

Walker Chandiook & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
Haryana, India
T +91 124 462 8099
F +91 124 462 8001

Independent Auditor's Report

To the Members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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.



Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Dehradun, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

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Independent Auditor's Report to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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 in the audit or otherwise appears to be materially misstated.

The Director's report is not available to us at the date of the auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act, 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;



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Independent Auditor's Report to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 Board of Directors' 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; 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. 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, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
 - 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 except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

Chartered Accountants



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Independent Auditor's Report to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 34 to the financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2024
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37(i) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 37(ii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024; and



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Independent Auditor's Report to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- vi. As stated in note 41 to the financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled at the database level for the accounting software to log any direct data changes, used for maintenance of all accounting and payroll records by the Company for the period 1 April 2023 till 30 November 2023. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For **Walker Chandiook & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Madhu Sudan

Madhu Sudan Malpani

Partner

Membership No.: 517440



UDIN: 24517440BKGTFZ1389

Place: Gurugram

Date: 08 May 2024

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company') on the financial statements for the year ended 31 March 2024 (cont'd)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its property, plant and equipment (including right-of-use assets). Accordingly, reporting under clause 3(i)(d) of the Order 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 Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt inventory records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment 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 (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.



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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company') on the financial statements for the year ended 31 March 2024 (cont'd)

- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end 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 are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross amount (Rs. lakhs)	Amount paid under protest (Rs. lakhs)	Period to which the amount relates	Forum where dispute is pending
Custom Act, 1962	Custom duty	14.90	14.90	Financial Year 2021-22	Gujarat High Court

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of optionally convertible debentures. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised have been utilised by the Company for the purposes for which these funds were raised.



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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company') on the financial statements for the year ended 31 March 2024 (cont'd)

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC .
- (xvii) The Company has incurred cash losses in the current financial year and in the immediately preceding financial years amounting to Rs. 107.72 lakhs and Rs. 162.49 lakhs respectively.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet 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.



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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company') on the financial statements for the year ended 31 March 2024 (cont'd)

- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Madhu Sudan

Madhu Sudan Malpani

Partner

Membership No.: 517440



UDIN: 24517440BKGTZF1389

Place: Gurugram

Date: 08 May 2024

Walker Chandio & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (Cont'd)

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. 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.
4. 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 includes obtaining an understanding of such 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.
5. 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

6. A company's internal financial controls 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 controls with reference to financial statements include 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.

Chartered Accountants



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Annexure B to the Independent Auditor's Report of even date to the members of Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) on the financial statements for the year ended 31 March 2024 (Cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Madhu Sudan

Madhu Sudan Malpani

Partner

Membership No.: 517440

UDIN: 24517440BKGTZF1389



Place: Gurugram

Date: 08 May 2024

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)

Financial Statements for the year ended 31 March 2024

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
Balance Sheet as at 31 March 2024

(₹ in Lakhs)			
	Notes	As at	
		31 March 2024	31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	17,307.37	3.60
Capital work-in-progress	3	720.81	4,003.06
Right-of-use assets	36	1,820.12	1,901.17
Financial assets			
i. Other financial assets	4	1.00	-
Deferred tax assets (net)	5	137.17	84.45
Income tax assets (net)		0.80	-
Other non-current assets	6	6.04	464.65
Total non-current assets		19,993.31	6,456.93
Current assets			
Inventories	7	308.47	-
Financial assets			
i. Trade receivables	8	214.32	-
ii. Cash and cash equivalents	9	2,048.95	135.83
iii. Other financial assets	4	25.50	28.00
Other current assets	10	18.28	14.95
Total current assets		2,615.52	178.78
Total assets		22,608.83	6,635.71
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	901.00	251.00
Other equity		14,014.10	2,677.53
Total equity		14,915.10	2,928.53
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13	3,270.38	61.33
ii. Lease liabilities	36	1,924.42	2,057.50
Provisions	17	3.17	-
Total non-current liabilities		5,197.97	2,118.83
Current liabilities			
Financial liabilities			
i. Lease liabilities		154.90	-
ii. Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		2.96	0.02
Total outstanding dues of creditors other than micro enterprises and small enterprises		770.02	149.81
iii. Other financial liabilities	15	1,526.91	1,404.55
Other current liabilities	16	40.83	33.97
Provisions	17	0.14	-
Total current liabilities		2,495.76	1,588.35
Total liabilities		7,693.73	3,707.18
Total equity and liabilities		22,608.83	6,635.71

The accompanying notes, including material accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)

Madhu Sudan Malpani

Partner

Membership No.: 517440

Chandan Singh Sengar

Director

DIN: 09657339

Subhra Jyoti Roy

Director

DIN: 10211292

Place: Gurugram

Date: 8 May 2024

Place: Noida

Date: 8 May 2024

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
Statement of Profit and Loss for the year ended 31 March 2024

		(₹ in Lakhs)	
	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	18	295.18	-
Other income	19	7.77	-
Total income		302.95	-
Expenses			
Cost of materials consumed	20	149.13	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(124.04)	-
Job work processing charges		133.05	-
Employee benefits expense	22	28.18	-
Finance costs	23	205.93	173.67
Depreciation expense	24	139.85	81.17
Other expenses	25	92.96	63.53
Total expenses		625.06	318.37
Loss before tax		(322.11)	(318.37)
Tax expense	26		
- Deferred tax credit		(52.72)	(54.65)
Total tax credit		(52.72)	(54.65)
Loss for the year		(269.39)	(263.72)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(269.39)	(263.72)
Earnings per equity share of ₹ 10 each	40		
Basic (₹)		(3.94)	(11.73)
Diluted (₹)		(3.94)	(11.73)

The accompanying notes, including material accounting policies and other explanatory information form an integral part of the financial statements

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Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
Statement of Changes in Equity for the year ended 31 March 2024

A. Equity share capital	(₹ in Lakhs)		
Balance as at 1 April 2022			151.00
Issued during the year			100.00
Balance as at 31 March 2023			251.00
Issued during the year			650.00
Balance as at 31 March 2024			901.00
B. Other equity	(₹ in Lakhs)		
	Attributable to owners of the Company		Total
	Reserves and surplus (1)		
	Equity component of the compound financial instrument	Retained earnings	
Balance as at 1 April 2022	195.91	(143.85)	52.06
Loss for the year	-	(263.72)	(263.72)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(263.72)	(263.72)
Transaction with owners in their capacity as owners:			
- Equity component of optionally convertible debentures	2,889.19	-	2,889.19
Balance as at 31 March 2023	3,085.10	(407.57)	2,677.53
Loss for the year	-	(269.39)	(269.39)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(269.39)	(269.39)
Transaction with owners in their capacity as owners:			
- Equity component of optionally convertible debentures	11,605.96	-	11,605.96
Balance as at 31 March 2024	14,691.06	(676.96)	14,014.10

Note:

(1) Refer note 12 for nature and purpose of other equity

The accompanying notes, including material accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached	For and on behalf of the Board of Directors of
For Walker Chandio & Co LLP	Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
Chartered Accountants	
ICAI Firm Registration No.: 001076N/N500013	

Madhu Sudan Malpani
Partner
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 Date: 8 May 2024

Place: Noida
 Date: 8 May 2024

(This space has been intentionally left blank)

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)
Statement of Cash Flow for the year ended 31 March 2024

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Cash flows from operating activities		
Loss before tax	(322.11)	(318.37)
Adjustments:		
Depreciation expense	139.85	81.17
Finance costs	205.93	173.67
Interest income	(7.55)	-
	338.23	254.84
Operating cash flows before working capital changes	16.12	(63.53)
Increase in loans, other financial assets and other assets	(0.83)	(42.94)
Increase in trade receivables	(214.32)	-
Increase in inventories	(308.47)	-
Decrease in other financial liabilities, other current liabilities and provisions	(2.78)	32.56
Increase/(decrease) in trade payables	623.15	(37.16)
Cash generated from/(used in) operations	112.87	(111.07)
Income tax paid (net of refund)	(0.80)	-
Net cash generated from/(used in) operating activities	112.07	(111.07)
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)	(13,499.57)	(2,713.32)
Movement in other bank balances (net)	(1.00)	-
Interest received	7.55	-
Net cash used in investing activities	(13,493.02)	(2,713.32)
C. Cash flows from financing activities		
Proceeds from issue of equity shares	650.00	100.00
Proceeds from issue of optionally convertible debentures	11,850.00	2,950.00
Proceeds from long term borrowings	3,000.00	-
Finance costs paid (including interest on lease liabilities amounting to ₹ 168.75 lacs (31 March 2023: ₹ 166.99 lacs))	(205.93)	(173.67)
Net cash generated from financing activities	15,294.07	2,876.33
Net increase in cash and cash equivalents (A+B+C)	1,913.12	51.94
Add: cash and cash equivalents at the beginning of year	135.83	83.89
Cash and cash equivalents at the end of the year (refer note 9)	2,048.95	135.83

Note:

- Statement of Cash Flow has been prepared basis the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".

The accompanying notes, including material accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)

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Director
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Place: Gurugram
Date: 8 May 2024

Place: Noida
Date: 8 May 2024

Note 1. Corporate information

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited) (“the Company”) is incorporated on 2 June 2021 under the provisions of Companies Act, 2013 (“the Act”). The Company is domiciled in India and registered office of the Company is situated at Plot 1A, Sector 16A, Noida, Gautam Buddha Nagar, Uttar Pradesh, India - 201301. The Company is a wholly owned subsidiary of Jubilant Ingrevia Limited (“the Holding Company”).

The Company is engaged in the business of manufacturing of crop protection chemicals including insecticides, fungicides and herbicides.

Note 2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements.

(a) Basis of preparation

(i) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Act, relevant other provisions of the Act and other accounting principles generally accepted in India.

All the amounts included in the financial statements are reported in Lakhs of Indian Rupees (‘Rupees’ or ‘₹’) and are rounded to the nearest Lakhs, except per share data and unless stated otherwise.

The financial statements have been authorised for issue by the Company’s Board of Directors on 8 May 2024. The revision to the financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per the provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current and 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;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets 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;
- It is due to be settled within twelve months after the reporting period; or
- 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, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

(c) Property, plant and equipment (PPE)

(i) Property, plant and equipment

Property, plant and equipment are stated at cost, which includes capitalised finance costs, less accumulated depreciation and any accumulated impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition of its intended use. Any discounts and rebates are deducted in arriving at the purchase price.

Expenditure incurred on startup and commissioning of the project and/or substantial expansion, including the expenditure incurred on trial runs (net of trial run receipts, if any) up to the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Capital work-in-progress includes property, plant and equipment under construction and not ready for intended use as on the balance sheet date.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown as capital advances under other non-current assets.

Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis as per the useful life specified in Part 'C' of Schedule II of the Act. The estimated useful lives considered for the assets are as under:

Type/category of assets	Useful lives - as per schedule II of the Act (in years)	Useful lives - as estimated by the Company (in years)
Buildings including factory buildings and roads	3-60	3-60
Plant and equipment	10-25	10-25
Electrical installations and equipment	10	10
Furniture and fixtures	10	5-10
Office equipment	3-5	2-5
Computer servers and networks (included in office equipment)	6	5

Depreciation on property, plant and equipment added during the period has been provided on pro-rata basis with reference to the date/month of addition.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

(ii) Derecognition

A property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Losses arising from retirement and gains or losses arising from disposal of a PPE are measured as the difference between the net disposal proceeds and the carrying amount of the respective asset and are recognised in the Statement of Profit and Loss.

(d) Impairment of non-financial assets

The Company's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists (basis assessment of such internal and external indicators), then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of non-financial assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(e) Financial instruments

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

(i) Financial assets

Recognition and initial measurement

All financial assets (except for trade receivables which is measured at transaction price) are recognised initially at fair value adjusted for transaction cost that are directly attributable, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

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

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, the Company, at initial recognition, may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL (using provision matrix approach). For all other financial assets with contractual cash flows, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the

Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(ii) Financial liabilities

Recognition and initial measurement

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as FVPL 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 FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Optionally convertible debenture

Convertible instruments are separated into liability and equity components based on the terms of the contract. On issuance of the convertible debentures, the fair value of the liability component is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(iii) 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 realise the asset and settle the liability simultaneously.

(iv) Share capital

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

(f) Inventories

Inventories are valued at lower of cost or net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Stores and spares, fuel, process chemicals, consumables, packing material etc.	Weighted average method
Work-in-progress and finished goods (manufactured)	Direct materials, direct labour and an appropriate proportion of variable and fixed production overheads, the later being allocated on the basis of normal operating capacity
Goods in transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs including taxes that are not refundable incurred in bringing the inventories to their present location and condition.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory includes estimated shelf life, ageing, usability etc., to the extent each of these factors impact the Company business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

(g) Cash and cash equivalents

Cash and cash equivalent 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.

(h) Provisions and contingencies

(i) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

(ii) Contingent assets

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably and disclosed when inflow of economic benefits therefrom is probable.

(iii) Contingent liabilities

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

(i) Revenue recognition

Revenue from sale of products is recognised when the Company satisfies a performance obligation upon transfer of control of products to customers at the time of shipment to or receipt of goods by the customers as per the terms of the underlying contracts. Service income is recognised when the Company satisfies a performance obligation as and when the underlying services are performed.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Invoices are issued as per the terms of business and are receivable in accordance with the agreed credit period. No element of financing is deemed present as the sales are made with the credit period i.e. in the range of days of 30 to 90 days.

Revenues are measured based on the transaction price allocated to the performance obligation, which is the consideration, net of taxes or duties collected on behalf of the government and applicable discounts and allowances. The computation of these estimates using expected value method involves significant judgment based on various factors including contractual terms, historical experience, estimated inventory levels and expected sell-through levels in supply chain. The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes significant financing component.

A receivable is recognised by the Company when control of the goods and services is transferred and the Company's right to an amount of consideration under the contract with the customer is unconditional, as only the passage of time is required. When either party to a contract has performed, the Company presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the company's performance and the customer's payment.

(j) Employee benefits

(i) Short-term employee benefits:

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

(ii) Post-employment benefits:

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of accounts based on actuarial valuation by an independent actuary.

b) Provident fund

This is treated as defined contribution plan. The Company makes contribution to Regional Provident Fund Commissioner. The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

(iii) Other long-term employee benefits - Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service (as per policy and approval mechanism), or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

(iv) Termination benefits:

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(v) Actuarial valuation:

The liability in respect of all defined benefit plans and other long term employee benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term employee benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions (inflation etc.) are recognised in the year in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

(k) Finance costs and finance income

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. Finance costs that are directly attributable to the construction or production or development of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalisation. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent items recognised directly in equity or in OCI.

- *Current tax:*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

- *Deferred tax:*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to freehold land and investment in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses (including unabsorbed depreciation), unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(m) Leases - Company as a lessee

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: (1) the contract involves the use of an identified asset; (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and (3) the Company has the right to direct the use of the asset.

The Company's lease asset consist of leases for land which is for a period of 25 years, with an option to renew the lease after that date. At the date of commencement of the lease, the Company recognises a right-of-use asset 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). For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised 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, if any.

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. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at amortised 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 based on information available as at the date of commencement of the lease. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and right-of-use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

(n) Foreign currency transaction and translation

(i) Functional and presentation currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupee (₹).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

(o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit/(loss) attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the period, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(p) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised 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 or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs (discount rate etc.) and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

(q) Critical estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes.

- Assessment of useful life of property, plant and equipment - Note 2(c)
- Valuation of inventories - Note 2(f)
- Recognition of revenue and related accruals - Note 2(i)
- Fair value measurements - Note 2(p)
- Impairment of financial assets and non-financial assets - Note 2(e) and Note 2(d)
- Estimation of assets and obligations relating to employee benefits - Note 2(j) and Note 28
- Recognition and estimation of tax expense including deferred tax - Note 2(l), Note 5 and Note 26
- Lease term: whether the Company is reasonably certain to exercise extension options - Note 2(m) and Note 36

(r) New and amended accounting standards adopted by the Company

The Ministry of Corporate Affairs ('MCA') vide its notification dated 31 March 2023, notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective 1 April 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(s) Recent accounting pronouncement issued but not made effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

Note 3. Property, plant and equipment and capital work-in-progress

	(₹ in lakhs)						
	Building- factory	Building- other	Plant and equipment	Furniture and fixtures	Office equipment	Total	Capital work- in-progress
Gross carrying amount as at 1 April 2022	-	-	-	-	-	-	605.53
Additions	-	-	3.72	-	-	3.72	3,401.25
Deductions/capitalised	-	-	-	-	-	-	(3.72)
Gross carrying amount as at 31 March 2023	-	-	3.72	-	-	3.72	4,003.06
Accumulated depreciation as at 1 April 2022	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	0.12	-	-	0.12	-
Deductions	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2023	-	-	0.12	-	-	0.12	-
Net carrying amount as at 31 March 2023	-	-	3.60	-	-	3.60	4,003.06

	(₹ in lakhs)						
	Building- factory	Building- other	Plant and equipment	Furniture and fixtures	Office equipment	Total	Capital work- in-progress
Gross carrying amount as at 1 April 2023	-	-	3.72	-	-	3.72	4,003.06
Additions	2,118.89	1,646.30	13,410.17	60.70	126.51	17,362.57	14,080.32
Deductions/capitalised	-	-	-	-	-	-	(17,362.57)
Gross carrying amount as at 31 March 2024	2,118.89	1,646.30	13,413.89	60.70	126.51	17,366.29	720.81
Accumulated depreciation as at 1 April 2023	-	-	0.12	-	-	0.12	-
Depreciation charge for the year	5.15	8.81	42.42	0.44	1.98	58.80	-
Deductions	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2024	5.15	8.81	42.54	0.44	1.98	58.92	-
Net carrying amount as at 31 March 2024	2,113.74	1,637.49	13,371.35	60.26	124.53	17,307.37	720.81

Notes:

- (1) Refer note 13.1 for information on property, plant and equipment provided as security by the Company.
- (2) Refer note 35 for disclosure of capital commitments for the acquisition of property, plant and equipment.

Capital work-in-progress ageing schedule:

Ageing schedule for capital work-in-progress as at 31 March 2024:

	(₹ in Lakhs)				
	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	713.50	7.31	-	-	720.81
Projects temporarily suspended	-	-	-	-	-
Total capital work-in-progress	713.50	7.31	-	-	720.81

Ageing schedule for capital work-in-progress as at 31 March 2023:

	(₹ in Lakhs)				
	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,397.53	605.53	-	-	4,003.06
Projects temporarily suspended	-	-	-	-	-
Total capital work-in-progress	3,397.53	605.53	-	-	4,003.06

Note:

- (1) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original/revised plans.

Note 4. Other financial assets

	(₹ in Lakhs)			
	As at			
	31 March 2024	31 March 2023	Current	Non-current
	Current	Non-current	Current	Non-current
Other bank balances:				
Deposits with maturity after 12 months from the reporting date (1)	-	1.00	-	-
Receivables from related parties (refer note 33)	25.50	-	28.00	-
Total other financial assets	25.50	1.00	28.00	-

Notes:

(1) These deposits have restricted use representing margin money given as security against bank guarantees

Note 5. Deferred tax

Deferred income tax reflect the net tax effects of temporary difference between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant component of the Company's net deferred income tax are as follows:

Deferred tax assets:

	(₹ in Lakhs)			
	Tax losses	Lease liabilities	Accrued expenses and other temporary differences	Total
As at 1 April 2022	16.23	349.62	4.10	369.95
Credited to Statement of Profit and Loss	37.28	3.44	-	40.72
As at 31 March 2023	53.51	353.06	4.10	410.67
Credited to Statement of Profit and Loss	231.60	3.75	0.82	236.17
As at 31 March 2024	285.11	356.81	4.92	646.84

Deferred tax liabilities:

	(₹ in Lakhs)		
	Difference in written down value between accounting and tax base	Right-of-use assets	Total
As at 1 April 2022	-	340.15	340.15
Charged to Statement of Profit and Loss	-	(13.93)	(13.93)
As at 31 March 2023	-	326.22	326.22
Charged/credited to Statement of Profit and Loss	197.34	(13.89)	183.45
As at 31 March 2024	197.34	312.33	509.67

Reflected in the Balance Sheet as follows:

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Deferred tax assets	646.84	410.67
Deferred tax liabilities	509.67	326.22
Deferred tax assets (net)	137.17	84.45

Reconciliation of deferred tax (liabilities)/assets (net):

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance as at the commencement of the year	84.45	29.80
Credit recognised in statement of profit and loss during the year	52.72	54.65
Balance as at the end of the year	137.17	84.45

Note 6. Other non-current assets

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Capital advances	6.04	464.65
Total other non-current assets	6.04	464.65

Note 7. Inventories

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Raw materials *	176.75	-
Work-in-progress	90.54	-
Finished goods	33.50	-
Stores and spares *	7.68	-
Total inventories	308.47	-
* Goods-in-transit included in the above		
Raw materials	0.65	-
Stores and spares	3.40	-
Total goods-in-transit	4.05	-

Note 8. Trade receivables

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Unsecured and current		
Trade receivables - considered good	214.32	-
Total trade receivables	214.32	-

Trade receivables ageing schedule:

Ageing schedule for trade receivables outstanding as at 31 March 2024:

						(₹ in Lakhs)
Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable						
- Considered good	214.32	-	-	-	-	214.32
- Credit impaired	-	-	-	-	-	-
(ii) Disputed trade receivable						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-
	214.32	-	-	-	-	214.32
Less: Expected credit loss allowance						-
Total trade receivables						214.32

Note 9. Cash and cash equivalents

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Balances with banks		
- current accounts	548.17	135.83
- deposit accounts with original maturity up to three months	1,500.78	-
Total cash and cash equivalents	2,048.95	135.83

Note 10. Other current assets

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Prepaid expenses	1.18	-
Balance with government authorities	17.10	14.95
Total other current assets	18.28	14.95

Note 11. Equity share capital

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Authorised		
25,000,000 (31 March 2023: 25,000,000) equity shares of ₹ 10 each	2,500.00	2,500.00
	2,500.00	2,500.00
Issued and subscribed		
9,010,000 (31 March 2023: 2,510,000) equity shares of ₹ 10 each	901.00	251.00
	901.00	251.00
Paid up capital		
9,010,000 (31 March 2023: 2,510,000) equity shares of ₹ 10 each	901.00	251.00
	901.00	251.00

(a) Movement in equity share capital:

	31 March 2024		31 March 2023	
	Number	(₹ in Lakhs)	Number	(₹ in Lakhs)
Outstanding at the commencement of the year	2,510,000	251.00	1,510,000	151.00
Shares issued during the year	6,500,000	650.00	1,000,000	100.00
Outstanding at the end of the year	9,010,000	901.00	2,510,000	251.00

*During the year, the Company has issued additional shares on 28 July 2023 to Jubilant Ingrevia Limited ('the Holding Company') basis right issue.

(b) Terms and rights attached to equity shares:

The Company has only one class of shares referred to as equity shares having par value of ₹ 10 each. The holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	31 March 2024		31 March 2023	
Equity shares of ₹ 1 each fully paid-up held by	Number	% of total	Number	% of total
Jubilant Ingrevia Limited (including 6 share held by Jubilant Ingrevia Limited jointly with 6 different individuals)	9,010,000	100.00%	2,510,000	100.00%

(d) Disclosure of shareholding of promoters are as follows:

Promoter's name	31 March 2024			31 March 2023		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
Jubilant Ingrevia Limited (including 6 share held by Jubilant Ingrevia Limited jointly with 6 different individuals)	9,010,000	100.00%	Nil	2,510,000	100.00%	Nil
Total	9,010,000	100.00%		2,510,000	100.00%	

(e) Others

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares brought back for the period of 5 years immediately preceding the balance sheet date

The Company did not issue any shares pursuant to contract(s) without payment being received in cash.

The Company did not issue bonus shares since its inception i.e. 23 October 2019.

The Company has not undertaken any buy back of shares.

Note 12. Nature and purpose of other equity

- *Equity component of the compound financial instrument*
Equity component of the compound financial instrument represents the excess of transaction value over the liability component of optionally convertible debentures at the date of transaction.
- *Retained earnings*
Retained earnings represent the amount of accumulated earnings and re-measurement differences on defined benefit plans recognised in OCI within equity.

Note 13. Non-current borrowings

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Term loan		
From bank		
Indian rupee loan (secured)	3,000.00	-
Unsecured debentures		
Liability component of 15,000,000 (31 March 2023: 3,150,000), 0.50% optionally convertible debentures of ₹ 100 each	270.38	61.33
Total non-current borrowings	3,270.38	61.33

13.1 Nature of security of non-current borrowings and other terms of repayment as at 31 March 2024

13.1.1 Optionally convertible debentures: The Company has issued 11,850,000 (31 March 2023: 2,950,000), 0.50% optionally convertible debenture having a par value of ₹ 100 and is convertible at the option of the Company (the issuer) into equity shares of the Company at the end of 5 years from the date of issuance.

13.1.2 Indian rupee term loan amounting to ₹ 3000 lakhs (31 March 2023: ₹ Nil) from HDFC Bank Limited is secured by a first pari-passu charge created on entire movable fixed assets of the Company. This is repayable in 16 equal quarterly installments starting from June 2025.

The term loan carry floating interest rate calculated in accordance with the terms of the arrangement which is a specified benchmark rate (reset at periodic intervals), adjusted for agreed spread. During the year ended 31 March 2024, the interest rate on long-term Indian rupees term loans range from 8.25% to 8.75 % per annum

13.1.3 Assets pledged as security

Assets with following carrying amounts are pledged as collateral/security against loans and borrowings at year end.

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Property, plant and equipment	13,556.14	-
	13,556.14	-

Note 14. Trade payables

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 27)	2.96	0.02
Total outstanding dues of creditors other than micro enterprises and small enterprises *	770.02	149.81
Total trade payables	772.98	149.83
* Amount payable to related parties included in the above (refer note 33)	428.68	140.12

Trade payables ageing schedule:

Ageing schedule for trade payables outstanding as at 31 March 2024:

	(₹ in Lakhs)				
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	2.96	-	-	-	2.96
Others	702.39	-	-	-	702.39
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total trade payables	705.35	-	-	-	705.35
Provision for expenses					67.63
Total trade payables					772.98

Ageing schedule for trade payables outstanding as at 31 March 2023:

	(₹ in Lakhs)				
Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	0.02	-	-	-	0.02
Others	125.62	-	-	-	125.62
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total trade payables	125.64	-	-	-	125.64
Provision for expenses					24.19
Total trade payables					149.83

* MSME as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

Note 15. Other financial liabilities

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Capital creditors *	1,526.69	1,404.55
Employee benefits payable	0.22	-
Total other current financial liabilities	1,526.91	1,404.55

* Includes outstanding dues of micro enterprises and small enterprises of ₹ 137.27 Lakhs (31 March 2023: ₹ 90.58 Lakhs) (refer note 27).

Note 16. Other current liabilities

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Statutory dues payables	40.83	33.97
Total other current liabilities	40.83	33.97

Note 17. Provisions

	(₹ in Lakhs)			
	As at		As at	
	31 March 2024		31 March 2023	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 28)	0.14	3.17	-	-
Total provisions	0.14	3.17	-	-

Note 18. Revenue from operations

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Sale of products	291.04	-
Other operating revenue	4.14	-
Total revenue from operations*	295.18	-

* Such revenue is towards performance obligation being satisfied at a point in time.

18.1 Disaggregation of revenue

In the following table, revenue from sale of product and services is disaggregated by primary geographical market and major products and service lines:

	(₹ in Lakhs)			
	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Speciality Chemicals	Total	Speciality Chemicals	Total
Primary geographical markets				
India	3.24	3.24	-	-
Americas and Europe	287.80	287.80	-	-
Total	291.04	291.04	-	-
Major products/service lines				
Fine Chemicals and Crop protection chemicals	291.04	291.04	-	-
Total	291.04	291.04	-	-

Note 19. Other income

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Interest income	7.55	-
Other non-operating income	0.22	-
Total other income	7.77	-

Note 20. Cost of materials consumed

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Raw materials consumed	149.13	-
Total cost of materials consumed	149.13	-

Note 21. Changes in inventories of finished goods and work-in-progress

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Opening balance		
Work-in-progress	-	-
Finished goods	-	-
Total opening balance	-	-
Closing balance		
Work-in-progress	90.54	-
Finished goods	33.50	-
Total closing balance	124.04	-
Total changes in inventories of finished goods and work-in-progress	(124.04)	-

Note 22. Employee benefits expense

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Salaries, wages, bonus, gratuity and allowances	27.28	-
Contribution to provident fund	0.76	-
Staff welfare expenses	0.14	-
Total employee benefits expense	28.18	-

Note 23. Finance costs

	(₹ in Lakhs)	
	For the year ended	For the year ended
	31 March 2024	31 March 2023
Interest expense	205.93	173.67
Total finance costs	205.93	173.67

Note 24. Depreciation

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	58.80	0.12
Depreciation of right-of-use assets	81.05	81.05
Total depreciation expense	139.85	81.17

Note 25. Other expenses

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	11.80	-
Consumption of stores and spares and packing materials	10.89	-
Repairs and maintenance	53.01	-
Rental charges	0.12	0.12
Rates and taxes	1.35	0.22
Insurance	0.55	-
Product testing expenses	-	15.21
Payments to statutory auditors (refer note 25.1 below)	2.00	1.00
Legal and professional fees	7.76	46.60
Freight and forwarding (including ocean freight)	4.71	-
Bank charges	0.18	0.05
Miscellaneous expenses	0.59	0.33
Total other expenses	92.96	63.53

Note 25.1: Details of payment to statutory auditors (excluding applicable taxes and including out of pocket expenses)

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
As auditor:		
Statutory audit fee	2.00	1.00
Total payment to auditors	2.00	1.00

Note 26. Income tax

26.1: The major components of income tax expense are:

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
<i>Statement of Profit and Loss</i>		
Deferred tax:		
Deferred tax credit for the year	(52.72)	(54.65)
Income tax expense reported in the Statement of Profit and Loss	(52.72)	(54.65)

26.2: Reconciliation between average effective tax rate and applicable tax rate for the period:

	(₹ in Lakhs)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Loss before tax	(322.11)	(318.37)
At India's statutory income tax rate of 17.16%*	(55.27)	(54.65)
- Effect of non-deductible expenses	2.55	-
Income tax expense reported in the Statement of Profit and Loss	(52.72)	(54.65)

*as per section 115BAB of Income-tax Act, 1961

Note 27. Micro, small and medium enterprises

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
The principal amount remaining unpaid to any supplier as at the end of the period	140.23	90.60
The interest due on principal amount remaining unpaid to any supplier as at the end of the period	-	-
The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the period	14.22	5.10
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 period) but without adding the interest specified under the MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of the period	-	-
The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 28. Employee benefits

(A) Defined contribution plans

The Company has certain defined contribution plans such as provident fund, employee state insurance and employee pension scheme wherein specified percentage is contributed to these plans. During the year, the Company has contributed following amounts to:

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Employer's contribution to provident fund	2.60	-
Employer's contribution to employee's pension scheme	2.38	-

(B) Defined benefit plans

i. Gratuity

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate is 7.13 % p.a. which is determined by reference to market yield on government bonds at the Balance Sheet date.

The retirement age has been considered at 58 years and mortality table is as per IALM (2012-14). Expected average remaining working lives of employees are 28.73 years and weighted average duration are 19.77 years

The estimates of future salary increases, considered in actuarial valuation is 10% per annum for first three years and 6% per annum thereafter, taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(C) Risk exposures:

These plans typically expose the Company to the following actuarial risks:

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Interest rate risk: A fall in the discount rate, which is linked, to the government bond rate will increase the present value of the liability requiring higher provision.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Present value of obligation at the beginning of the year	-	-
Current service cost	1.45	-
Interest cost	-	-
Actuarial loss	-	-
Benefits paid	-	-
Present value of obligation at the end of the year	1.45	-

The Company's best estimate of contribution during next year is ₹ 3.52 lakhs (31 March 2023: ₹ Nil).

Expense recognised in the Statement of Profit and Loss under employee benefits expense:

	(₹ in Lakhs)	
	For the year ended	
	31 March 2024	31 March 2023
Current service cost	1.45	-
Interest cost	-	-
Expense recognised in the Statement of Profit and Loss	1.45	-

Sensitivity analysis of the defined benefit obligation:

<i>Discount rate</i>		(₹ in Lakhs)			
		31 March 2024		31 March 2023	
Sensitivity level		0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan		(0.13)	0.14	-	-

<i>Future salary increase</i>		(₹ in Lakhs)			
		31 March 2024		31 March 2023	
Sensitivity level		0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit plan		0.14	(0.13)	-	-

Sensitivities due to mortality and withdrawals are not material. Hence, impact of change is not calculated above.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

The table below summarises the maturity profile of the defined benefit obligations:

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Within one year	0.06	-
Between one to three years	0.15	-
Between three to five years	0.19	-
Later than five years	1.90	-
	2.30	-

(D) Other long term employee benefits (compensated absences):

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Present value of obligation at the end of the year	1.86	-

Note 29. Fair value measurements

		(₹ in Lakhs)			
	Notes	Carrying Value as at		Fair Value as at	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial assets					
Amortised cost					
Trade receivables	(a)	214.32	-	214.32	-
Cash and cash equivalents	(a)	2,048.95	135.83	2,048.95	135.83
Other financial assets	(a)	26.50	28.00	26.50	28.00
Total financial assets		2,289.77	163.83	2,289.77	163.83
Financial liabilities					
Amortised cost					
Optionally convertible debentures	(b)	270.38	61.33	270.38	61.33
Other borrowings	(c)	3,000.00	-	3,000.00	-
Lease liabilities	(a)	2,079.32	2,057.50	-	-
Trade payables	(a)	772.98	149.83	772.98	149.83
Other financial liabilities	(a)	1,526.91	1,404.55	1,526.91	1,404.55
Total financial liabilities		7,649.59	3,673.21	5,570.27	1,615.71

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

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments. Further, the fair value disclosure of lease liabilities is not required.
- Fair valuation of non-current financial liabilities has been disclosed to be same as carrying value as there is no significant difference between carrying value and fair value.
- Long term borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

Note 30. Financial risk management

Risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (i));
- liquidity risk (see (ii)); and
- market risk (see (iii)).

i) *Credit risk*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments and other financial assets. The carrying amount of financial assets represents the maximum credit exposure The Company has cash and cash equivalents which are readily convertible in known amount of cash.

Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

With regards to all financial assets with contractual cash flows, other than trade receivables, management believes these to be high quality assets with negligible credit risk. The management believes that the parties, from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no allowance for excepted credit loss has been provided on these financial assets

ii) *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

(This space has been intentionally left blank)

Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the respective date, the amount are gross and credit covered, and include contractual indent payment and exclude the impact of netting adjustments.

(₹ in Lakhs)					
31 March 2024	Contractual cash flows (1)				
	Carrying amount	Total	Within 1 year	Between 1 and 2 year	More than 2 year
Non-derivative financial liabilities					
Borrowings	3,270.38	3,270.38	-	750.00	2,520.38
Trade payables	772.98	772.98	772.98	-	-
Lease liabilities	2,079.32	4,982.32	154.90	161.62	4,665.80
Other financial liabilities	1,526.91	1,526.91	1,526.91	-	-

(₹ in Lakhs)					
31 March 2023	Contractual cash flows (1)				
	Carrying amount	Total	Within 1 year	Between 1 and 2 year	More than 2 year
Non-derivative financial liabilities					
Borrowings	61.33	61.33	-	-	61.33
Trade payables	149.83	149.83	149.83	-	-
Lease liabilities	2,057.50	5,129.25	146.93	154.90	4,827.42
Other financial liabilities	1,404.55	1,404.55	1,404.55	-	-

(1) Contractual cash flows exclude interest payable

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD.

The Company follows a natural hedge driven currency risk mitigation policy, to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are planned, including but not limited to, entering into forward contracts and interest rate swaps.

Exposure to currency risk

The summary quantitative data about the Company's exposure (unhedged) to currency risk as reported to the management of the Company is as follows:

(₹ in Lakhs)		
	As at 31 March 2024	As at 31 March 2023
	USD	USD
Trade receivables	210.18	-
Trade payables	(318.37)	-
Net exposure	(108.19)	-

Sensitivity analysis

A reasonably possible strengthening/weakening of the USD against all other currencies at year end would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates,

remain constant and ignores any impact on forecast sales and purchases.

	(₹ in Lakhs)	
	Profit before tax	
	Strengthening	Weakening
31 March 2024		
USD (5% movement)	(5.41)	5.41
31 March 2023		
USD (5% movement)	-	-

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 is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in INR with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments, as reported to the management of the Company is as follows:

	(₹ in Lakhs)	
	As at 31 March 2024	As at 31 March 2023
Fixed-rate borrowings	-	-
Floating rate borrowings	3,000.00	-
	<u>3,000.00</u>	<u>-</u>

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 25 basis points higher or lower and all other variables were held constant, the Company's profit before tax for the year ended 31 March 2024 would decrease or increase by ₹ 7.50 lakhs. This is mainly attributable to the Company's exposure to interest rates on its floating rate borrowings.

Note 31. Capital management

(a) Risk management

The Company objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

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‘Net debt’ (total borrowings net of cash and cash equivalents) divided by ‘Total equity’ (as presented in the Balance Sheet).

The gearing ratios were as follows:

	(₹ in Lakhs)	
	As at	
	31 March 2024	31 March 2023
Net debt	1,221.43	(74.50)
Total equity	14,915.10	2,928.53
Gearing ratio	0.08	(0.03)

Note 32. Segment information

The Chief Operating Decision Maker (CODM) examines the Company’s performance from operational prospective and has identified the speciality chemical business as single segment. The Company is operating in India which constitutes a single geographical segment. The CODM reviews external management reports to assess the performance of the segment ‘Speciality Chemicals’.

During the year ended 31 March 2024 one customer contributed 97.50 % to the Company’s revenue.

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Notes to the financial statements for the year ended 31 March 2024

Note 33. Related Party Disclosures

1. Related parties where control exists or with whom transactions have taken place:

a) Holding Company:

Jubilant Ingrevia Limited

b) Key management personnel (KMP)

Mr. Chandan Singh Sengar (w.e.f. 30 June 2022), Mr. Subra Jyoti Roy (w.e.f. 28 July 2023), Mr. Ramamurthi Kumar (upto 31 October 2023), Mr. Anil Khubchandani (upto 19 May 2023), Mr. Arvind Chokhany

c) Fellow subsidiary

Jubilant Infrastructure Limited

d) Transactions with related parties for the year ended 31 March 2024:

(₹ in Lakhs)

Sr.No	Particulars	Holding Company	Fellow subsidiaries	Total
Description of Transactions:				
1	Purchase of property, plant and equipment			
	Jubilant Ingrevia Limited	3.54		3.54
		3.54	-	3.54
2	Purchase of goods and services:			
	Jubilant Ingrevia Limited	144.66		144.66
	Jubilant Infrastructure Limited		128.89	128.89
		144.66	128.89	273.55
2	Reimbursement of expenses			
	Jubilant Ingrevia Limited	390.05		390.05
		390.05	-	390.05
3	Rental expenses:			
	Jubilant Ingrevia Limited	0.12		0.12
		0.12	-	0.12
4	Lease rentals #:			
	Jubilant Infrastructure Limited		146.93	146.93
		-	146.93	146.93
5	Interest expenses on optionally convertible debentures			
	Jubilant Ingrevia Limited	49.94		49.94
		49.94	-	49.94
6	Issue of equity share capital:			
	Jubilant Ingrevia Limited	650.00		650.00
		650.00	-	650.00
7	Issue of optionally convertible debentures:			
	Jubilant Ingrevia Limited	11,850.00		11,850.00
		11,850.00	-	11,850.00

e) Outstanding balances with related parties as at 31 March 2024:

(₹ in Lakhs)

Sr.No	Particulars	Holding Company	Fellow subsidiaries	Total
8	Capital Creditors:			
	Jubilant Ingrevia Limited	351.05		351.05
	Jubilant Infrastructure Limited		28.83	28.83
		351.05	28.83	379.88
9	Trade payables:			
	Jubilant Ingrevia Limited	194.35		194.35
	Jubilant Infrastructure Limited		234.33	234.33
		194.35	234.33	428.68
10	Other receivables:			
	Jubilant Ingrevia Limited	25.50		25.50
		25.50	-	25.50
11	Optionally convertible debentures:			
	Jubilant Ingrevia Limited	15,000.00		15,000.00
		15,000.00	-	15,000.00

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Notes to the financial statements for the year ended 31 March 2024

f) Transactions with related parties for the year ended 31 March 2023:

(₹ in Lakhs)				
Sr.No	Particulars	Holding Company	Fellow subsidiaries	Total
1	Sale of property, plant and equipment Jubilant Ingrevia Limited	22.11		22.11
		22.11	-	22.11
2	Purchase of goods and services: Jubilant Ingrevia Limited Jubilant Infrastructure Limited	2.52		2.52
			3.15	3.15
		2.52	3.15	5.67
3	Rental expenses: Jubilant Ingrevia Limited	0.12		0.12
		0.12	-	0.12
4	Lease rentals #: Jubilant Infrastructure Limited		146.93	146.93
		-	146.93	146.93
5	Interest expenses on optionally convertible debentures Jubilant Ingrevia Limited	5.12		5.12
		5.12	-	5.12
6	Issue of equity share capital: Jubilant Ingrevia Limited	100.00		100.00
		100.00	-	100.00
7	Issue of optionally convertible debentures: Jubilant Ingrevia Limited	2,950.00		2,950.00
		2,950.00	-	2,950.00

g) Outstanding balances with related parties as at 31 March 2023:

(₹ in Lakhs)				
Sr.No	Particulars	Holding Company	Fellow subsidiaries	Total
8	Trade payables: Jubilant Ingrevia Limited Jubilant Infrastructure Limited	4.73		4.73
			135.39	135.39
		4.73	135.39	140.12
9	Other receivables: Jubilant Ingrevia Limited	28.00		28.00
		28.00	-	28.00
10	Optionally convertible debentures: Jubilant Ingrevia Limited	3,150.00		3,150.00
		3,150.00	-	3,150.00

This represents contractual lease expense as per lease agreement.

Note 34. Contingent liabilities to the extent not provided for:

(i) Claims against the Company, disputed by the Company, not acknowledged as debt:

(₹ in Lakhs)		
	As at	
	31 March 2024	31 March 2023
Customs	14.90	14.90

The Customs related matter primarily relates to demand of export duty on steel items purchased.

Future cash outflows in respect of the aforementioned matter is determinable only on receipt of judgement/decision pending at Gujarat High Court.

The Company believes that aforementioned matter does not have any material impact on its financial statement.

Note 35. Commitments as at year end

a) Capital commitments:

Estimated amount of contracts remaining to be executed on capital account (net of advances) is ₹ 1,032.83 lakhs (31 March 2022: ₹ 7,558.81 lakhs) for property, plant and equipment.

Note 36. Leases

(a) The details of the right-of-use assets held by the Company is as follows:

	Depreciation charge		Net carrying amount	
	For the year ended	For the period from	As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Land	81.05	81.05	1,820.12	1,901.17
Total	81.05	81.05	1,820.12	1,901.17

Additions to the right-of-use assets during the period ended 31 March 2024 were ₹ Nil (31 March 2023: ₹ Nil).

(b) Amount recognised in Statement of Profit and Loss:

	For the year ended	For the year ended
	31 March 2024	31 March 2023
Interest on lease liabilities	168.75	166.99
Rental expense relating to short-term leases	0.12	0.12
	168.87	167.11

(c) Amount recognised in Statement of Cash flows: ₹ 168.75 lakhs (31 March 2023: ₹ 166.99 lakhs)

The incremental borrowing rate applied to discount lease liabilities is 6.75%.

Note 37.(i) The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (intermediaries) with the understanding that the intermediary shall:

- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a 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.

(ii) The Company has not received any fund from any person or any entity, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the funding party (ultimate beneficiaries); or
- (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Note 38. The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

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Notes to the financial statements for the year ended 31 March 2024

Note 39. Financial ratios*:

Sr. No.	Ratios	Unit	Numerator	Denominator	31 March 2024	31 March 2023	% Variance	Reason for variance
(a)	Current ratio	In times	Current assets	Current liabilities	1.05	0.11	831.07%	Increase is primarily on account of increase in current assets due to increase in cash balance due to receipt of loan at year end.
(b)	Debt equity ratio {Net debts: Non-current borrowings (including current maturities and gross of transaction costs) + current borrowings - cash and cash equivalents - other bank balances}	In times	Net debts	Total equity	0.06	-	-	Not applicable
(c)	Debt service coverage ratio {Earning for debt service: Loss after tax + depreciation and amortisation expense + finance costs} {Debt service: Finance costs + scheduled principal repayments (excluding prepayments) during the period for non-current borrowings}	In times	Earning for debt service	Debt service	0.37	(0.05)	825.49%	Increase is primarily on account of increase in earning for the current year for debt service.
(d)	Return on equity ratio {Equity: Total assets - total liabilities, Average equity: Average of opening and closing equity}	In %	Loss for the period	Average total equity	(3.02)%	(9.01)%	66.47%	Increase is primarily on account of increase of total equity for the current year.
(e)	Inventory turnover ratio {Average inventory: Average of opening and closing inventories}	In times	Cost of goods sold	Inventory	0.08	-	-	Not applicable
(f)	Trade receivables turnover ratio {Average trade receivable: Average of opening and closing trade receivables}	In times	Revenue from operations	Trade receivable	1.38	-	-	Not applicable
(g)	Trade payables turnover ratio {Net purchases: Gross purchases - purchase return + other expenses net of non cash expenses}	In times	Net purchases	Trade payables	0.82	0.38	116.21%	Increase is primarily on account of increase of purchases, due to increase in business.
(h)	Net capital turnover ratio {Working capital = Current assets-current liabilities}	In times	Revenue from operations	Working capital	2.46	-	-	Not applicable
(i)	Net profit ratio	In %	Loss for the period	Revenue from operations	(91.26)%	-	-	Not applicable
(j)	Return on capital employed {Earnings before tax and interest cost (EBIT): Loss before tax + finance costs} {Capital employed: Total equity - deferred tax assets}	In %	Earnings before tax and interest cost	Capital employed	(0.65)%	(5.09)%	87.16%	Increase is primarily on account of increase of total equity for the current year due to increase in business.

*Financial ratios have been prepared (to the extent applicable) basis the Guidance note on Division II - Ind AS Schedule III to the Act, issued by The Institute of Chartered Accountant of India.

Note 40. Earnings per share

		For the year ended 31 March 2024	For the year ended 31 March 2023
Loss for basic and diluted earnings per share of ₹ 10 each	₹ in Lakhs	(269.39)	(263.72)
Weighted average number of equity shares used in computing earnings per share			
Shares for basic earnings per share #	Nos.	6,830,005	2,248,320
Shares for diluted earnings per share *#	Nos.	6,830,005	2,248,320
Earnings per equity share (face value of ₹10 each) (not annualised)			
Basic	₹	(3.94)	(11.73)
Diluted	₹	(3.94)	(11.73)

* Optionally convertible debentures are potential equity instruments but currently have not been considered for calculation of diluted earnings per share as these are anti-dilutive in nature.

During the year, the Company has issued additional shares to Jubilant Ingrevia Limited ('the Holding Company') basis right issue. As prescribed under Ind AS 33, 'Earnings per share' the Company has presented basic and diluted earnings per share after considering right issue for the current as well as previous year.

Note 41. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses accounting software for maintaining its books of account for all accounting and payroll records. During the year ended 31 March 2024, the Company had not enabled the feature of recording audit trail (edit log) at the database level the said accounting software for the period 1 April 2023 till 30 November 2023 to log any direct data changes. While for the period from 01 April 2023 to 30 November 2023, the audit trail was managed by a third party service provider but the record for this period were not preserved by the Company.

Note 42. Previous year figures have been regrouped/ reclassified to conform to the current year's classification. The impact of such reclassification/regrouping is not material to the financial statements.

Note 43. Other statutory information

- i.) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- ii.) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- iii.) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- iv.) The Company is not declared willful defaulter by and bank or financials institution or lender during the year.

Jubilant Agro Sciences Limited (formerly known as known as Jubilant Crop Protection Limited)
Notes to the financial statements for the year ended 31 March 2024

- v.) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- vi.) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies act, 2013 read with the companies (restriction on number of layers) rule, 2017.
- vii.) Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the unaudited books of accounts and no material discrepancy was noticed with the reviewed/ audited books of account.
- viii.) No loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment.

The accompanying notes, including material accounting policies and other explanatory information form an integral part of the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of

Jubilant Agro Sciences Limited (formerly known as Jubilant Crop Protection Limited)

Madhu Sudan Malpani

Partner

Membership No.: 517440

Chandan Singh Sengar

Director

DIN: 09657339

Subhra Jyoti Roy

Director

DIN: 10211292

Place: Gurugram

Date: 8 May 2024

Place: Noida

Date: 8 May 2024