# NURTURE AGTECH PRIVATE LIMITED

ANNUAL ACCOUNTS 2021 - 2022



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# INDEPENDENT AUDITORS' REPORT

To,
The Members of,
NURTURE AGTECH PRIVATE LIMITED
(Formerly known as AFS Agtech Private Limited)

# Report on the Audit of the Ind AS Financial Statements

# Opinion

We have audited the accompanying Ind AS Financial statements of NURTURE AGTECH PRIVATE LIMITED (Formerly known as AFS Agtech Private Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind 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 Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2022, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

# **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the company in Accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provision of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have

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obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

# Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

# Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:



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- Identify and assess the risks of material misstatement of the financial statements,
  whether due to fraud or error, design and perform audit procedures responsive to
  those risks, and obtain audit evidence that is sufficient and appropriate to provide a
  basis for our opinion. The risk of not detecting a material misstatement resulting
  from fraud is higher than for one resulting from error, as fraud may involve
  collusion, forgery, intentional omissions, misrepresentations, or the override of
  internal control.
- Obtain an understanding of internal control relevant to the audit in order to design
  audit procedures that are appropriate in the circumstances. Under section 143(3)(i)
  of the Companies Act, 2013, we are also responsible for expressing our opinion on
  whether the Company has adequate internal financial controls system in place and
  the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of
  accounting and, based on the audit evidence obtained, whether a material
  uncertainty exists related to events or conditions that may cast significant doubt on
  the Company's ability to continue as a going concern. If we conclude that a material
  uncertainty exists, we are required to draw attention in our auditor's report to the
  related disclosures in the financial statements or, if such disclosures are inadequate,
  to modify our opinion. Our conclusions are based on the audit evidence obtained up
  to the date of our auditor's report. However, future events or conditions may cause
  the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





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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.

# Report on other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("The Order") issued
  by the Central Government of India in terms of Section 143 (11) of the Act, we give
  in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of
  the Order.
- 2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the relevant rule issued thereunder
  - e) On the basis of 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;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - g) The Company is a Private Limited Company and Hence the provision of section 197(16) of the Act is not applicable to the company.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as





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amended, in our opinion and to the best of our information and according to the explanation given to us:

- i. The Company does not have any pending litigations which shall impact its financial positions.
- ii. The Company does not have any long terms contracts for which provisions are required to be made.
- iii. The Company is not liable to transfer any amount to the Investor Education and Protection Fund.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



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v. According to the information and explanation given to us, the company has not paid/declared any Dividend during the year. Hence the provision of section 123 of the Act is not applicable to the company

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS
(ICAI Firm Reg. No.: 111612W)

RONAK A. RAMBHIA
PARTNER
(Membership No. 140371)

UDIN: 22140371AIPBV03006

PLACE: MUMBAI DATED: May 7, 2022



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# Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2022, we report that:

- (i) In respect of Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use Assets.
    - (B) The Company has maintained proper records showing full particulars of intangible assets
  - b. As explained to us and according to the practice generally followed by the Company, all Property, Plant and Equipment and Right-of-Use Assets have been verified in a periodical manner by the management during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
  - c. There are no immovable properties held by the Company. Hence, the clause is not applicable to the Company.
  - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as on March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- (ii) In respect of inventories
  - a. In our opinion and according to the information and explanation given to us, we are informed that inventories have been physically verified by the management at reasonable intervals and no material discrepancies have been notified between the physical stock and book records. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of the stock.

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- b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) In respect of loans granted, secured or unsecured, by the Company to firms or other parties covered in the register maintained u/s 189 of the Companies Act, 2013:
  - a. The Company had provided loan to one of the entity in earlier year and the same has been squared off during the year. The closing balance is Rs. NIL.
  - b. In our opinion, the terms and conditions of the grant of loans during the year are prima facie, not pre judicial to the Company's interest.
  - c. In respect of loan granted by the Company, the repayment of principal has been stipulated and are regular as per stipulation.
  - d. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - e. The loan granted has not fallen due during the year.
  - f. The Company has granted loan repayable on demand in earlier year and the same has been squared off during the year.
  - (iv) In respect of loans, investments, guarantees and securities, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied, as applicable.
  - (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to Section 76 of the Companies Act 2013.
  - (vi) The Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, in respect of activities carried on by the Company.
  - (vii) In respect to statutory dues
    - a. According to the records of the Company, the undisputed statutory dues under Income tax, Goods & Service Tax and other Statutory Dues as applicable to it have been generally regularly deposited with the appropriate authorities.



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According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, there were no dues of Income Tax, Goods & Service Tax and other Statutory Dues as applicable to it, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- a. The Company has not defaulted in repayment of loans or any other borrowings (ix) or in payment of interest thereon.
  - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.
  - d. The Company has not taken any short-term loan during the year and hence, reporting under clause 3 (ix)(d) of the Order is not applicable.
  - e. The Company does not have any subsidiary/associates/joint venture and hence, reporting under clause 3 (ix)(e) of the Order is not applicable.
  - f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- a. In our opinion and according to the information and explanations given to us, (x) the Company has not raised any funds by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.
  - b. During the year, the Company has made allotment of equity shares of Rs. 50 crores during the year by Rights issue of Equity Shares. The funds have been used for working capital purpose of the Company.



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- (xi) a. In our opinion and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - c. According to the information and explanations given to us, the audit Committee of the parent company had received a whistle blower complaint during the year under review for some activities done by the Company. The same was investigated by the company and as per the details compiled, the amount being not material, the same is dealt with by the concerned personnel.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with section 177 and section 188 of the Act, as applicable, and details of such transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standard.
- (xiv) The Company is not liable for Internal Audit, and hence, reporting under clause 3(xiv)(a) & (b) of the Order are not applicable.
- (xv) According to the information and explanations given to us, there are no non cash transactions with Directors or any persons connected with them during the year under review.
- (xvi) a. According to the information and explanations given to us, the company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b. In our opinion and according to the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable

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- (xvii) According to the information and explanations given to us, the Company has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanation given to us and based on our examination of the records of the Company, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company is not liable for CSR provisions and hence, reporting under clause 3(xx)(a) & (b) of the Order are not applicable for the year.

For VORA & ASSOCIATES CHARTERED ACCOUNTANTS

(ICAI Firm Reg. No.: 111612W)

RONAK A. RAMBHIA

**PARTNER** 

(Membership No.140371)

PLACE: MUMBAI

DATED: May 7, 2022



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# ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF NURTURE AGTECH PRIVATE LIMITED

(Formerly known as AFS Agtech Private Ltd.)

Independent Auditors Report on Internal Financial Control over Financial Reporting

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

We have audited the internal financial controls over financial reporting of **NURTURE AGTECH PRIVATE LIMITED** (Formerly known as AFS Agtech Ltd.) ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

# Management's Responsibility for Internal Financial Controls

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

# Auditors' Responsibility

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

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

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



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# Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

# Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

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

For VORA & ASSOCIATES

CHARTERED ACCOUNTANTS

(ICAI Firm Reg. No.: 111612W)

RONAK A. RAMBHIA

PARTNER

(Membership No. 140371)

PLACE: MUMBAI DATED: May 7, 2022

#### **Nurture Agtech Private Limited** (Formerly known as AFS Agtech Pvt Ltd.) Balance Sheet as at March 31, 2022

(All amounts in ₹ Lakhs) Notes As at As at March 31, 2022 March 31, 2021 Assets Non-current Assets A 632 118 Property, plant and equipment Capital work-in-progress 28 47 Other intangible assets В 2,093 328 2,243 594 Right-of-use assets C Financial assets (a) Other financial assets н 690 109 Income tax assets (net) D 419 15 Deferred tax assets (net) D 4,245 853 Total non-current assets 10,350 2,065 **Current Assets** Financial assets: E 179 (a) Trade receivables (b) Cash and cash equivalents F 390 501 G 2,000 (c) Loans (d) Other financial assets H 26 61 Other current assets 758 143 Total current assets 1,184 2,885 11,534 **Total Assets** 4,950 **Equity and Liabilities** Equity Equity share capital 5,010 10 JA JB 2,263 Other equity (13,470)**Total equity** (8,460)2.273 Liabilities Non-current Liabilities Financial Liabilities (a) Borrowings 8,650 Lease liabilities C 1,703 428 Provisions 275 88 Total non-current liabilities 10,628 517 **Current Liabilities** Financial liabilities 1,424 (a) Trade payables 5,337 M (b) Lease liabilities C 634 179 (c) Other financial liabilities N 2,160 237 Other current liabilities 0 1,236 320 **Total current liabilities** 9,367 2,160 Total Equity and Liabilities 11,534 4,950

Significant accounting policies

As per our Report of even date attached

For Vora & Associates Chartered Accountants

(ICAI FRNo.: 111612W)

Partner

(Membership No.: 140371)

For and on behalf of the Board of Directors of **Nurture Agtech Private Limited** 

(Formerly known as AFS Agtech Pvt Ltd.)

Ronak A. Rambhia

Mukul B Trivedi

(Director) DIN: 00242399

Place: Mumbai

Date:07th May 2022

Nitin Kolhatkar (Director)

DIN: 03246005

Place: Mumbai

Date:07th May 2022

Abhishek Upadhyay

CFO

Place: Bangalore Date:07th May 2022 Sandeep Deshmukh Company Secretary Place: Mumbai

Date:07th May 2022 ACS (09

Place: Mumbai Date:07th May 2022

# Nurture Agtech Private Limited (Formerly known as AFS Agtech Pvt Ltd.)

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

(All amounts in ₹ Lakhs)

	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Revenue		100000000	reactivates.
Revenue from operations	P	7,671	277
Other Income	Q	29	1
Total Income		7,699	278
Expenses			
Purchase of Goods		220	-
Employee benefits expense	S	9,433	2,711
Depreciation and amortization expense	T	911	95
Finance costs	U	477	38
Other expenses	V	10,776	883
Total Expenses		21,817	3,728
Profit before tax		(14,117)	(3,450)
Tax Expenses			
Current tax		-	-
Deferred Tax		(3,390)	(818)
Total tax expenses		(3,390)	(818)
Profit for the year		(10,728)	(2,632)
Other Comprehensive Income (OCI)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations (net of taxes)		(6)	1 <del>.</del>
Total other comprehensive income/(loss) for the year, net of tax		(6)	•
Total Profit for the year		(10,733)	(2,632)
Earning per equity share of Rs 10 each Basic & Diluted		(21.83)	(2,632)

Significant accounting policies

As per our report of even date attached

For Vora & Associates Chartered Accountants

(ICAI FRNo.: 111612W)

Ronak A. Rambhia

Partner

(Membership No.: 140371)

Place: Mumbai Date:07th May 2022 For and on behalf of the Board of Directors of Nurture Agtech Private Limited

(Formerly known as AFS Agtech Pvt Ltd.)

Mukul B Trivedi

(Director)

DIN: 00242399

Place: Mumbai

Date:07th May 2022

Nitin Kolhatkar

(Director) DIN: 03246005

Place: Mumbai

Date:07th May 2022

Abhishek Upadhyay

CFO

Place: Bangalore Date:07th May 2022 Sandeep Deshmukh Company Secretary Place: Mumbai

Date:07th May 2022

### **Nurture Agtech Private Limited** (Formerly known as AFS Agtech Pvt Ltd.) Cash Flow Statement for the year ended March 31, 2022

(All amounts in ₹ Lakhs)

	Year year ended	March 31, 2022	Year year ended Mar	ch 31, 2021
(A) Cash flow from operating activities				
Net Profit before tax for the year ended		(14,117)		(3,450
Adjustment for	69,908		NGASAR	
Depreciation and amortization	911		95	
Interest received	(29)		(1)	
Income on sale of assets			5	
Excess provisions written back	-		-	
Finance costs	477		38	
Assets written off		1,360	-	132
Profit from operating activity before working capital chages		(12,757)		(3,318
Adjustment for working capital changes		A - 274 - 15		8.586168
(Increase)/Decrease in Trade receivables	170		(179)	
(Increase)/Decrease in Other assets	(1,169)		(396)	
Increase/(Decrease) in Trade payables	3,912		1,318	
Increase/(Decrease) in Other liabilities	2,840		591	
Increase/(Decrease) in Provisions	187	5,940	87	1,421
Cash flows from operations	107	(6,817)	0/	(1,897
Net income tax (paid) / refunds		(403)		(1,097
Net cash flows from operating activities	1	(7,221)	/	(1,897
Net cash flows from operating activities		(7,221)		(1,697)
B) Cash flow from investing activity				
Purchase of property, plant and equipment	(851)		(125)	
Purchase of Intangible assets (Including CWIP)	(1,874)		(395)	
Sale of assets	-		-	
Interest income received	29	(2,697)	1	(519)
Net cash flow from investing activity		(2,697)		(519)
C) Cash flow from financing activity				
Finance costs	(345)		(38)	
Share Application money received			5,000.00	
Loan (given)/repaid	2,000		(2,000.00)	
Long term borrowings	8,650		-	
Repayment of lease liabilities	(498)	9,807	(55)	2,907
Net cash flow from financing activity		9,807		2,907
Net increase/(decrease) in cash and cash equivalents		(111)		491
Cash and cash equivalent at the beginning of the year		501		10
Cash and cash equivalent at the end of the year		390		501
Increase/(Decrease) during the year		(111)		491

As per our Report of even date attached

For Vora & Associates

**Chartered Accountants** (ICAI FRNo.: 111612W)

Ronak A. Rambhia

Partner

(Membership No.: 140371)

Place: Mumbai

Date:07th May 2022

For and on behalf of the Board of Directors of **Nurture Agtech Private Limited** 

(Formerly known as AFS Agtech Pvt Ltd.)

Mukul B Trivedi

(Director) DIN: 00242399 Place: Mumbai

Date:07th May 2022

(Director) DIN: 03246005 Place: Mumbai

Nitin Kolhatkar

Date:07th May 2022

Abhishek Upadhyay

CFO

Place: Bangalore Date:07th May 2022

Sandeep Deshmukh Company Secretary Place: Mumbai

Date:07th May 2022

(Formerly known as AFS Agtech Pvt Ltd.)

# Statement of Changes in Equity for the year ended March 31, 2022

# JA. Equity Share Capital

(All amounts in ₹ Lakhs)

Equity shares of Rs. 10 each issued, subscribed and fully paid	No. of shares	Amounts
Balance as at March 31, 2020	100,000	10
Changes during the year		
Balance as at March 31, 2021	100,000	10
Changes during the year	50,000,000	5,000
Balance as at March 31, 2022	50,100,000	5,010

# JB. Other Equity

	Share Application Money Pending Allotment	Retained Earnings	Total Other Equity
Balance as at March 31, 2020	19 (P)	(105)	(105)
Profit for the year		(2,632)	(2,632)
Other comprehensive income	ter		
Share application money received	5,000	22	5,000
Balance as at March 31, 2021	5,000	(2,737)	2,263
Profit for the year	) <del>-</del>	(10,728)	(10,728)
Other comprehensive income	12°	(6)	(6)
Shares issued during the year	(5,000)		(5,000)
Balance as at March 31, 2022		(13,470)	(13,470)

Retained earnings - The amounts represent profits that can be distributed by the Company as dividends to its equity shareholders.

As per our Report of even date attached

For Vora & Associates Chartered Accountants

(ICAI FRNo.: 111612W)

Ronak A. Rambhia

Partner

(Membership No.: 140371)

Place: Mumbai Date:07th May 2022

For and on behalf of the Board of Directors of Nurture Agtech Private Limited

(Formerly known as AFS Agtech Pvt Ltd.)

Mukul B Trivedi

(Director) DIN: 00242399 Place: Mumbai

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(Director) DIN: 03246005 Place: Mumbai

Date:07th May 2022

Sandeep Deshmukh Company Secretary Place: Mumbai

Date:07th May 2022

(Formerly known as AFS Agtech Pvt Ltd.)

Notes to Financial Statement for the year ended March 31, 2022

#### 1 Overview of Company and Significant Accounting Policies

#### a. Overview of Company

Nurture Agtech Private Limited (Formerly Known as AFS Agtech Private Limited) (the Company) is a private limited company domiciled in India and is incorporated under the provisions of the companies act applicable in India.

The Company is a 100% Subsidiary of UPL Ltd (alongwith its nominees). The company is in the business of providing sustainable farming, crop management solutions and marketplace for agricultural and other allied inputs through the use of digital technology.

#### b. Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis notified under the Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies have been consistently applied except where a new accounting standard is adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### c. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on assumptions and estimates they could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### d. Revenue Recognition

The Company derives revenue primarily from sale of goods. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognise revenues, the Company applies the following five step approach:

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract, and
- recognise revenues when a performance obligation is satisfied.

#### Sale of Goods

The Company recognises revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/ incentives and returns are estimated (using the most likely method based on accumulated experience and underlying schemes and agreements with customers). Due to the short nature of credit period given to customers, there is no financing component in the contract.

Interest income is recognized on accrual method.

#### e. Tax Expenses

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognized on timing differences; being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets is recognized subject to the consideration of prudence and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year end and based on the tax rates and laws enacted or substantially enacted as on the reporting date.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The company reviews the same at each balance sheet date and writes down the carrying amount of Mat Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

(Formerly known as AFS Agtech Pvt Ltd.)

Notes to Financial Statement for the year ended March 31, 2022

#### f. Cash and Cash Equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### a. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

#### h. Contingent Liabilities

The Company does not recognize a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

#### i. Events occurring after the Balance Sheet date

Wherever material, events occurring after the Balance Sheet Date are considered up to the date of approval of accounts by the Board of Directors.

#### j. Current and Non-Current

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

#### An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

#### A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

#### k. Foreign Currency Transactions

Transactions in foreign currency are translated at the rate of exchange prevailing on the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange prevailing on the date of closing the accounts and resulting losses or gains arising out of exchange fluctuations are recognized in the Profit and Loss Account. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

# I. Property, plant and equipment

Property, plant and Equipments are stated at acquisition cost less accumulated depreciation and provision for impairment, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use. Depreciation is calculated over the estimated useful lives of the asset as Schedule II of the Companies Act, 2013 on straight line basis for Plant & Machinery, Road & culvert, Building and Laboratory Equipments; Others assets are depreciated on WDV basis. No Depreciation is charged on Leasehold Land as per the Management. The Company has not considered any residual value on the above assets.

(Formerly known as AFS Agtech Pvt Ltd.)

Notes to Financial Statement for the year ended March 31, 2022

#### m. Intangible assets

Intangible assets are stated at acquisition cost less accumulated amortization. Intangible assets are amortized over a period of 5 years on a straight-line basis, commencing from the date the asset is available to the Company for its use.

#### n. Borrowing Costs

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing cost are being incurred. A qualifying asset is an asset that necessarily takes a substantial time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period they are incurred.

Borrowing cost includes interest expense, amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Interest and other costs incurred for acquisition and construction of qualifying assets, up to the date of commissioning/ installation, are capitalized as part of cost of said asset.

#### o. Inventories

Inventories, if any, are valued at lower of cost or net realizable value after providing for obsolescence, if any.

#### p. Retirement Benefits

The company has a defined benefit Gratuity plan. Every employee who has completed five years or more of service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the company.

#### q. Earning Per Share

Basic earnings per share are 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.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### r. Share based Payments

Measurement and disclosure of the employee share based payment plans is done in accordance with Ind AS 102, Share Based Payment. The Company measures compensation cost relating to employee stock options using the fair value method. Compensation expense is amortised over the vesting period of the option on a straight line basis.

#### s. Leases

The Company has applied Ind AS 116 to account for leases. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 uses the definition of a lease in Ind AS 116. This policy is applied to contracts entered into, on or after 1 April 2019.

#### t. As a Lessee

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 expenses.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

(Formerly known as AFS Agtech Pvt Ltd.)

Notes to Financial Statement for the year ended March 31, 2022

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### u. Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and shor-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### v. Reward Points

Reward points are given to farmers on completion of certain activities like sign up, first service, product scan, etc. These points can then be redeemed against service booking by the farmers (spray service, insurance etc.) or can be redeemed in cash also.

Reward points to retailers are given upon product scan by retailers and when same product is scanned by farmer as well. Retailers can redeem these points against furture purchases.

Each reward point is worth Rs. 0.50

# Nurture Agtech Private Limited (Formerly known as AFS Agtech Pvt Ltd.) Notes to Financial Statement for the year ended March 31, 2022

	Land	Lease hold improvements	Plant and Machinery	Laboratory Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Total
Cost or Valuation								
As at March 31, 2020	2	€	2	2	1.0	340	14	2
Additions during the year Deletions during the year	1	-	.44		-	80	2	12
As at March 31, 2021	-	-	44	-	4	80	2	1
Additions during the year Deletions during the year	:	63	150	. 7	108	520	21	86
As at March 31, 2022		63	194	7	108	600	23	9
Accumulated Depreciation								
As at March 31, 2020	-	-		-	-			
Depreciation for the year Accumulated Depreciation on deletions		3	1		5	. 6	0	4
As at March 31, 2021	-		1			6	0	
Depreciation for the year Accumulated Depreciation on deletions	1	12	12	. 0	20	306	. 4	3
As at March 31, 2022		12	13	0	20	312	5	3
Net book value								
As at March 31, 2022		51	181	6	88	288	18	6
As at March 31, 2021			43			74	2	1

#### A1: Capital work-in-progress:

Particulars
Plant and equipments Capital work in progress comprise of plant and equipments which are pending installation as at reporting date.

Capital work in progress ageing schedule

		As at							
	March	31, 2022	March 31, 2021						
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended					
Less than 1 year	28		47						
1-2 years	1	2	-	2					
2-3 years	-	-	2	2					
More than 3 years				/ e.					
Total	28	-	47						

Capital Work in Progress whose completion is overdue or has exceeded its cost compared to its original plan

	As at							
		March 31, 2022			March 31, 2021			
To be completed in	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project1 Project2 Project3								
					-	- 2	-	1

Other Intangible Assets:	(All amounts in ₹ Lakhs
	Software
Cost or Valuation	
As at March 31, 2020	*
Additions during the year	348
Deletions during the year	
As at March 31, 2021	348
Additions during the year	1,874
Deletions during the year	
As at March 31, 2022	2,222
Accumulated Amortisation	
As at March 31, 2020	*
Amortisation for the year	20
As at March 31, 2021	20
Amortisation for the year	110
As at March 31, 2022	130
Net Book Value as at March 31, 2022	2,093
Net Book Value as at March 31, 2021	328

=	419 419 419 4245 4,245 4,245 4,245 4,245 4,245 4,245 4,245 4,245 4,245	March 31, 20
=	419 4.245 4.245 4.245 (87) 33 -36 11 4.251 4.245 419 4.245 9 (0)	8 More than 3
1-2 years 2-3	4.245 4.245 4.245 (87) 33 - 36 11 4.251 4.245 419 4.245 9 (0)	8 8 More than 3
1-2 years 2-3	4.245 4.245 4.245 (87) 33 - 36 11 4.251 4.245 419 4.245 9 (0)	8 8 More than 3
1-2 years 2-3	(87) 33 - 36 11 4.251 4,245 419 4.245 9 (0)	8 8 More than 3
1-2 years 2-3	(87) 33 36 11 4,251 4,245 419 4,245 9 (0)	8 8 More than 3
1-2 years 2-3	33	8 More than 3
1-2 years 2-3	33	8 More than 3
1-2 years 2-3	11 4,251 4,245 419 4,245 9 (0) 2 (2) 9	8 More than 3
1-2 years 2-3	11 4,251 4,245 419 4,245 9 (0) 2 (2) 9	8 More than 3
1-2 years 2-3	4,245 419 4.245 9 (0) 2 (2) 9	8 More than 3
1-2 years 2-3	4,245 9 (0) 2 (2) 9	More than 3
1-2 years 2-3	(0) 2 (2) 9	More than 3
1-2 years 2-3	(0) 2 (2) 9	More than 3
1-2 years 2-3	(2) 9	More than 3
1-2 years 2-3	9 3 years	More than 3
1-2 years 2-3	9 3 years	More than 3
1-2 years 2-3		
1-2 years 2-0		
	-	
	- 1	
- 1		
0	0	
Total Park	-	
1-2 years 2-3		More than 3 years
	•	
0	0	
1-11-11		
- M		March 31, 2
	2.03 2.03	
	390	
_	390	
_		2,
	690	
	690	
	26 26	
_	297	
	11	
_	448 758	
	ear was as follows :	ear was as follows:    March 31, 2022     2.03     2.03     390     390

	Nurture Agtect (Formerly known as ancial Statement for					
JA; Share Capital:	another Statement It	n the year ended i	MAJCH 31, 2022			
Equity Share Capital:					(All	amounts in ₹ Lakhs
1. Authorised Capital:					March 31, 202	2 March 31, 2021
60,00,000 (Previous Year 5,50,00,000 of ₹ 10/-) Equity Shares of ₹ 10	0/- only				6,00	
2. Issued, subscribed and fully paid up 50,10,000 (Previous Year 100,000 of of ₹ 10/-) Equity Shares of ₹ 100	r- only				5,01	
(a) The Company has only one class of equity shares having a par val	ue of Rs 10 per sha	re'			5,01	0 10
(b) Each holder of equity shares is entitled to one vote per share.     3. Reconciliation of the number of shares:						
Equity shares of ₹ 10/- each					March 31, 2022	
Shares outstanding at the beginning of the year					No of Shares 1,00,000	No of Shares 1,00,000
Shares issued during the year Shares bought back during the year					5,00,00,000	-
Shares outstanding at the beginning of the year					5,01,00,000	1,00,000
Equity Shares Holders Holding More than 5% of total sharehold UPL Ltd alongwith its nominee holds 100% of shares of the company of the c	ing: luring the current ar	d previous year.				
Details of shares held by promoters:  UPL Ltd alongwith its nominee holds 100% of shares of the company of			e			
<ol><li>Aggregate number of shares bought back during the period of f There was no buy back of shares during the period of five years immed</li></ol>	ive years immedia liately preceding the	tely preceding the balance sheet date	balance sheet dat	te:		
Calls unpaid/Forfeited Shares:     There are no calls unpaid and no forfeited shares as on balance sheet.	A. Savine A. September 11.					
	date.					
<ol> <li>Change in Face Value of Shares:</li> <li>During the year, the Company has changed the FV from Rs. 10 each to</li> </ol>	o Re. 1 each vide m	embers resolution d	ated 17/06/2021 w	hich was subsen	canfly changed to D	a 100 anala vida
members resolution dated 14/12/2021				THOS HAR SALVANA	dentry changes to it	s. 100 each vide
: Borrowings:						
Particulars					(All a March 31, 2022	mounts in ₹ Lakhs) March 31, 2021
Inter-Corporate Loan from Swel Corporation Ltd					8,650	
(Unsecured, Interest rate @ 13%)					8,650	
: Non Current Provision:					0,000	
Provision for Gratuity Provision for Leave encashment					142	56
The state of the s					133 275	32 88
: Trade Payables:						
Total outstanding dues from micro and small enterprises						144
Total outstanding dues of creditors other than micro and small enterpris	ses				5,337 5,337	1,424
Trade payables ageing schedule outstanding for following periods	from due date of	payment:			- 0,001	7,464
March 31, 2022	Not due	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Total outstanding dues of micro enterprises and small enterprises	100000000	Page Some Divine	1.2.75015	and yours	years	
Total outstanding dues of creditors other than micro enterprises and small enterprises	409	0.007				
	409	3,807	1,120	-	1	5,337
Disputed dues of micro enterprises and small enterprises  Disputed dues of creditors other than micro enterprises and small			2	**	*	-
enterprises	409	3,807	1,120			5 207
March 31, 2021	Not due	1 5,577			-	5,337
	ivot due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises Total outstanding dues of creditors other than micro enterprises and	24		E .	-		
small enterprises	*	1,424	* * *			1,424
Disputed dues of micro enterprises and small enterprises Disputed dues of creditors other than micro enterprises and small			- 5	12.	8	- 3
enterprises		-	¥:		20	2
2 2 0 0 0 1 1 2 2 2 4 4 1 2 1 2 2 2 2 1 2 1 2 2 2 2	-	1,424	•		-	1,424
Other Financial Liabilities: Share based payment liability			3		24.040	
Interest accrued on borrowings	la. I	1550			1,942 218	222 14
Other Current Liabilities	1	151			2,160	237
Other Current Liabilities: Statutory Liabilities	102/	TA P			200	
Other Current Liabilities	10	II m			326 874	97 223
Advance from customers	1	15/1			36	
	M	(Agest			1,236	320

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Nurture Agtech Private Limite (Formerly known as AFS Agtech Pv	/t Ltd.)	
Notes to Financial Statement for the year end	ed March 31, 2022	
Particulars	March 31, 2022	(All amounts in ₹ Lakhs) March 31, 2021
Activities of the control of the con	Watch 31, 2022	Widi Ci 1 31, 2021
P: Revenue From Operations Commission income	7,389	275
Sale of service	59	2/3
Sale of Goods	222	
oute of coods	7,671	277
Disclosure under Ind AS 115 - Revenue from contracts with customers		
a. Contract balances		
Particulars	March 31, 2022	March 31, 2021
Trade receivables (refer note F)	9	179
Advance from customers (refer note N)	9	179
b. Reconciliation the amount of revenue recognised in the Statement of Profit and Lo		173
Particulars	March 31, 2022	March 31, 2021
Revenue as per contracted price	7.389	275
Less: Rebates/refunds	_	
	7,389	275
Other operating income	282	2
	7,671	277
0. 01		
Q: Other Income Interest Income	29	1
interest income	29	1
S: Employee Benefit Expenses		
Salaries and bonus	6,808	2,276
Contributions to provident and other Funds	268	88
Share based payments to employees	1,720	222
Retirement benefits	188	88
Staff welfare expenses	9,433	2, <b>711</b>
LA.	3,433	2,711
T: Depreciation and Amortisation Expense		
Depreciation of tangible assets	355	7
Depreciation of Right-of-use assets	446	68
Amortisation of intangible assets	110	20
	911	95
U: Finance Expense		
Interest on borrowings	227	16
Interest on lease liabilities	133	20
Other financial charges	118	2
	477	38
V: Other Expenses:		
Consumption of stores and spares	294	2
Transport expenses	1,232	2
Advertising and sales promotion	3,460	218
Labour charges	1,847	16
Rent	212	6
Rates and taxes	8	48
Insurance	96	5
Power and fuel	2	
Travelling and conveyance	623	45
Legal and professional fees	2,336	431
Provision for doubtful trade receivables (net)	2	-
Payment to auditors	4	(
Exchange Difference	11	(
Miscellaneous expenses ASS	649	109
15/	10,776	883
111701		

(Formerly known as AFS Agtech Pvt Ltd.)

# Notes to Financial Statement for the year ended March 31, 2022

a. Contingent Liabilities and Capital Commitments as on March 31, 2022 is NIL and as on March 31, 2021 is NIL.

# b. Related Party Transactions

The Disclosure as per Ind AS 24 is attached as Annexure 1

### c. Share based payment plans:

Disclosure as per Ind AS 102 is attached in Annexure 2

#### d. Retirement Benefit:

Disclosures as per Ind AS 19 is attached in Annexure 3

#### e Leases

Disclosures as per Ind AS 116 is attached in Annexure 4

# f. Segment Reporting

There is only one reportable segment, hence, Segment Reporting is not applicable.

g. The outstanding balance of Trade receivables, trade payables and other accounts are accepted as they appear in the books of accounts and are subject to reconciliation/ adjustments, if any, and confirmation by respective parties.

#### h. Earnings per share:

Earning per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers used in calculated basic and diluted earnings are stated below:

\ll amounts in ₹ Lakhs)

Particulars	March 31, 2022	March 31, 2021
Profit for the year	(10,728)	(2,632)
Weighted average number of equity shares outstanding during the year		
(Nos.)	49,141,096	100,000
Nominal Value of equity share (₹)	10	10
Earning per share (Basic and Diluted) (₹)	(21.83)	(2,632.03)

### i. Capital Management

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

- j. Details of dues to micro and small enterprises as defined under The MSMED Act, 2006 is given under Annexure 5
- k. Disclosure of ratios as required by schedule III is attached in Annexure 6

As per our Report of even date attached

For Vora & Associates **Chartered Accountants** 

(ICAI FRNo.: 111612W)

Ronak A. Rambhia

Partner

(Membership No.: 140371)

Place: Mumbai Date:07th May 2022 For and on behalf of the Board of Directors of Nurture Agtech Private Limited (Formerly known as AFS Agtech Pvt Ltd.)

Mukul B Trivedi

(Director)

DIN: 00242399

Place: Mumbai

Date:07th May 2022

Nitin Kolhatkar

(Director)

DIN: 03246005

Place: Mumbai

Date:07th May 2022

Abhishek Upadhyay Sandeep Deshmukh

**CFO** 

Company Secretary A 15-10941

Place: Bangalore

Date:07th May 2022

Place: Mumbai Date:07th May 2022

(Formerly known as AFS Agtech Private Limited)
Notes to Financial Statement for the year ended March 31, 2022

# Annexure 1 - Related Party Transactions

Disclosures as required by Indian Accounting Standards (Ind As 24) "Related Party Disclosures"

# Nature of Relationship

# (A) Holding Company

**UPL Limited** 

# (B) Fellow Subsidiaries

SWAL Corporation Limited

UPL Sustainable Agri Solutions Limited (Formerly known as Optima Farm Solutions Limited)

# (C) Key Management Personnel and Their Relatives

Mr. Nitin Kolhatkar

Mr. Mukul B. Trivedi

Mr. Ashish Narkar

Mr Dhruv Sawhney

Mr Abhishek Upadhyay

The following transactions were carried out with the Related Parties in the ordinary course of business:

The below amounts are net of taxes (All amounts in ₹ Lakhs)

he below amounts are net of taxes		
Particulars	March 31, 2022	March 31, 2021
1 INCOME Commission income UPL Limited Swal Corporation Limited	1,648 6,818	12 298
Interest on Loan Swal Corporation Limited	25	1
2 EXPENSES Interest on Loan Swal Corporation Limited	204	16
Reimbursement of Expenses paid UPL Limited Swal Corporation Limited UPL Sustainable Agri Solutions Limited (Formerly known as Optimal Farm Solutions Limited)	902 971 a -	658 102 7
Reimbursement of Expenses received UPL Limited Swal Corporation Limited	502 373	
Share Application Money recieved UPL Limited		5,000
5 FINANCE		
Loan Taken Swal Corporation Limited	8,650	200
Loan Repaid Swal Corporation Limited		200
Loan Given Swal Corporation Limited Loan Refunded	1= 1=	2,000
Swal Corporation Limited	2,000	12
6 Directors remuneration paid SSO	278	(.5)

Nurture Agtech Private Limited (Formerly known as AFS Agtech Private Limited) Notes to Financial Statement for the year ended March 31, 2022

OUTSTANDING AT THE YEAR END	-	-
Inter Corporate loan given		-
Swal Corporation Limited	-	2,000
Inter Corporate Ioan Taken	y <del>.</del>	
Swal Corporation Limited	8,650	-
Payable	8#.	-
UPL Limited	1,252	688
Swal Corporation Limited	-	-
UPL Sustainable Agri Solutions Limited (Formerly known as Optima	7	7
Farm Solutions Limited)	-	(i=)
Receivable		0 <del>.5</del> 0
UPL Limited	-	1-
Swal Corporation Limited	9	175
UPL Sustainable Agri Solutions Limited (Formerly known as Optima		8. <del>5</del>
Farm Solutions Limited)	-	-
	- 1	-
		S=2
Interest Pay – Group Co.		92
UPL Limited	-	-
Swal Corporation Limited	218	-
Interest Receivable – Group Co.		3570
UPL Limited	-	_
Swal Corporation Limited	26	-

(Formerly known as AFS Agtech Private Limited)

Notes to Financial Statement for the year ended March 31, 2022

#### Annexure 2 - Share based payment plans

During the year ended March 31, 2022, the following employee stock option plans (ESOPs) were in existence. The relevant details of the scheme and the grant are as follows:

Nurture Agtech Private Limited, has implemented Employee Stock Options Scheme titled 'Nurture Agtech Stock Option Scheme 2022' dated 01 January 2022 ("ASOS 2022") whereby stock options aggregating to a maximum of 5,01,000 stock options would be granted to eligible employees of the Company.

The said ESOPs to be granted would be treated as equity settled share-based payment and the Company is required to fair value the ESOPs at each financial reporting date using option pricing model for the purpose of financial reporting

This scheme replaces the earlier Employee Stock Options Scheme titled 'AFS AGTech Phantom Option Scheme 2020' dated 18 December 2020 ("APOS 2020") whereby stock options aggregating to a maximum of 1,00,000 stock options would be granted to eligible employees of the Company based on cash settlement

#### Terms of Tranche A ESOPs ASOS 2022

2,33,399 tenure based options to vest over a 4 year period.

Grant date: On or after January 01, 2022

Vesting Period: Over a period of 4 years in equal instalments or such veting schedule as as set out in letter of grant

Exercise price: Exercise price shall be Rs. 100 per share for ESOPs granted as per ASOS 2022

Exercisable event: Upon occurrence of a Liquidity Event.

Exercise period: Maximum by January 01, 2027

The fair value of the share options is estimated at the grant date using Black Scholes Option Pricing ("BSOP") method, taking into account the terms and conditions upon which the share options were granted.

#### Terms of Tranche B ESOPs of ASOS 2022

2,45,980 performance based options to vest only upon the following performance conditions being met -

i. 33% vesting: Valuation of the Company is USD 500 million

ii. 67% vesting: Valuation of the Company is USD 1 billion

Grant date: On or after January 01, 2022

Exercise price: Exercise price shall be \$ 29,852 per share for ESOPs granted as per ESOP 2019

Exercisable event: Upon occurrence of a Liquidity Event.

Exercise period: Maximum by 30-Jun-2025

The fair value of the share options is estimated at the grant date using Monte Carlo Simulation Pricing ("MCS") method so as to evaluate whether the performance conditions (i.e. Milestone 1 and Milestone 2) have been achieved

The carrying amount of the ESOP reserve relating to the ESOPs at 31 March 2022 is Rs. 1,941.87 lakhs.

Nil stock options have been vested as at 31 March 2022. The expense recognised for employee services received during the year is shown in the following table:

America la De Labba

	Amounts in Rs. Lakhs	
	March 31, 2022	March 31, 2021
Expense arising from equity-settled share-based payment transactions	1,719.57	222.30
	1,719.57	222.30
Movements during the year		
Particulars	March 31, 2022	March 31, 2021
Outstanding at the beginning of the year	86,000	
Granted during the year	479,379	86,000
Cancelled during the year*	86,000	7.000
Forfeited during the year		
Exercised during the year	· ·	*
Expired during the year	-	
Outstanding at the end of the year ASS	479,379	86,000
(8) C)	2 <del></del> -2	

(Formerly known as AFS Agtech Private Limited)

#### Notes to Financial Statement for the year ended March 31, 2022

Vested / Exercisable options

7,453

\*On account of replacement of old scheme with ASOS 2022 scheme

#### Valuation of ESOP scheme

The Black Scholes valuation model has been used for computing the fair value for Tranche A stock options considering the following inputs:

Particulars	March 31, 2022
Weighted average share price/market price (Rs. per share)	3,705
Exercise price (Rs. per share)	100
Expected volatility	40.72%
Life of the options granted (vesting and exercise period) in years	5.00
Expected dividends	
Average risk-free interest rate	6.21%
Fair value of option (Rs. per share)	3,631.84

The Monte Carlo Simulation Pricing ("MCS") method has been used for computing the fair value for Tranche B stock options considering the following inputs:

Tranche B	Fair value (a)	Weightage%	No of options (b)	Probability adj. of performance vesting (c)	Total Fair value (d) = (a)*(b)*c)
Milestone 1	3,631.84	33%	81,173	19.20%	56,603,290
Milestone 2	3,631.84	67%	164,807	5.20%	31,124,663
		100%	245,980		87,727,952
			Fair	value per option	356.65

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

# Cancellation or modification to ESOPs

- 1. The Company currently has in place a Phantom Stock Option Plan 2020 ("APOS") under which certain units have been granted to eligible employees. Company has now launched a new Employee Stock Option scheme to enable employees to have the option to truly become owners in the company which is called AFS stock option scheme 2022. This scheme would replace the earlier APOS and employees will receive equivalent value of grants under the ESOP in lieu of the cancelled phantom stock options under the APOS
- 2. Incremental fair value granted on account of new ASOS scheme 2022 is Nil
- 3. Below is the details of input used for computing incremental fair value per option on the date of modification i.e. January 01, 2022

	As on Janua	ry 01, 2022
Particulars	APOS 2020	ASOS 2022
Modification date / Grant date	01-Jan-22	01-Jan-22
Weighted average share price/market price (Rs. per share)	3,705	3,705
Exercise price (Rs. per share)	1	100
Expected volatility	40.72%	40.72%
Life of the options granted (vesting and exercise period) in years	5.00	5.00
Expected dividends	<u>≅</u> 1	-
Average risk-free interest rate	6.21%	6.21%
Fair value of option (Rs. per share)	3,704.27	3,631.84

There is negligible difference in the fair value of both the schemes as on January 01, 2022

(Formerly known as AFS Agtech Private Limited)

Notes to Financial Statement for the period ended March 31, 2022

# **Annexure 3 - Retirement Benefits**

The company has provided to these liabilities based on actuarial valuations. Disclosure as required by Indian Accounting Standards (Ind AS- 19) "Employee Benefits" are given below:

(All amounts in ₹ Lakhs)

Sr.	Particulars	Gratuity	Leave
No.		March 31, 2022	March 31, 2022
Α	Present Value of funded obligation		
	Fair value of plan assets	-	-
	Present value of unfunded obligations	133	142
	Net liability	133	142
В	Expenses recognized for the year		
	Current Service Cost	93	74
	Interest on obligations	-	4
	Expected return on plan Assets	1 1	
	Net actuarial losses (gains) recognized in the year.	-	1
	Total Included in employee benefit expenses.	93	95
С	Change in the Present Value of defined benefit obligations		
C	representing recognition of Opening and Closing Balance		
	Opening defined benefit obligation	30	5
	Service Cost	93	7-
	Interest Cost	2	
	Actuarial Losses (Gains)	8	1
	Benefits Paid	- 1	(
	Closing defined benefit obligation	133	14
D	Principal Actuarial assumptions at the balance sheet date		
	Discount rate	6.80%	6.80
	Annual increase in Salary Costs	7.00%	7.009

(Formerly known as AFS Agtech Pvt Ltd.)

Notes to Financial Statement for the year ended March 31, 2022

(All amounts in ₹ Lakhs)

#### Annexure 4 - Leases under Ind AS 116

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.

# Company as a lessee

# i. Right-of-use assets

(All amounts in ₹ Lakhs)

Land and Buildings	March 31, 2022	March 31, 2021	
Balances as at the beginning of the year	594	-	
Additions during the year	2,095	662	
Depreciation for the year charged to Profit and Loss	446	68	
Balance as at the end of the year	2,243	594	

# ii. Lease liability

Particulars	March 31, 2022	March 31, 2021
Balances as at the beginning of the year	608	-
Additions during the year	2,095	662
Interest cost accrued for the year	133	20
Payments of lease liabilities	498	75
Balance as at the end of the year	2,337	608
Current Lease Liabilities	634	179
Non Current lease liabilities	1,703	428

# Maturity analysis of lease liability - undiscounted contractual cash flows

Particulars	March 31, 2022	March 31, 2021
Less than one year	817	229
One to three years	658	471
More than three years	1,281	
Total undiscounted cash flows	2,755	699

#### iii. Amounts recognized in profit or loss

Particulars	March 31, 2022	March 31, 2021
Depreciation on Right-of-Use assets	446	68
Interest expenses on lease liability	133	20
Total amount recognized in profit or loss	579	88

# Company as a Lessor

There are no such arrangements during the year. ASS

# Nurture Agtech Private Limited (Formerly known as AFS Agtech Pvt Ltd.) Notes to Financial Statement for the year ended March 31, 2022

# Annexure 5 - Details of dues to micro and small enterprise

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	March 31, 2022	March 31, 2021
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	12	_
Interest due on above	74	-
Total	0	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		=
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.		
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	=
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure u/s 23 of MSMED Act, 2006.		-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31 March 2022 based on the information received and available with the Company. Auditors have relied upon the information provided by the Company.

#### Nurture Agtech Private Limited (Formerly known as AFS Agtech Pvt Ltd.) Notes to Financial Statement for the year ended March 31, 2022 Denominator Current Liabilities excluding Current March 31, 2022 March 31, 2021 Numerator Current Assets 0.13 1.34 Borrowings 346.76% -252.67% Net profit after tax Average shareholder's equity Sales of Products Average Trade Receivable 78.40 3.07 Trade Receivables turnover ratio (times)

assets - Total Current liabilities)

3.25

1.08

Trade payable turnover ratio (times) Net purchases + Other Average trade payables expenses Net capital turnover ratio (times) Revenue from operations Average Working capital (i.e. Total Current -2.06 0.93

Net profit after tax -139.85% -951.70% Net profit ratio (%) Revenue from operations

Earnings before finance cost Capital Employed = Net Worth + Non Current -673.27% -125.01% Return on capital employed (%) and taxes Liabilities

Return on Investments has not been calculated because the Company does not have any investments.

Annexure 6 - Ratios

Current ratio (times)

Return on Equity (%)

Particulars

Debt-Equity ratio and debt service coverage ratio not been calculated because the Company does not have any borrowings.