareholders holding more than 5% shares of a class of shares

As at March 31, 2022		As at March 31, 2021	
Number	%	Number	%
6,32,484	6.32	6,32,484	6.32

e. During the last five years immediately preceding the date of Balance Sheet, the Company has neither issued any shares as bonus shares nor for consideration other than cash and has not bought back any shares.

**f. Details of shares held by promoters**

As at March 31, 2022

Name of the promoter	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Samunnati Financial Intermediation & Services Private Limited	6,32,484	-	6,32,484	100%	0%
	6,32,484	-	6,32,484	100%	0%

As at March 31, 2021

Name of the promoter	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Samunnati Financial Intermediation & Services Private Limited	6,32,484	-	6,32,484	100%	0%
	6,32,484	-	6,32,484	100%	0%

As at March 31, 2022	As at March 31, 2021
773.63	773.63
(469.89)	(113.50)
0.86	0.73
<b>304.60</b>	<b>660.86</b>



	As at March 31, 2022	As at March 31, 2021
<b>Securities premium</b>		
Balance at the beginning of the period	773.63	773.63
Shares issued during the period	-	-
Utilized towards share issue expense	-	-
Balance at the end of the period	<u>773.63</u>	<u>773.63</u>
<b>Retained earnings</b>		
Balance at the beginning of the period	(113.50)	(42.35)
Loss for the period	(356.39)	(71.15)
Balance at the end of the period	<u>(469.89)</u>	<u>(113.50)</u>
<b>Other comprehensive income</b>		
Balance at the beginning of the year	0.73	0.09
Other comprehensive income for the year	0.13	0.64
Balance at the end of the year	<u>0.86</u>	<u>0.73</u>
<b>Total equity</b>	<u>304.60</u>	<u>660.86</u>

**(i) Securities premium**

Securities premium is used to record the premium on issue of shares. This amount can be utilised in accordance with the provisions of the Companies Act 2013.

**(ii) Retained earnings**

Retained earnings or accumulated surplus/ (loss) represents total of all profits/ (losses) retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserves.

**(iii) Other comprehensive income**

Other comprehensive income represents accumulated balances of actuarial gains/(losses), arising out of employee defined benefit obligation and will not be subsequently reclassified to Statement of Profit and Loss. This reserve is not a distributable reserve.

<<This space has been intentionally left blank>>

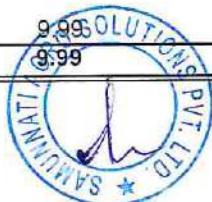
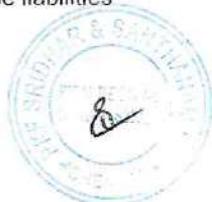


**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars		As at March 31, 2022	As at March 31, 2021																									
<b>15</b>	<b>Borrowings</b>																											
(a)	<b>Long term borrowings</b>																											
	<b>Secured</b>																											
	Term loan from parties other than banks	86.53	220.44																									
	Less: Current maturities (refer note 15(b))	(81.23)	(127.73)																									
		<b>5.30</b>	<b>92.71</b>																									
(i)	Term loans from parties other than banks carries an interest rate of 12.28% to 14.5% p.a. (March 31, 2021: 12.25% p.a.) and are secured first charge on receivables/ book debts of the Company with a constant value of 110% (March 31, 2022: secured first charge on receivables/ book debts of the Company with a constant value of 110%) of the total loan amount plus interest due, demand promissory note, corporate guarantee issued by Holding company. The principal is repayable on 18 (March 31, 2021: 18) equated monthly instalments.																											
(b)	<b>Short term borrowings</b>																											
	<b>Secured</b>																											
	Term loans from parties other than banks	1,280.10	1,223.80																									
	Working capital loan	1,092.88	267.90																									
	Current maturities of long term debts																											
	- from parties other than banks	81.23	127.73																									
	<b>Unsecured</b>																											
	Commercial paper	250.00	146.08																									
	From holding company	1,400.00	455.43																									
		<b>4,104.21</b>	<b>2,220.94</b>																									
(ii)	Term loans from parties other than banks carries an interest of 10.5% to 12% p.a (March 31, 2021: 10.5% -14.5% p.a.) and is secured by the way of an exclusive charge on the book debts, cash collateral amounting to 5%- 6% of the loan amount and corporate guarantee from the Holding Company. The principal is repayable in monthly installments from between 6-12 months.																											
(iii)	Working capital loan consists of (a) Bill discounting facility at an interest rate of 9% p.a (March 31, 2021 : 12% to 13%) and are repayable at the end of bill discounting period which ranges from 3 to 4 months; b) Overdraft facility which is repayable on demand carries an interest rate of 8.15% to 12%; c) Reverse factoring facilities through TReDs platform, at an interest rate of 8.5% to 9.1% (March 31, 2021 - 8.5% to 9.1%). These working capital loans are secured by way of a first exclusive charge on all existing and future fixed and current assets of the Company and corporate guarantee provided by the Holding company. The borrowings shall be utilised towards working capital requirements.																											
(iv)	Commercial paper carries an interest rate of 11.25% (March 31, 2021 : 12.30%) repayable at the end of 105 to 122 days (March 31, 2021 : 71 to 100 days).																											
(v)	Borrowings from holding company carries an interest rate of 11% p.a. (March 31, 2021: 12% p.a.) and these loans are repayable equally at the expiry of the term of 6 to 12 months.																											
(vi)	<b>Reconciliation of liabilities arising from financing activities:</b>																											
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>As at Mar 31, 2021</th> <th>Amortisation of processing fees</th> <th>Cash flows (net)</th> <th>As at Mar 31, 2022</th> </tr> </thead> <tbody> <tr> <td>Long term borrowings</td> <td>92.71</td> <td>-</td> <td>(87.41)</td> <td>5.30</td> </tr> <tr> <td>Short term borrowings</td> <td>2,220.94</td> <td>50.67</td> <td>1,832.60</td> <td>4,104.21</td> </tr> <tr> <td><b>Total</b></td> <td><b>2,313.65</b></td> <td><b>50.67</b></td> <td><b>1,745.19</b></td> <td><b>4,109.51</b></td> </tr> </tbody> </table>	Particulars	As at Mar 31, 2021	Amortisation of processing fees	Cash flows (net)	As at Mar 31, 2022	Long term borrowings	92.71	-	(87.41)	5.30	Short term borrowings	2,220.94	50.67	1,832.60	4,104.21	<b>Total</b>	<b>2,313.65</b>	<b>50.67</b>	<b>1,745.19</b>	<b>4,109.51</b>							
Particulars	As at Mar 31, 2021	Amortisation of processing fees	Cash flows (net)	As at Mar 31, 2022																								
Long term borrowings	92.71	-	(87.41)	5.30																								
Short term borrowings	2,220.94	50.67	1,832.60	4,104.21																								
<b>Total</b>	<b>2,313.65</b>	<b>50.67</b>	<b>1,745.19</b>	<b>4,109.51</b>																								
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>As at Mar 31, 2020</th> <th>Amortisation of upfront fees</th> <th>Cash flows</th> <th>As at Mar 31, 2021</th> </tr> </thead> <tbody> <tr> <td>Long term borrowings</td> <td>132.70</td> <td>-</td> <td>(39.99)</td> <td>92.71</td> </tr> <tr> <td>Short term borrowings</td> <td>969.93</td> <td>27.95</td> <td>1,223.06</td> <td>2,220.94</td> </tr> <tr> <td><b>Total</b></td> <td><b>1,102.63</b></td> <td><b>27.95</b></td> <td><b>1,183.07</b></td> <td><b>2,313.65</b></td> </tr> </tbody> </table>	Particulars	As at Mar 31, 2020	Amortisation of upfront fees	Cash flows	As at Mar 31, 2021	Long term borrowings	132.70	-	(39.99)	92.71	Short term borrowings	969.93	27.95	1,223.06	2,220.94	<b>Total</b>	<b>1,102.63</b>	<b>27.95</b>	<b>1,183.07</b>	<b>2,313.65</b>							
Particulars	As at Mar 31, 2020	Amortisation of upfront fees	Cash flows	As at Mar 31, 2021																								
Long term borrowings	132.70	-	(39.99)	92.71																								
Short term borrowings	969.93	27.95	1,223.06	2,220.94																								
<b>Total</b>	<b>1,102.63</b>	<b>27.95</b>	<b>1,183.07</b>	<b>2,313.65</b>																								
	<table border="1"> <thead> <tr> <th></th> <th colspan="2">As at March 31, 2022</th> <th colspan="2">As at March 31, 2021</th> </tr> <tr> <th></th> <th>Non-Current</th> <th>Current</th> <th>Non- Current</th> <th>Current</th> </tr> </thead> <tbody> <tr> <td><b>16</b></td> <td><b>Lease liabilities</b></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Lease liabilities</td> <td>9.59</td> <td>5.61</td> <td>3.35</td> <td></td> </tr> <tr> <td></td> <td><b>9.59</b></td> <td><b>5.61</b></td> <td><b>3.35</b></td> <td></td> </tr> </tbody> </table>		As at March 31, 2022		As at March 31, 2021			Non-Current	Current	Non- Current	Current	<b>16</b>	<b>Lease liabilities</b>				Lease liabilities	9.59	5.61	3.35			<b>9.59</b>	<b>5.61</b>	<b>3.35</b>			
	As at March 31, 2022		As at March 31, 2021																									
	Non-Current	Current	Non- Current	Current																								
<b>16</b>	<b>Lease liabilities</b>																											
Lease liabilities	9.59	5.61	3.35																									
	<b>9.59</b>	<b>5.61</b>	<b>3.35</b>																									



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

Particulars	As at March 31, 2022	As at March 31, 2021
<b>17 Provisions</b>		
Provision for employee benefits		
Provision for gratuity	3.03	0.01
Provision for compensated absences	4.86	1.99
	<b>7.89</b>	<b>3.09</b>
		<b>0.46</b>
<b>18 Other financial liabilities</b>		
Interest accrued but not due on borrowings		21.21
Creditor for capital goods		-
Employee related payables		22.03
Insurance claim payable		-
Others payable		17.49
	<b>60.73</b>	<b>88.98</b>
<b>19 Other current liabilities</b>		
Statutory dues payables		11.19
Advance received from customers		178.54
	<b>189.73</b>	<b>165.24</b>

*<<This space has been intentionally left blank>>*



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars

March 31, 2022 March 31, 2021

**20 Trade payables**

a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	634.53	77.85
	<b>634.53</b>	<b>77.85</b>

(i) The classification of the suppliers under Micro, Small and Medium Enterprises Development Act, 2006 is made on the basis of information made available to the Company.

(ii) Disclosure requirement as required under section 22 of Micro, Small, & Medium Enterprises Development Act, 2006 is as follows:

i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year.	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year:	-	-
v) 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	-	-

**As at March 31, 2022**

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	616.97	17.03	0.54	-	634.53
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>616.97</b>	<b>17.03</b>	<b>0.54</b>	-	<b>634.53</b>

**As at March 31, 2021**

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	-	76.34	1.42	0.09	-	77.85
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>76.34</b>	<b>1.42</b>	<b>0.09</b>	-	<b>77.85</b>



<<This space has been intentionally left blank>>



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
<b>21 Revenue from operations</b>		
Sale of goods	21,102.33	7,567.48
Other operating revenue	107.57	80.27
	<b>21,209.90</b>	<b>7,647.75</b>

The Company trades in a single type of product i.e agri inputs and commodities and primarily operations are within India. Hence disaggregated information of revenue is not provided by the Company.

**Revenue based on timing of recognition**

Revenue recognition at a point in time	21,209.90	7,647.75
Revenue recognition over period of time	-	-
	<b>21,209.90</b>	<b>7,647.75</b>

Advance collections is recognised when payment is received before the related performance obligations is satisfied. This includes advance received from the customers. Revenue is recognised once the performance obligations is met. i.e. on transfer of goods to the customers.

**Contract balances with customers**

Opening balance at the beginning of the period	156.28	87.93
Closing balance at the end of the period	178.54	156.28

(The amounts reported herein are inclusive of GST)

Considering the nature of the business of the Company, the above contract liabilities are generally materialised as revenue within the operating cycle.

**22 Other income**

Interest income on:

- fixed deposits	7.04	3.33
- security deposits held with lenders	3.03	7.09
- delayed payment of dues by customers	14.45	21.88
- investment in CCDs	3.00	3.00
- Refund from Income tax authorities	0.56	-
Income of investment in mutual funds	1.07	0.06
Gain on fair valuation of investment	-	0.32
Deputation income	4.86	19.11
	<b>34.01</b>	<b>54.79</b>

**23 Purchases of stock-in-trade**

Purchase of stock-in-trade	21,522.39	7,370.26
	<b>21,522.39</b>	<b>7,370.26</b>

**24 Changes in inventories of stock-in-trade**

Opening stock	24.20	8.75
Closing stock	853.42	24.20
	<b>(829.22)</b>	<b>(15.45)</b>



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
<b>25 Employee benefits expense</b>		
Salaries and wages	208.48	73.07
Gratuity expenses	1.58	1.27
Compensated absences	7.98	0.40
Contribution to provident and other funds	8.22	2.26
Staff welfare expenses	4.47	2.31
	<b>230.73</b>	<b>79.31</b>
<b>26 Finance cost</b>		
Bank charges	-	-
Interest expenses	290.13	140.05
Interest on lease liability	2.21	1.02
Other borrowing costs	50.67	27.95
	<b>343.01</b>	<b>169.02</b>
<b>27 Depreciation and amortization expenses (Also, refer note 3)</b>		
Depreciation on property, plant and equipment	4.20	2.53
Depreciation on biological assets	0.01	-
Amortisation on other intangible assets	0.17	0.07
Depreciation on right of use asset	11.54	2.99
	<b>15.92</b>	<b>5.59</b>
<b>28 Other expenses</b>		
Power and fuel	0.86	0.79
Rent	3.87	5.54
Insurance	41.63	16.45
Rates and taxes	0.92	0.35
Legal and professional charges	43.04	18.62
Deputation charges	38.52	31.88
Consultancy charges	5.85	4.95
Sitting charges	0.22	0.27
Shared service expenses	3.48	4.34
Payment to auditors	2.19	1.05
Travelling and conveyance	15.51	3.49
Repairs and maintenance	2.69	-
Allowance for expected credit loss	215.56	74.79
Provision for Inventory	20.15	-
Miscellaneous expenses	33.88	21.58
	<b>428.37</b>	<b>184.10</b>
<b>29 Payments to the auditors (excluding taxes):</b>		
Statutory audit for previous auditors	0.32	-
Statutory audit	1.50	0.65
Limited review	0.27	0.30
Tax audit	0.10	0.10
	<b>2.19</b>	<b>1.05</b>



Samunnati Agro Solutions Private Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	March 31, 2022	March 31, 2021
<b>30 Income tax expense</b>		
Tax expense/(credit) recognized in the Statement of Profit and Loss		
Current tax on taxable income for the year	(110.90)	(18.88)
Deferred tax (credit)		
<b>Total income tax (credit)</b>	<b>(110.90)</b>	<b>(18.88)</b>
<b>a) The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
Enacted income tax rate in India applicable to the Company	25.168%	25.168%
Loss before tax	(467.29)	(90.29)
Current tax expenses on Loss before tax expenses at the enacted income tax rate	(117.61)	(22.72)
<b>Tax effect of expenses that are not deductible in determining taxable profit:</b>		
Property, plant & equipment	4.70	-
Others	2.01	3.84
<b>Income tax (credit)</b>	<b>(110.90)</b>	<b>(18.88)</b>
<b>b) Income tax recognized in other comprehensive income</b>		
Deferred tax		
Remeasurement of defined benefit obligation	(0.04)	(0.26)
<b>Total income tax recognized in other comprehensive income</b>	<b>(0.04)</b>	<b>(0.26)</b>
<b>31 Earnings per share</b>		
Loss for the year attributable to owners of the Company	(356.39)	(71.15)
Weighted average number of ordinary shares outstanding - Basic & Diluted	6,32,484	6,32,484
Basic and Diluted earnings per share (₹)	(563.48)	(112.49)

<<This space has been intentionally left blank>>



**Samunnati Agro Solutions Private Limited****Notes to financial statements for the year ended March 31, 2022***(All amounts are in millions of Indian Rupees, unless otherwise stated)***32 Operating Segments**

The Company is engaged in the business of "Trading in agri inputs and commodities". Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Marker (CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Trading in agri inputs and commodities. As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities.

**33 Fair value measurement****Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**Financial Instrument by category**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amortised cost	FVTPL	Amortised cost	FVTPL
<b>Financial assets</b>				
Investments	30.00	-	30.00	50.01
Trade receivables	3,477.39	-	2,719.65	-
Cash and cash equivalents	150.95	-	193.26	-
Bank balances other than above	290.70	-	128.19	-
Other financial assets	76.33	-	59.23	-
	<b>4,025.37</b>	<b>-</b>	<b>3,130.33</b>	<b>50.01</b>

The following table shows the fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets		
Investments - Current (Level 1)	-	50.01



**Samunnati Agro Solutions Private Limited****Notes to financial statements for the year ended March 31, 2022***(All amounts are in millions of Indian Rupees, unless otherwise stated)***34 Financial risk management**

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, investments, cash and deposits that derive directly from its operations.

The Company is exposed to market risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management assesses the financial risks and the appropriate financial risk governance framework in accordance with the Company's policies and risk objectives. The Board of Directors review and agree on policies for managing each of these risks, which are summarized below.

**a) Market risk**

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates are managed by borrowing majorly at fixed interest rates.

**Interest rate sensitivity**

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of borrowings by +/- 100 basis points for the year ended March 31, 2022 and March 31, 2021. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest sensitivity*		
Interest rates – increase by 1.00%	0.93	12.99
Interest rates – decrease by 1.00%	(0.93)	(12.99)

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and purchases are denominated, and the functional currency of the Company. The functional currency of the Company is the Indian Rupee (₹). The currency in which these transactions are primarily denominated are in Indian Rupee (₹). Certain export sale transactions are denominated in US dollars (USD).

Particulars	As at March 31, 2022		As at March 31, 2021	
	USD	USD	USD	USD
<b>Financial assets</b>				
Trade receivables	-		0.56	

**b) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, placing deposits, investment etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting period, as summarized below:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Classes of financial assets</b>		
Investments	30.00	80.01
Trade receivables	3,477.39	2,719.65
Cash and bank balance	441.65	321.45
Other financial assets	76.33	59.23



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

*The Company provides for expected credit loss based on the following:*

Assets covered	Nature	Basis of expected credit loss
Cash and cash equivalents (excluding cash on hand), other bank balances, investments, Trade receivables - considered good and other financial assets	Low credit risk	Life time expected credit loss
Trade receivables - having significant increase in credit risk	Moderate credit risk	Life time expected credit loss
Trade receivables - credit impaired	High credit risk	Life time expected credit loss

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents (excluding cash on hand) and bank deposits is managed by only investing in highly rated deposits from banks across the country.

**Other financial assets**

Other financial assets measured at amortized cost includes security deposits and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

**Trade receivables**

Trade receivables is typically unsecured and are derived from revenue earned from customers. To manage the credit risk, the Company periodically assesses the financial reliability of its customers, taking into account the financial condition, economic trends and historical payment pattern. The Company establishes an allowance for doubtful debts that represents its estimate of incurred losses in respect of the Company's trade receivables. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses.

**Movement in the allowance for impairment in respect of trade receivables**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	158.62	84.68
Add: Allowance for the year	215.56	74.79
Less: Written off during the year	-	(0.85)
Balance at the end of the year	374.18	158.62

The concentration of credit risk is limited due to the customer base being large and unrelated. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The Company closely monitors its customers and assesses conditions such as change in payment terms, inability of the customer to pay etc. depending on severity of each case. Basis this assessment, the allowance for impairment of trade receivables as at March 31, 2022 is considered adequate.

**c) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**(i) Maturity patterns of financial liabilities**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities:

**March 31, 2022**

Particulars	0-1 year	1-5 years	Beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	81.23	5.30	-	86.53
Short term borrowings	4,022.98	-	-	4,022.98
Lease liabilities (undiscounted)	11.01	10.64	-	21.65
Trade payable	634.53	-	-	634.53
Other financial liabilities	60.73	-	-	60.73

**March 31, 2021**

Particulars	0-1 year	1-5 years	Beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	127.73	92.71	-	220.44
Short term borrowings	2,093.21	-	-	2,093.21
Lease liabilities (undiscounted)	3.35	6.85	-	10.20
Trade payable	77.85	-	-	77.85
Other financial liabilities	88.98	-	-	88.98

**35 Capital management**

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

The capital structure of the Company consists of debt and equity. Over the years, parity has been maintained between net debt and equity. The ratio of net debt to equity at the end of the year is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings - Non-current	5.30	92.71
Borrowings - Current	4,104.21	2,220.94
Less: Cash and cash equivalents and other bank balances	441.65	321.45
<b>Net debt (a)</b>	<b>3,667.86</b>	<b>1,992.20</b>
Equity share capital	6.32	6.32
Other equity	304.60	660.86
<b>Total equity (b)</b>	<b>310.92</b>	<b>667.18</b>
<b>Net debt / equity ratio (a/b)</b>	<b>11.80</b>	<b>2.99</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

**36 Capital commitments**

There are no outstanding capital commitments as at the year end. (March 31, 2021 : Nil).

**37 Contingent liabilities**

From time to time, the Company is involved in claims and legal matters arising in the ordinary course of business. Management is not currently aware of any matters that will have a material adverse effect on the financial position, results of operations, or cash flows of the Company.



Samunnati Agro Solutions Private Limited

Notes to financial statements for the year ended March 31, 2022

(All amounts are in millions of Indian Rupees, unless otherwise stated)

### 38 Related party disclosures (As per Ind AS 24 "Related party disclosures")

a) Names of related parties and relationship

Names of related parties and relationship	Relationship	Name of the related party
Holding Company		Samunnati Financial Intermediation & Services Private Limited
Fellow subsidiaries		Samunnati Finance Private Limited (w.e.f September 22, 2021) Kamatan Farm Tech Private Limited (w.e.f. April 16, 2021) Samunnati Foundation
Key management personnel (KMP)		Anil Kumar S G - Director and CEO Pravesh Sharma - Director (w.e.f April 27, 2021) Anuj Vijaykumar Narang - Director (w.e.f November 16, 2021) Nitin Chaudhary - Director (till October 30, 2021) Dr. Venkatesh Tagat - Independent Director
Entity in which KMP has significant influence		Samunnati ESOP Welfare Trust

**b) Related party transactions**

Nature of transactions	Year ended March 31, 2022	Year ended March 31, 2021
<b>Samunnati Financial Intermediation &amp; Services Private Limited</b>		
Loans taken	3,000.00	700.00
Loans repaid	2,050.00	670.00
Corporate guarantee received	249.77	350.00
Deputation income	2.02	19.11
Interest expense on loans	95.75	46.70
Shared services expenses	44.59	47.73
<b>Kamatani Farm Tech Private Limited</b>		
Interest received on 10% CCDs	2.88	-
<b>Sitting fees paid</b>		
Dr. Venkatesh Tagat	0.22	0.35

c) Balances at the end of the year

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Samunnati Financial Intermediation &amp; Services Private Limited</b>		
Borrowings (including interest accrued)	1,413.91	455.43
Corporate guarantee received	599.77	350.00
Prepaid expenses	-	3.43
Other receivables	4.63	3.35
<b>Kamatan Farm Tech Private Limited</b>		
10% Compulsorily convertible debentures	30.00	30.00
Interest receivable on 10% CCDs	-	0.26
<b>Samunnati Foundation</b>		
Other payable	0.05	-
Other receivables	0.08	-



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

**39 Employee benefit expenses**

**Defined contribution plans**

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident fund.

The total expense recognized in profit or loss of Rs. 7.08 millions (March 31, 2021: Rs. 2.26 millions) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

**Defined benefit plans**

**(a) Gratuity**

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacity or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company does not maintain any plan assets to fund its obligation towards gratuity liability.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement:

	As at March 31, 2022	As at March 31, 2021
<b>Change in projected benefit obligation</b>		
Projected benefit obligation at the beginning of the year	1.64	1.27
Current service cost	1.42	1.12
Interest cost	0.15	0.15
Actuarial (gain)	(0.17)	(0.90)
<b>Projected benefit obligation at the end of the year</b>	<b>3.04</b>	<b>1.64</b>
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Total amount recognized in the Statement of profit or loss</b>		
Current service cost	1.43	1.12
Interest cost	0.15	0.15
	<b>1.58</b>	<b>1.27</b>
<b>Total amount recognized in other comprehensive income</b>		
Actuarial gain / loss	(0.17)	(0.90)
	<b>(0.17)</b>	<b>(0.90)</b>
	As at March 31, 2022	As at March 31, 2021
<b>Principal actuarial assumptions used :</b>		
Discount rate	6.70%	6.30%
Long-term rate of compensation increase	7.00%	7.00%
In-service mortality rate	IAL2012-14Ult	IAL2012-14Ult
Attrition rate	15.00%	15.00%

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

**Employee benefits - Maturity profile (undiscounted)**

Particulars	Less than 2 years	Between 2-5 years	Between 5-10 years	Over 10 years	Total
<b>As at March 31, 2022</b>					
Defined benefit obligation	0.11	1.04	2.08	2.23	5.46
<b>As at March 31, 2021</b>					
Defined benefit obligation	0.01	0.62	1.05	1.20	2.88

**Sensitivity analysis**

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarizes the effects of changes in these actuarial assumptions on the defined benefit liability at March 31, 2022.

Particulars	Discount rate		Future salary	
	Increases	Decreases	Increases	Decreases
<b>March 31, 2022</b>				
> Sensitivity level	1.00%	-1.00%	1.00%	-1.00%
> Defined benefit obligation	0.22	0.25	0.26	(0.23)
<b>March 31, 2021</b>				
> Sensitivity level	1.00%	-1.00%	1.00%	-1.00%
> Defined benefit obligation	(0.12)	0.14	0.14	(0.13)

**(b) Compensated absences**

The liability in respect of the Company, for outstanding balance of privilege leave at the balance sheet date is determined and provided on the basis of actuarial valuation performed by an independent actuary. The Company does not maintain any plan assets to fund its obligation towards compensated absences.

Principal actuarial assumptions used :	As at March 31, 2022	As at March 31, 2021
Discount rate	6.20%	5.80%
Long-term rate of compensation increase	7.00%	7.00%
Attrition rate	15.00%	15.00%

<<This space has been intentionally left blank>>



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

(All amounts are in millions of Indian Rupees, unless otherwise stated)

**40 Leases**

**A. Leases as lessee**

The Company has entered into lease contracts for buildings used in its operations. Leases of building generally have lease term between 1 and 15 years. The Company applied a single recognition and measurement approach for all leases including short-term leases.

Information about leases for which the Company is a lessee is presented below.

**(i) Right-of-use assets**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	7.19	10.08
Add: Additions to right-of-use assets	22.11	0.10
Less: Depreciation charge for the year	(11.54)	(2.99)
<b>Balance at the end of the year</b>	<b>17.76</b>	<b>7.19</b>

**(ii) Lease liabilities**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance at the beginning of the year	8.96	11.16
Add: Additions during the year	19.06	-
Add: Accretion of interest	2.21	1.02
Less: Payments during the year	(10.65)	(3.22)
<b>Balance at the end of the year</b>	<b>19.58</b>	<b>8.96</b>
 Current	 9.59	 3.35
Non-current	9.99	5.61

**Maturity analysis of lease liability (undiscounted contractual cashflows)**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Less than 1 year	11.01	3.35
One to five years	10.64	6.85
<b>Total undiscounted lease liability</b>	<b>21.65</b>	<b>10.20</b>

The effective interest rate for lease liabilities is 10%, with maturity between 2020 - 2025.

**(iii) Amounts recognised in statement of profit and loss**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on lease liabilities	2.21	1.02
Amortisation of right-of-use assets	11.54	2.99
Expenses relating to short-term leases	3.87	5.54
<b>Total amount recognised in Statement of profit and loss</b>	<b>17.62</b>	<b>9.55</b>

**(iv) Amounts recognised in standalone statement of cash flows**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Total cash outflow for leases	10.65	3.22



**Samunnati Agro Solutions Private Limited**  
**Notes to financial statements for the year ended March 31, 2022**  
*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

41	<b>Ratios</b>	<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	<b>Change</b>	<b>Reasons for variance</b>
	Current ratio	Current assets	Current liabilities		1.00	1.26	-20.13%	
Debt - equity ratio	Total debt	Shareholder's equity		13.22	3.47	281.14%		There has been increase in the borrowings in the current year on account of increase in the volume of business.
Debt service coverage ratio	Earnings for debt service = net profit after taxes + non-cash operating expenses	Debt service = interest + principal repayments	(0.07)	(0.02)	309.94%			There is increase in loss due to provision for expected credit loss and provision for inventory.
Return on equity ratio	Net profits after taxes – preference dividend	Average shareholder's equity	(0.73)	(0.10)	619.45%			There is increase in loss due to provision for expected credit loss and provision for inventory.
Inventory turnover ratio	Cost of goods sold	Average inventory	48.35	468.01		-89.67%		The change in the ratios is on account of increase in volume of the business in the current year.
Trade receivable turnover ratio	Net credit sales = gross credit sales - sales return	Average trade receivable	6.85	3.54	93.12%			There has been increase in the volume of business in the current year with an improved rate of collections in the current year.
Trade payable turnover ratio	Net credit purchases = gross credit purchases - purchase return	Average trade payables	60.42	148.58	-59.33%			Due to increase in scale of business and reduction of working capital cycle.
Net capital turnover ratio	Net sales = total sales - sales return	Working capital = current assets – current liabilities	936.63	11.61	7971.14%			Due to increase in scale of business and reduction of working capital cycle.
Net profit ratio	Net profit	Net sales = total sales - sales return	(0.02)	(0.01)	80.61%			There is increase in loss due to provision for expected credit loss and provision for inventory.
Return on capital employed	Earnings before interest and taxes	Capital employed = Net worth + total debt + deferred tax liability	(0.03)	0.03	-206.45%			There is increase in loss due to provision for expected credit loss and provision for inventory.
Return on investment	Interest (finance income)	Investment	0.04	0.05	-13.28%			

<<This space has been intentionally left blank>>



**Samunnati Agro Solutions Private Limited****Notes to financial statements for the year ended March 31, 2022***(All amounts are in millions of Indian Rupees, unless otherwise stated)***42 Additional regulatory disclosures**

- a. The Company owns freehold land and the title deeds of the freehold land is held in the name of the Company.
- b. The Company does not hold any investment property and hence the disclosure on fair valuation of investment property is not applicable to the Company.
- c. The Company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets and hence the disclosure on revaluation of property, plant and equipment (including right-of-use assets) and intangible assets is not applicable to the Company.
- d. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are either:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment.
 during the current year.
- e. The Company has borrowings from banks and financial institutions on the basis of security of current assets. The Company has filed the monthly statement of current assets with the banks and financials institutions and there are no material discrepancies between such filed statements and books of accounts.
- f. No benami property are held by the Company and or 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.
- g. The Company has not been declared as a wilful defaulter by any bank or financial Institution or any other lender.
- h. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, the following are the transactions with struck off Companies:

Name of the struck off company*	Nature of transactions with struck off company	Balance outstanding as at March 31, 2022	Balance outstanding as at March 31, 2021
Greentech Paper Boards Private Limited	Advance to	-	-
Itarsi Oils & Flours Private Limited	Suppliers	0.38	0.17

\*The Company does not hold any relationship with the struck off Company.

- i. There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- j. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- k. The Company has not entered into any scheme(s) of arrangements and hence the disclosure on compliance with approved scheme(s) of arrangements is not applicable to the Company.
- l. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;



**Samunnati Agro Solutions Private Limited**

**Notes to financial statements for the year ended March 31, 2022**

*(All amounts are in millions of Indian Rupees, unless otherwise stated)*

- n. There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.
- o. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**43 Covid-19 impact**

The Company has considered internal and external sources of information including credit reports, economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact of COVID-19 on the financial statements. Based on projections of the Company's performance, management does not anticipate any challenge in the Company's ability to continue as a going concern or meeting its financial obligations. The Company expects to fully recover the carrying amount of trade receivables, and other assets. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**44** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**45 Subsequent events**

During the current year, the Company had subscribed to the memorandum of Samunnati Investment Management Services Private Limited ('SIMSPL') on March 08, 2022. However the equity capital was fully paid subsequent to the year. The Company was allotted 10,000 equity shares of Rs. 10 each fully paid of Samunnati Investment Management Services Private Limited on April 25, 2022, pursuant to which, SIMSPL had become a wholly owned subsidiary of the Company.

**46** Previous year figures have been regrouped / rearranged, wherever considered necessary, to conform to the classification / disclosure adopted in the current year.

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

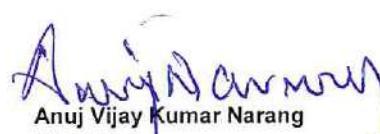
Firm Regn No. 003990S/S200018

  
V. Kothandaraman  
Partner  
Membership No. 025973

Place : Chennai  
Date : May 26, 2022

**For and on behalf of the Board of Directors of  
Samunnati Agro Solutions Private Limited**

  
S G Anil Kumar  
Director  
DIN: 01189011

  
Anuj Vijay Kumar Narang  
Director  
DIN: 01686940

  
Lalit Malik  
Group Chief Financial Officer  
Place: Chennai  
Date : May 26, 2022

