

SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

CIN: U74999TN2016PTC112925

**Annual Report
FY 2023-24**

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To,
The Members,
Statutory Auditors
Board of Directors of
SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

NOTICE is hereby given that the Eighth Annual General Meeting (“**AGM**”) of Samunnati Agro Solutions Private Limited (the “**Company**”) will be held on Monday, September 30, 2024 at 12 P.M. IST through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”) in compliance with the applicable provisions of the Companies Act, 2013 and Rules made thereunder read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 09/2023 dated September 25, 2023 and other applicable circulars issued by the Ministry of Corporate Affairs (“**MCA**”) (hereinafter collectively referred to as “**Circulars**”), to transact the businesses set out below. Members participating through the VC / OAVM facility shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 and the articles of association of the Company (“**Articles of Association**”).

The proceedings of the AGM will be recorded at the registered office of the Company situated at Baid Hi Tech Park, 8th Floor, No 129 B, East Coast Road, Thiruvanmiyur, Chennai - 600 041.

In compliance with the Circulars issued by the MCA, the Notice of the AGM and the Audited Financial Statements for the Financial Year 2023-24, along with the Reports of the Board of Directors and Auditors thereon and other documents required to be attached thereon is being circulated to the Members of the Company through electronic mode.

ORDINARY BUSINESSES:

ITEM NO. 1 - TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 ALONG WITH THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

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

“**RESOLVED THAT** the Audited Financial Statements of the Company along with the Reports of the Board of Directors and Auditors thereon for the Financial Year ended March 31, 2024, as circulated to the Members and laid before the Meeting, be and are hereby approved and adopted.”

ITEM NO. 2 - TO CONSIDER AND APPROVE APPOINTMENT OF M/S V. NARAYANAN & CO AS THE STATUTORY AUDITORS OF THE COMPANY

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, Section 141 and Section 142 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, and as recommended by the Board of Directors, the approval of the Members of the Company be and is hereby accorded for the appointment of M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 0023985), as the Statutory Auditors of the Company for a period of 5 (Five) consecutive years to hold office from the conclusion of the 8th Annual General Meeting till the conclusion of 13th Annual General Meeting (i.e. for FY 2024-25 to FY 2028-29).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to negotiate and fix the remuneration of Statutory Auditors for the Financial Years 2024-25 to 2028-29.

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

SPECIAL BUSINESS:

ITEM NO. 3 - TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. ANUJ NARANG, AS A WHOLE-TIME DIRECTOR OF THE COMPANY

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 203 and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) read with Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Anuj Narang (DIN: 02252345) as a Whole-time Director of the Company for a period of one year with effect from November 11, 2024 on such remuneration as may be fixed by the Board of Directors of the Company or the Nomination & Remuneration Committee of the Holding Company, Samunnati Financial Intermediation & Services Private Limited, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company or the Nomination & Remuneration Committee of the Holding Company, Samunnati Financial Intermediation & Services Private Limited, be and is hereby authorized to approve the terms and conditions of appointment including remuneration and to alter such terms and conditions from time to time as it may deem appropriate and in compliance with the applicable provisions of the Companies Act, 2013 and other applicable laws and to settle any

question or clarifications that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By Order of the Board of Directors

S/d-
Anil Kumar S G
Director
DIN:01189011

Place: Chennai
Date: September 06, 2024

NOTES:

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

ANNEXURE TO THE NOTICE

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

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

ITEM NO. 2 - TO CONSIDER AND APPROVE APPOINTMENT OF M/S V. NARAYANAN & CO AS THE STATUTORY AUDITORS OF THE COMPANY

The Members may note that M/s PKF Sridhar & Santhanam LLP, Chartered Accountants (Reg No. 0039905 / S200018) were appointed as the Statutory Auditors of the Company for a period of 3 (Three) consecutive years from the conclusion of the 5th Annual General Meeting (“AGM”) till the conclusion of the 8th AGM of the Company (i.e. for FY 2021-22 to FY 2023-24). Accordingly, M/s PKF Sridhar & Santhanam LLP’s term as Statutory Auditors of the Company is until this Annual General Meeting. In accordance with the guidelines of the Reserve Bank of India dated April 27, 2021 which is applicable to Samunnati Financial Intermediation & Services Private Limited, the Holding Company, M/s. PKF Sridhar & Santhanam LLP, who have been the statutory auditors of the Holding Company for 3 years, are not eligible for re-appointment as statutory auditors of the Holding Company. In view of this, M/s. PKF Sridhar & Santhanam LLP have expressed their unwillingness to also not be considered for re-appointment as statutory auditors of the Company.

Further to this, the Board of Directors had at its Meeting held on September 06, 2024, after considering some key parameters including the firm’s vintage, reputation, profile of partners, audit experience, clientele served, technical knowledge etc., recommended the appointment of M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 0023985) as Statutory Auditors of the Company for a term of 5 (Five) consecutive years to hold office from the conclusion of the 8th Annual General Meeting till the conclusion of 13th Annual General Meeting (i.e. for FY 2024-25 to FY 2028-29).

The Company has received consent and eligibility letter from M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 0023985) to act as Statutory Auditors of the Company along with confirmation that, if appointed, their appointment, would be within the prescribed limits under the Companies Act, 2013.

The Board recommends passing of the resolution at Item no. 2 of the notice as an ordinary resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item no. 2, except to the extent of their shareholding.

ITEM NO. 3 - TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF MR. ANUJ NARANG AS WHOLE-TIME DIRECTOR OF THE COMPANY

Mr. Anuj Narang was re-appointed as a Whole-time Director of the Company by the Board of Directors at the Meeting held on August 08, 2023 w.e.f. November 11, 2023 for a period of 1 year and the same was subsequently approved by the Members of the Company at the Annual General Meeting held on September 18, 2023. Accordingly, Mr. Anuj Narang’s tenure as Whole-time Director of the Company expires on November 10, 2024.

Considering the expertise and performance of Mr. Anuj Narang, the Board of Directors at the Meeting held on August 02, 2024 re-appointed him as the Whole-time Director of the Company for a period of 1 (one) year, with effect from November 11, 2024, subject to approval of shareholders of the Company.

As per the provisions of Section 196, 203 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force), the re-appointment of Mr. Anuj Narang (DIN: 01686940) as the Whole-time Director of the Company is being placed before the Members for their approval.

The Board recommends passing of the resolution at Item No. 3 of the Notice as a Special Resolution.

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

Except Mr. Anuj Narang, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution as set out in Item No. 3.

B. DISCLOSURE UNDER SECRETARIAL STANDARDS 2 ON GENERAL MEETINGS

Name of the Director	Mr. Anuj Narang
DIN	01686940
Date of Birth	08/09/1971
Age	53 years
Qualification(s)	Commerce graduate and Post Graduate degree in Management
Date of Appointment (Initial Appointment)	November 16, 2021
Nature of his expertise in specific functional areas	Has more than 26 years' experience in P&L management, Business Development, Sales & Marketing, Budgeting and Strategic Planning in the Commodity and Consumer space. He was focused on consulting with leading FMCG Companies and offering risk management services for Supply Chain & Procurement. In the past, he has been associated with Engelhart Commodities Singapore, Czarnikow Group and ITC Foods.
Number of Board Meeting attended	Five
Inter-se relationship with any other directors and KMPs of the Company	None
Directorships in other Companies	Clean Climate Technologies Private Limited Samunnati Investment Management Services Private Limited Samunnati Agri Innovations Lab Private Limited (<i>Formerly known as Kamatan Farm Tech Private Limited</i>)
Number of shares held in the Company	Nil

By Order of the Board of Directors

S/d-
Anil Kumar S G
Director
DIN:01189011

Place: Chennai

Date: September 06, 2024

**DIRECTORS' REPORT
FOR THE FINANCIAL YEAR 2023-24**

DIRECTORS REPORT

Dear Members,

Your Directors are pleased to present the Eighth Annual Report together with the Audited Financial Statements of Samunnati Agro Solutions Private Limited (“the Company” or “Samunnati Agro”) for the year ended March 31, 2024.

A. FINANCIAL PERFORMANCE

The summarised Standalone results of your Company are given in the table below:

(INR MN)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023*
Revenue from Operations (A)	21,986.33	16,940.51
Other Income (B)	344.04	169.96
Total Income - (A+B)	22,330.37	17,110.47
<u>Expenditure</u>		
Total Expenses (including Interest & Depreciation)	22,492.36	17,562.05
Profit / (Loss) before Tax	(161.99)	(451.58)
Less: Tax expenses:		
1. Current tax	-	-
2. Deferred tax	38.51	(109.08)
Profit / (Loss) after Tax	(200.50)	(342.50)
Other Comprehensive Income	2.19	0.06
Total Comprehensive Income/ (Loss) for the year	(202.69)	(342.44)

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

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Rules, 2014, the Company is not required to prepare consolidated accounts as Samunnati Financial Intermediation & Services Private Limited, the Holding Company, consolidates the financial statements of all the subsidiaries including Samunnati Investment Management Services Private Limited, the wholly owned subsidiary of the Company.

B. SUMMARY OF OPERATIONS

The Revenue from Operations of the Company increased to INR 21,986.33 MN during FY 2024 from INR 16,940.51 MN during FY 2023. Loss before tax stood at INR 161.99 MN during FY 2024 as against INR 451.58 MN during FY 2023. The total Comprehensive Loss stood at INR 202.69 MN for FY 2024, as compared to INR 342.44 MN for FY 2023.

The aggregate of Receivables and Inventory as on March 31, 2024 stood at INR 4,764.80 MN compared to INR 3,903.25 MN as on March 31, 2023, comprising both receivables and inventory. The Book size had increased by INR 659.39 MN during the year, to INR 5,996.36 MN as of March 31, 2024, compared to INR 5,336.97 MN as of March 31, 2023.

C. COMPANY OVERVIEW AND OPERATIONS

The Company was incorporated on October 14, 2016, under the Companies Act, 2013.

Samunnati Agro uses a two-pronged approach wherein:

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

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

Bill To Ship To, Structured Trade Facility, Modern retailers Trade, and Market Linkage are the key products of the Company.

Industry Structure and Key Trends

Agriculture and allied sectors significantly contribute to India’s overall growth and development as it engages more than 50% of the workforce and contributes about 21% to the country’s Gross Value Added (GVA). The rapid population expansion in India is the main factor driving the industry. The rising income levels in rural and urban areas, have also contributed to an increase in the demand for agricultural products across the country. The total allocation to Ministry of Agriculture and Farmers Welfare in Budget 2024 stands at around INR 1.27 Crores against last year’s Budget of approximately INR 1.15 lakh Crores, which represents a hike of around 10 per cent. This highlights the government’s commitment to promoting the growth and development of the agriculture sector.

The Russia-Ukraine conflict, ongoing since February 2022, has continued to impact global prices for food, fuel, and fertilizers, driving inflation and prompting monetary policy tightening worldwide. Developing countries, particularly in South Asia, have faced economic challenges due to weaker currencies, higher import prices, rising living costs, and a stronger dollar, making debt servicing more expensive.

In FY 2024, these pressures persisted. The Reserve Bank of India (RBI) raised the repo rate by 250 basis points since May 2022 to curb inflation, with rates peaking in the first half of the fiscal year 2024. This led to higher borrowing costs and liquidity constraints. Businesses and consumers faced increased interest expenses, reducing disposable income and investment capacity, thereby slowing economic growth.

Higher borrowing costs meant businesses struggled to finance operations and expansion, while consumers faced more expensive loans, reducing spending power. Liquidity constraints, exacerbated by tighter monetary policies, limit access to credit, further straining economic activity. These factors collectively hinder economic recovery, maintaining pressure on prices and affecting overall financial stability. In view of this, Samunnati also experienced increased cost of borrowing/ impact on the fund raise plans and liquidity constraints for business expansion.

Opportunities and Threats

As performance of the agriculture sector remains critical to growth and employment in the country, the Government has been supporting the sector through various interventions like providing income support, strengthening of institutional finance and insurance and the push given to access for credit. The Government has also been focusing on providing thrust towards allied sector so as to diversify the farmers' income to make them more resilient to weather shocks.

In FY 2024, the Indian government increased the agricultural credit target to INR 22-25 lakh Crore, focusing on sectors such as animal husbandry, dairy and fisheries. This increase is aimed at providing greater financial support to these industries, promoting growth and sustainability. The budget also continues support for initiatives like the PM Kisan Samman Nidhi, allocating Rs 60,000 crore to provide direct financial assistance to over 11.8 crore small and marginal farmers. The Pradhan Mantri Fasal Bima Yojana (PMFBY) received allocations to ensure crop insurance for four crore farmers, protecting them against adverse weather and other risks.

Additionally, the government emphasizes a cluster-based approach to encourage collaboration among farmers, state and industry. This approach aims to improve the supply of inputs, extension services and market connections, fostering sustainable agricultural growth. To support young professionals and agricultural startups, the Agriculture Accelerator Fund continues to receive backing, focusing on innovative solutions to increase productivity and profitability in farming through modern technology.

Furthermore, the budget aims to address post-harvest losses with public-private partnerships to enhance infrastructure and storage facilities, which are crucial for improving food security and driving economic growth. The key to transforming India into an agricultural powerhouse is the development of agricultural technology as India lags behind developed nations in agricultural technology. More than half of the farming community lack basic farming equipment, three of every four farms are at risk of crop damage from pests and weather and 50 percent of India's farmers lack access to traditional financing sources. This presented a good business opportunity for Samunnati in the farm equipment space especially those related to farm mechanization viz., sprayers, dryers, weed harvesters, bailers and farm implements etc. These equipment are more sought after by farmers and the farmer collectives and would enable Samunnati to become a formidable player in the farm equipment distribution space. There are many start-ups that are innovative and technology-driven but do not have a conventional distributor/dealer network to reach the products to the consumers at large and may not have the reach in connecting with the farmers at large through a single source. Considering Samunnati's strong presence in the FPO ecosystem, Samunnati can be a distributor for these products as Samunnati has the reach in the FPO Space with about 5500+ FPOs in its fold. In view of this, Samunnati has recently ventured into trading of farm implements, equipment, agricultural processing machines, accessories and tools.

The advent of digital technologies and the evolution of multiple Agtechs have put the farmer right at the heart of the entire ecosystem where historically, the market was centred around mandis, and farmer was just one of the stakeholders. There are various solutions which are now being made more farmer-centric in each part of the agri value chain that is digitizing, be it finance, inputs, outputs, market linkage or advisory. All these initiatives like increasing the availability of credit, facilitation of better-quality inputs through a clean plant program, investments in digital infrastructure and skill development will all help in increasing farm-level productivity. The increased focus on driving millet cultivation, consumption and exports, higher investment in fisheries and promotion of natural farming are all helpful from a crop diversification, sustainability, and nutrition standpoint.

Samunnati's approach to success in this competitive environment is to offer more touchpoints and broader portfolio of products and services across the value chain. In line therewith, Samunnati has created a digital marketplace which is a one-stop solution for inputs, outputs, market linkage and advisory and would satisfy the requirements of all stakeholders in the agri value chain.

Business Performance Overview

Samunnati, a supply chain solutions group, has consistently facilitated higher equilibrium within various agriculture and food value chains. By offering customized solutions such as aggregation and market linkage, technological interventions, advisory services, and capacity building, Samunnati has enabled significant growth for its clients. Samunnati has successfully partnered with over 3,500 Agri Enterprises and 6,500 Farmer Collectives, catering to the needs of these two principal client segments. The solutions from SamAgro have largely been deployed to Agri Enterprises, a primary customer segment of Samunnati.

Gross Transaction Value and EBITDA

During FY'2024, the total gross transaction value (GTV) of the Company was INR 21,995 MN, marking a 30% increase from FY 2023. EBITDA for FY'2024 stood at INR 327.87 MN, a significant improvement from a negative EBITDA of INR 11.21 MN for FY 2023. The significant growth in EBITDA is primarily due to the increase in transaction volumes by 30%.

Future Potential

Samunnati's mission for the near future is to facilitate trade supply chain solutions for one in every four farming households, enabling the agri and food supply chain through innovative, technology-driven ideas at scale. To achieve this ambitious mission, Samunnati has devised detailed action plans for each customer segment.

The Company aims to grow the gross transaction value from INR 21,995 MN in FY 2024 to INR 1,00,015 MN by FY 2027, representing a 66% CAGR.

Healthy Fund Raise

During FY 2024, the Company raised INR 2,905 MN in debt, primarily through term loans from financial institutions. The Company's Net Worth also improved from INR 967.73 MN as of March 31, 2023 to INR 1,064.99 MN as of March 31, 2024. During May 2024, the Holding Company has infused further equity of ~ INR 800 MN which has further improved the Net Worth of the Company thereby enabling the Company to access further debt.

Summary

Samunnati's strategic initiatives and solutions have enabled significant growth and efficiency improvements in the agriculture and food value chains. The Company's performance in FY 2024 has also seen a marked improvement in terms of significant growth in gross transaction value and EBITDA. Looking ahead, Samunnati's ambitious plans to significantly increase its gross transaction value reflect its commitment to scaling its impact through innovative and technology-driven solutions.

D. COMPOSITE SCHEME OF ARRANGEMENT

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

- (a) the slump sale (i.e., transfer and vesting) of the NBFC business of Samunnati Financial Intermediation & Services Private Limited as a going concern to Samunnati Finance Private Limited; and
- (b) post giving effect to (a) above, the amalgamation of the Company into Samunnati Financial Intermediation & Services Private Limited.

The Company had obtained the approval of all stakeholders for the Scheme and had, along with Samunnati Financial Intermediation & Services Private Limited and Samunnati Finance Private Limited, filed a joint petition before the National Company Law Tribunal, Chennai (“NCLT”) for approval for the Scheme.

The NCLT heard the matter and took on record the NOCs submitted by the regulators and in view of the absence of any material objections from any statutory authorities and as all the requisite statutory compliances had been fulfilled, the NCLT sanctioned the Scheme and pronounced the order sanctioning the Scheme on December 23, 2022.

The Effective Date of the Scheme is the date of receipt of the NBFC license by Samunnati Finance Private Limited or filing the copy of the NCLT order with the Registrar of Companies, whichever is later.

Samunnati Finance Private Limited had submitted an application with the Reserve Bank of India (RBI) during December 2021 seeking the grant of Certificate of Registration (CoR) for undertaking the business of NBFC, in line with the Scheme of Arrangement. However, after seeking additional information and documents, RBI had returned the application during August 2022 stating that entities incorporated in the Cayman Islands, an FATF grey-list jurisdiction, indirectly held more than 20% in Samunnati Finance Private Limited.

Subsequently, Cayman Islands has been removed from the list of Jurisdictions under Increased Monitoring (‘FATF grey-list’) at the plenary held during October 2023 and RBI had also issued a press release dated November 1, 2023, confirming the same.

Further to this, Samunnati Finance Private Limited has filed an application with the Reserve Bank of India on December 01, 2023, seeking grant of Certificate of Registration (COR) for undertaking the business of a Non-Deposit accepting Non-Banking Financial Company (NBFC-ND) under Section 45-IA of the Reserve Bank of India Act, 1934. In this regard, the Reserve Bank of India has sent a communication explaining the modalities for surrender of the NBFC license by Samunnati Financial Intermediation & Services Private Limited and issuance of the new NBFC license in the name of Samunnati Finance Private Limited.

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

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

F. DIVIDEND

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

G. TRANSFER TO RESERVES

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

H. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the financial year 2023-24.

I. NON-ACCEPTANCE OF DEPOSITS

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

J. INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

K. CHANGES TO SHARE CAPITAL

The authorized share capital of the Company as on March 31, 2024, was INR 2,00,00,000/- (Indian Rupees Two Crores only) consisting of 20,00,000 (Twenty Lakhs) Equity Shares of face value of INR 10/- (Indian Rupees Ten only) each.

During the year under review, the Company has allotted by way of Rights Issue 13,060 (Thirteen Thousand and Sixty) Equity Shares of Face Value of INR 10/- (Indian Rupees Ten Only) each at an issue price of INR 22,967.73/- (Indian Rupees Twenty Two Thousand Nine Hundred Sixty Seven and Paise Seventy Three), each, at a premium of INR 22,957.73/- (Indian Rupees Twenty Two Thousand Nine Hundred Fifty Seven and Paise Seventy Three), each, ranking pari-passu with the existing Equity Shares, as per the details given below:

S. No.	Name of Allottee	Date of Allotment	Face Value (INR)	No. of Equity Shares	Amount (INR MN)
1.	Samunnati Financial Intermediation & Services Private Limited	January 02, 2024	10/-	13,060	299.96
Total				13,060	299.96

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

Particulars	Opening (April 01, 2023)	Closing (March 31, 2024)
Authorised Capital (INR)	2,00,00,000/-	2,00,00,000/-
Paid Up Capital (INR)	68,08,840/-	69,39,440/-

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

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

M. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any Equity Shares with differential rights during the financial year 2023-24.

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

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

O. EXTRACT OF THE ANNUAL RETURN

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

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

S. No.	Name of the Director	DIN/PAN	Category	Changes during the year, if any
1.	Dr. Venkatesh Tagat	02728441	Independent Director	Nil

2.	Mr. Anil Kumar S G	01189011	Director	Nil
3.	Mr. Pravesh Sharma	02252345	Director	Nil
4.	Mr. Anuj Vijaykumar Narang	01686940	Wholetime Director	Re-appointed as Whole-time Director w.e.f. November 11, 2023

The Members at the Annual General Meeting held on September 18, 2023, approved the re-appointment of Mr. Anuj Vijaykumar Narang (DIN: 01686940) as a Whole-time Director of the Company for a period of one year with effect from November 11, 2023. Accordingly, his tenure as Whole-time Director of the Company is until November 10, 2024. The Board of Directors at its Meeting held on August 02, 2024, approved the re-appointment of Mr. Anuj Vijaykumar Narang (DIN: 01686940) as a Whole-time Director of the Company for a period of one year with effect from November 11, 2024 subject to approval of the Shareholders of the Company. The Board recommends the re-appointment of Mr. Anuj Vijaykumar Narang as a Whole-time Director to the shareholders. The notice convening the Annual General Meeting, sets out the details.

Q. DETAILS OF MEETINGS OF THE BOARD

The Directors of the Company met 5 (Five) times during the financial year 2023-24. The details of Board Meetings held during the year and the attendance of Directors at the said Meetings are given below:

BOARD MEETINGS		
S. No.	Date of Meeting	No. of Directors who attended the Meeting
1.	May 26, 2023	4/4
2.	August 08, 2023	4/4
3.	October 23, 2023	3/4
4.	December 11, 2023	4/4
5.	January 19, 2024	4/4

R. DETAILS OF BOARD COMMITTEES

The Constitution of the Board Committees as of March 31, 2024 are as below:

Finance Committee

The composition of the Finance Committee is as follows:

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

Details of Finance Committee Meetings

The details of Finance Committee Meetings held during the Financial Year 2023-24 and the attendance at the said Meetings are given below:

S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	April 5, 2023	2/2
2.	April 13, 2023	2/2
3.	April 26, 2023	2/2
4.	May 24, 2023	2/2
5.	June 9, 2023	2/2
6.	June 28, 2023	2/2
7.	July 24, 2023	2/2
8.	August 17, 2023	2/2
9.	August 19, 2023	2/2
10.	September 27, 2023	2/2
11.	September 30, 2023	2/2
12.	October 25, 2023	2/2
13.	November 16, 2023	2/2
14.	December 8, 2023	2/2
15.	December 16, 2023	2/2
16.	December 18, 2023	2/2
17.	December 27, 2023	2/2
18.	December 30, 2023	2/2
19.	January 19, 2024	2/2
20.	January 23, 2024	2/2
21.	February 21, 2024	2/2
22.	February 28, 2024	2/2
23.	March 19, 2024	2/2
24.	March 22, 2024	2/2
25.	March 29, 2024	2/2

Investment Committee

The composition of the Investment Committee is as follows:

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

Details of Investment Committee Meetings

The details of Investment Committee Meetings held during the Financial Year 2023-24 and the attendance at the said Meetings are given below:

S. No.	Date of Meeting	No. of Members who attended the Meeting
1.	April 17, 2023	2/2
2.	May 17, 2023	2/2
3.	June 19, 2023	2/2
4.	July 18, 2023	2/2
5.	August 28, 2023	2/2
6.	September 28, 2023	2/2
7.	October 19, 2023	2/2
8.	November 20, 2023	2/2
9.	December 20, 2023	2/2
10.	January 19, 2024	2/2
11.	February 22, 2024	2/2
12.	March 19, 2024	2/2

S. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

T. REGULATORY COMPLIANCE

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

U. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AS OF MARCH 31, 2024

As of March 31, 2024, the Company had one wholly owned subsidiary as given below:

Samunnati Investment Management Services Private Limited, which intends to act as the Investment Manager to an Alternative Investment Fund (“AIF”) (Category 2 - Debt fund) with emphasis on Sustainability, Scalability, and Impact.

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

V. RELATED PARTY TRANSACTIONS

During the year under review, the Company has entered into transactions with the Holding Company, Samunnati Financial Intermediation & Services Private Limited, Samunnati Finance Private Limited, Samunnati Foundation and Samunnati Agri Innovations Lab Private Limited (formerly known as Kamatan Farm Tech Private Limited) which are the subsidiary companies of the Holding Company.

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

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

However, as a matter of transparent disclosure, the disclosure in Form AOC-2, under Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is provided in Annexure II.

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

No significant and material orders have been passed by the regulators, Courts or tribunals impacting the going concern status and future operations of the Company other than the order dated December 23, 2022 passed by the National Company Law Tribunal, Chennai, regarding the amalgamation of the Company with Samunnati Financial Intermediation & Services Private Limited.

X. DECLARATION FROM INDEPENDENT DIRECTORS

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

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

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

During the financial year 2023-24, your Company has not received any complaints pertaining to sexual harassment.

Z. STATUTORY AUDITORS, THEIR REPORT AND FINANCIAL STATEMENTS

The report of the Statutory Auditors along with the Financial Statement together with the Notes to the Financial Statement is enclosed to this report. The observations made in the Auditors' Report are self-explanatory, contain no qualification, reservations, adverse remarks and disclaimers and therefore do not call for any further comments.

The Members of the Company at the 5th Annual General Meeting held on August 30, 2021 had approved the appointment of M/s PKF Sridhar & Santhanam LLP, Chartered Accountants as Statutory Auditors from the conclusion of the 5th Annual General Meeting till the conclusion of the 8th Annual General Meeting of the Company (i.e. FY 2021-22 to FY 2023-24). Accordingly, M/s PKF Sridhar & Santhanam LLP's term as Statutory Auditors of the Company is until the ensuing Annual General Meeting. In accordance with the guidelines of the Reserve Bank of India dated April 27, 2021 which is applicable to Samunnati Financial Intermediation & Services Private Limited, the Holding Company, M/s. PKF Sridharan & Santhanam LLP, who have been the statutory auditors of the Holding Company for 3 years, are not eligible for re-appointment as statutory auditors of the Holding Company. In view of this, M/s. PKF Sridharan & Santhanam LLP have requested to also not be considered for re-appointment as statutory auditors of the Company.

Further to this, the Board of Directors had at their Meeting held on September 06, 2024, recommended to the shareholders for approval the appointment of M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 002398S) as Statutory Auditors of the Company for a term of 5 (Five) consecutive years to hold office from the conclusion of the 8th Annual General Meeting till the conclusion of 13th Annual General Meeting (i.e. for FY 2024-25 to FY 2028-29).

The Company has received consent and eligibility letter from M/s V. Narayanan & Co, Chartered Accountants (Firm Registration Number 002398S) to act as Statutory Auditors of the Company along with confirmation that, if appointed, their appointment, would be within the prescribed limits under the Companies Act, 2013.

The appointment of auditors is being placed before the Members at the ensuing Annual General Meeting for approval. The Notice convening the Annual General Meeting, sets out the details.

AA. DETAILS OF FRAUDS REPORTED BY THE STATUTORY AUDITORS

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

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

No penalty, fine or late fee has been levied on the Company during the Financial Year 2023-24.

CC. COST AUDITOR AND COST AUDIT REPORT

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

DD. SECRETARIAL AUDIT AND SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the Board of Directors had appointed M/s. Mohan Kumar & Associates, Practicing Company Secretaries (Membership No. FCS 4347 / Certificate of Practice No. 19145) to undertake the Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report in the prescribed Form MR-3 is annexed as **Annexure III**. There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor in his Report dated May 20, 2024.

EE. COMPLIANCE WITH THE SECRETARIAL STANDARDS

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

FF. INTERNAL AUDIT

In addition to the in-house Internal Audit department, the Company has in line with the requirement of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules 2014, appointed M/s. RGN Price & Co LLP, Chartered Accountants (Firm Reg. No. 0027855) as the Internal Auditors of the Company for FY 2023-24.

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

GG. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER

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

The Company has established a whistle blowing framework and separate email addresses are designated wherein the employees or the stakeholders can report the matters falling under the purview of Vigil Mechanism. There was no complaint received under this category during the Financial Year ended March 31, 2024.

HH. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 on Corporate Social Responsibility is applicable to the Company. Accordingly, the Company has formulated a Board approved policy for Corporate Social Responsibility. However, in view of losses incurred by the Company, the requirement for CSR spending as per Section 135(5) is not applicable for the Company for FY 2023-24. The Company however believes in doing business in a manner that is socially responsible to customers, environment friendly and the society in general.

II. HUMAN RESOURCES

The Company had 141 employees on payroll as on March 31, 2024. The management team of the Company comprises of passionate professionals committed to achieve the organizational goals.

Over the years, the Company has built a rigour around employee engagement conducting several programs on mental and social well-being apart from refurbishing the employee connect program. Also, Samunnati group has a Learning Management System (Skillsedge) to administer training programs online for its employees. Skillsedge is accessible on the go through mobile applications and apart from the inhouse training content, also provided access to external library of valuable materials. Further, Samunnati group was recertified by Great Place to Work.

JJ. TECHNOLOGY RELATED UPDATES

i. Technology Initiatives

During the year under review, key technology initiatives were driven towards more digitalization and automation of the Company's Transactions. This is in line with the organization's business aligned technology roadmap. Key focus areas include digitalization, customer engagement, data mining and transformation through digital marketplaces.

ii. Core Systems Update:

Project LEAP: NetSuite ERP Implementation

The NetSuite ERP phase 1 implementation was completed as per the plan and went live in October 2022. This has enabled digital flows for the various products of the Company like Bill-To-Ship-To, Market Linkages and Structure Trade Facility. Also, ERP will be the central system for managing and maintaining fixed assets, procurement and vendor management.

During FY 2023-24, the plan was to enable an end-to-end automation of BTST to reduce TAT and to improve customer satisfaction.

With the above key focus for the year under review, many enhancements were done as customizations over NetSuite to fit the Company's processes. Few key callouts include TreDs integration, automated calculation and collection penalty, end to end GST reconciliation and automation across all states, automated dunning process.

Also, enabling NetSuite ERP as the central system for the Samunnati Group of companies the following are the few highlights, LMS to ERP integration, HRMS to ERP integration, all Samunnati's group of companies finance and reimbursement management from a single system.

Custopedia (Contract Origination System - COS)

The COS system was implemented for Customer, Supplier and Contract on-boarding as fully integrated with ERP for seamless data flows.

Analytics and insights

- a) With the first version of unified data ecosystem place, this year's focus was to ensure seamless flow of data from the digital systems, optimizing the data ecosystem components.
- b) The business-as-usual dashboards are being upgraded and optimized.
- c) The platform continues to integrate, process and transforms both near-real time and batch data, serving as a single source of truth for business and customer metrics.
- d) With this data foundation use cases like Customer churn analysis, bad loan prediction has been kickstarted under the data intelligence category.
- e) The Insights Dashboard portal continues to house customized dashboards for the Farmer Collective and Agri Enterprises verticals serving the needs of business leaders, support teams and field force.
- f) Facilitated by the centralized data repository, a few LCNC applications were built and deployed for improving the productivity of the field force.

Samunnati's Marketplaces for Transformation (SMarT)

Learnings from FPOGateway paved the way for a holistic digital platform (FPONext.com) for the Farmers and Farmer collectives, a unified platform for their digital needs was launched on August 15, 2023. The platform is a self-service portal of the FPOs and Farmers.

The platform will help the FPOs to:

- a) Reduce the information asymmetry.
- b) Manage their operations digitally.
- c) Procure quality inputs and services digitally.
- d) Sell their produce online transparently across wide range of markets.
- e) Take their finished products to the consumers directly.
- f) Local micro entrepreneurs will be connected to the ecosystem to help the FPOs in their digital journey.

Key features of the FPONext platform includes:

- **Microsite:** This digital platform enables FPOs to create an online footprint, showcasing their identity and engaging with a broader external audience
- **Grading Tool:** Developed in-house, this assessment tool measures FPO efficiency across social, financial, and technological parameters.
- **Streamlined Communication Tools:** Facilitating seamless interaction within the FPO through tools like Bulk SMS and Robocalls, promoting efficient information sharing and collaboration among FPO members.
- **Survey Capabilities:** Simplifies the process of conducting surveys, enabling FPOs to gather valuable insights from stakeholders for informed decision-making and service improvement.
- **Digital Assistance:** Assist farmers in engaging with services by digitizing profiles, posting queries, filling surveys, and updating tasks.

Access to Marketplaces

Samunnati's Marketplaces brings all the Agri Ecosystem players - Agri entrepreneurs, Agtech startups, Traders, Value added service providers and Farmers & Collectives together on a single platform.

Input Marketplace: Connects the Input suppliers and Input service providers to the aggregated need of the Farmers and collectives. Simplifies the procurement process by streamlining order placement, negotiations and order management.

Output Marketplace: Facilitates the online sale of aggregated produce of the Farmer and Collectives, makes them visible across diverse markets. The aggregated output can be published as lots and SKUs that help to broaden the reach to the potential buyers.

KK. RISK MANAGEMENT

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

LL. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the Company as at March 31, 2024 and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Board of Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MM. DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
Conservation of Energy

S. No.	Particulars	
1	The steps taken or impact on conservation of energy	The Company is taking adequate steps to conserve the energy at all the levels and has also implemented various measures for reduction in consumption of energy like: <ol style="list-style-type: none"> Reduced usage of paper Energy efficient lighting in its offices Introduction of mobile based training application for employees Virtual meetings, reviews, planning and mobile based learning sessions
2	The steps taken by the Company for utilizing alternate sources of energy	Not Applicable
3	The capital investment on energy conservation equipment	During the year under review, no capital investment was made on energy conservation equipment.

Technology Absorption

The details of technology adoption during the period under review is as given below:

(i) the efforts made towards technology absorption;	The Company has added additional customizations over Oracle NetSuite and have launched FPONext and the digital marketplaces across Input and Output
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Technology adoption has helped in Process automation, reduction in TAT, reduction in cost and improvement in customer satisfaction. The deliverables under SMarT facilitates customer engagement.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NIL
(a) the details of technology imported;	NA
(b) the year of import;	NA
(c) whether the technology been fully absorbed;	NA

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv) the expenditure incurred on Research and Development	NA

Foreign exchange earnings and outgo:

Particulars	Inflow	Outflow
Current Year	INR 39.38 MN	INR 11.25 MN
Previous Year	INR 428.49 MN	INR 331.28 MN

NN. OTHER DISCLOSURES AND AFFIRMATIONS

Pursuant to the provisions of the Companies (Accounts) Rules, 2014, the Company affirms that for the year ended on March 31, 2024:

- a. There were no proceedings on the Company pending under the Insolvency and Bankruptcy Code, 2016, before the National Company Law Tribunal or any other court.
- b. There was no instance of one-time settlement with any bank or financial institution.

OO. ACKNOWLEDGEMENT

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

For SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

S/d-
Anuj Vijaykumar Narang
 Wholetime Director
 DIN: 01686940

S/d-
Anil Kumar S G
 Director
 DIN: 01189011

Place: Chennai
Date: September 06, 2024

**ANNEXURE - I
Form AOC-1**

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Samunnati Investment Management Services Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	The Subsidiary is an Indian Company
4.	Share capital	0.10
5.	Reserves & surplus	(1.32)
6.	Total assets	0.17
7.	Total Liabilities	0.17
8.	Investments	-
9.	Turnover	-
10.	Profit / (Loss) before taxation	(0.46)
11.	Provision for taxation	-
12.	Profit after taxation	(0.46)
13.	Proposed Dividend	-
14.	% of shareholding	100%

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

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

Part "B": Associates and Joint Ventures

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

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

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

For SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

S/d-
Anuj Vijaykumar Narang
Wholetime Director
DIN: 01686940

S/d-
Anil Kumar S G
Director
DIN: 01189011

Place: Chennai
Date: September 06, 2024

**Annexure II
Form No. AOC -2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third provision thereto.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/arrangements/transactions	Justification for entering into such contracts or arrangements or transactions	Date of Approval by the Board	Amount paid as advances , if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
NIL						

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/Arrangements/Transaction	Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR)	Date of Approval by the Board	Amount paid as advance , if any
Samunnati Financial Intermediation & Services Private Limited, Holding Company	Deputation of employees	12 months	Deputation of employees of the Holding Company, Samunnati Financial Intermediation & Services Private Limited aggregating to INR 20.79 MN during FY 2023-24	February 01, 2023	Nil
Samunnati Financial Intermediation & Services Private Limited, Holding Company	Shared Service Expenses	12 months	Sharing of expenses on certain support services with the Holding Company aggregating to INR 2.82 MN during FY 2023-24	February 01, 2023	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/Arrangements/Transaction	Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR)	Date of Approval by the Board	Amount paid as advance , if any
Samunnati Financial Intermediation & Services Private Limited, Holding Company	Corporate Guarantee Fee paid	In accordance with the tenure of the relevant borrowing	Fees paid for the Corporate Guarantee granted by the Holding Company in respect of the borrowings of the Company aggregating to INR 14.46 MN (excluding taxes) during FY 2023-24	February 01, 2023	Nil
Samunnati Agri Innovations Lab Private Limited, Fellow Subsidiary	Deputation Charges	12 months	Deputation of employees of Samunnati Agri Innovations Lab Private Limited aggregating to INR 1.65 MN during FY 2023-24	February 01, 2023	Nil
Samunnati Agri Innovations Lab Private Limited, Fellow Subsidiary	Interest expense on Compulsorily Convertible Debentures	5 years	Interest income on Compulsorily Convertible Debentures INR 3 MN during FY 2023-24 Compulsorily Convertible Debentures Outstanding INR 30.00 MN	N.A.	Nil
Samunnati Agri Innovations Lab Private Limited, Fellow Subsidiary	Consultancy Charges	12 months	Consultancy Charges paid during the year INR 4.25 MN	February 01, 2023	Nil
Samunnati Financial Intermediation & Services Private Limited, Holding Company	Inter Company loans taken from Holding Company	12 months	Loan taken during the year INR 7,211 MN Loan repaid during the year INR 7,155 MN Loan outstanding at the end of the year (including accrued	February 01, 2023	Nil

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the Contracts/Arrangements/Transaction	Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR)	Date of Approval by the Board	Amount paid as advance , if any
			interest) INR 256.49 MN Interest expenses during the year INR 56.59 MN		
Samunnati Finance Private Limited	Deputation Charges	12 months	Deputation of employees of Samunnati Finance Private Limited aggregating to INR 0.10 MN during FY 2023-24	February 01, 2023	Nil
Samunnati Foundation	Service Charges	12 months	Service Charges of Samunnati Foundation aggregating to INR 0.86 MN during FY 2023-24	February 01, 2023	Nil

For SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

S/d-
Anuj Vijaykumar Narang
Wholetime Director
DIN: 01686940

S/d-
Anil Kumar S G
Director
DIN: 01189011

Place: Chennai
Date: September 06, 2024



Annexure - III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Board of Directors,
SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED.
Baid Hi Tech Park, 8th Floor, No 129B, East Coast Road, Thiruvanmiyur,
Chennai - 600 041.

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED** (hereinafter called “the Company”) bearing Corporate Identification Number **U74999TN2016PTC112925**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner reported.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 (“Review period”) according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent applicable to the Company;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

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

I further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) All the decisions were carried through with the assent of the majority of the Board of Directors.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, rules, regulations and guidelines.

I further report that during the audit period, the following major transactions were identified:-

1. The Finance Committee of Board of Directors had accorded their approval to issue Commercial Paper of INR.14,00,00,000/- (Indian Rupees Fourteen Crores only) with face value per CP being INR. 5,00,000/- to Kaleidofin Private Limited at its meeting held on 5th April 2023.
2. Mr. Anuj Vijaykumar was re-appointed as Whole-Time Director for a period of one year with effect from November 11, 2023 in the Annual General Meeting held on 18th September 2023.
3. The Board of Directors, in its meeting held on December 11, 2023 approved the issuance of 13,060 equity shares on rights basis to the existing shareholders at a price of INR 22,967.73 per share based on the valuation report received from SPA Valuation Advisors Private Limited and SPA Capital Advisors Limited. Mr. Gurunath renounced in favour of M/s. Samunnati Financial Intermediation & Services Private Limited and 13,060 shares were allotted to M/s. Samunnati Financial Intermediation & Services Private Limited vide a circular resolution passed by the Board of Directors on 02nd January, 2024.
4. The Company issued Commercial paper in dematerialised form to Alternative Investment Funds managed by Vivriti Asset Management Private Limited for an amount of INR 30,00,00,000/- (Indian Rupees Thirty crores only) with face value per CP being INR. 5,00,000/- pursuant to the approval of the Finance Committee of Directors in its meeting held on 16th December, 2023.
5. In the Extraordinary General Meeting held on 15th March, 2024, the shareholders of the Company accorded their approval for alteration in the objects clause of the Memorandum of Association of the Company by inserting sub clause 4 after the existing clause III(A) sub clause 3.

Further, the shareholders granted their approval for the issue of Non Convertible Debentures on private placement basis up to an overall limit of INR 2,500 million for the Financial year 2024-2025.

For Mohan Kumar & Associates

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Place: Chennai.

Date: 20-05-2024

A. Mohan Kumar

Practicing Company Secretary

Membership Number: FCS 4347

Certificate of Practice Number: 19145

Peer Review Certificate No. 2205/2022

UDIN: F004347F000396024

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

Annexure A

To,

The Board of Directors,

M/s. SAMUNNATI AGRO SOLUTIONS PRIVATE LIMITED

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mohan Kumar & Associates

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Date: 2024.05.20
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Place: Chennai.

Date: 20-05-2024

A. Mohan Kumar

Practicing Company Secretary

Membership Number: FCS 4347

Certificate of Practice Number: 19145

Peer Review Certificate No. 2205/2022

Independent Auditors' Report

To the Members of Samunnati Agro Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Samunnati Agro Solutions Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2024, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Management and Board of Directors for Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for



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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other



matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Please refer to the matters stated in the Note 41 to the financial statements and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the (Ind AS) specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2024 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 observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (g) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at 31 March 2024 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024; and
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate



Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v. The Company has not paid/declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act is not applicable.
- vi. Relying on the representations/ explanations from the Company and based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and we did not come across any instance of such audit trail feature being tampered with. The feature of recording audit trail (edit log) for the third party managed payroll processing software and also at the database level to log any direct data changes in the accounting ERP system could not be verified.

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

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

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

V Kothandaraman

V Kothandaraman
Partner
Membership No. 025973
UDIN : 24025973BKERGLX8476



Place of Signature: Chennai
Date: May 20, 2024

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Samunnati Agro Solutions Private Limited ("the Company") on the financial statements as of and for the year ended 31 March 2024.

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence this clause is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The inventory, except stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.
- b) Based on our audit procedures & according to the information and explanation given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements filed by the company with such banks or financial institutions are not in agreement with the unaudited books of account of the Company for respective quarters. Details are as under:

Name of Bank	Working capital limits sanctions (Rs. in millions)	Nature of current assets offered as security	Quarter ended	Amount as per return (Rs. in millions)	Amount as per books of account (Rs. in millions)	Variance*
HDFC Bank	250.00	Current assets	Jun-23	3,965.90	4,120.23	(154.33)
HDFC Bank	250.00	Current assets	Sep-23	3,684.30	3,739.29	(54.99)
HDFC Bank	250.00	Current assets	Dec-23	4,066.70	4,161.42	(94.72)
HDFC Bank	250.00	Current assets	Mar-24	4,558.00	4,402.46	155.54

*Also refer note 43 (e) of the financial statements.



- (iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.
- (iv) Based on our audit procedures and according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii)
- (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues as applicable with the appropriate authorities, though there has been a slight delay in a few cases of Employees' State Insurance and Income-tax.
- According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.
- (ix)
- (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us and the records of the Company examined by us, term loans were applied for the purpose for which the loans were obtained;
- (d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
- (e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.



- (f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x)
- (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year.
- (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 secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.
- (c) As represented to us by the management, there are no whistle blower complaints received during the year by the Company.
- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).
- (xiv)
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.
- (xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve



Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The company has incurred cash losses of Rs. 134.99 million in the financial year and Rs. 441.00 million in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (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 accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to spend the amount for corporate social responsibilities and accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

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

V Kothandaraman

V Kothandaraman
Partner
Membership No. 025973
UDIN: 24025973BKERGx8476



Place of Signature: Chennai
Date: May 20, 2024

Annexure B

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

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

We have audited the internal financial controls with reference to financial statements of Samunnati Agro Solutions Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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



Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

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



V Kothandaraman

Partner

Membership No. 025973

UDIN: 24025973BKER6x8476



Place of Signature: Chennai

Date: May 20, 2024

Samunnati Agro Solutions Private Limited

Balance Sheet as at 31 March 2024

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

Particulars	Notes	As at	As at	
		31 March 2024	31 March 2023	
ASSETS				
Non-current assets				
i	Property, plant and equipment	3	89.76	95.50
ii	Right of use assets		7.36	18.48
iii	Other intangible assets	3	45.26	55.22
iv	Intangible assets under development	4	25.60	-
v	Biological assets other than bearer plants	3	0.42	0.58
vi	Financial assets			
a)	Investments	5	30.10	30.10
b)	Other financial assets	6	15.61	16.80
vii	Non-current tax assets	7	19.45	55.74
viii	Deferred tax assets	8	222.66	260.44
	Total non-current assets		456.22	532.86
Current assets				
i	Inventories	9	844.21	1,056.56
ii	Financial assets			
a)	Trade receivables	10	3,920.59	2,846.69
b)	Cash and cash equivalents	11	84.23	280.90
c)	Bank balances other than (b) above	12	249.31	202.93
d)	Other financial assets	6	195.47	10.87
iii	Other current assets	13	246.33	406.16
	Total current assets		5,540.14	4,804.11
	Total assets		5,996.36	5,336.97
EQUITY AND LIABILITIES				
Equity				
i	Equity share capital	14	6.94	6.81
ii	Other equity	15	1,058.05	960.92
	Total equity		1,064.99	967.73
Liabilities				
Non-current liabilities				
i	Financial liabilities			
a)	Borrowings	16	9.17	377.50
b)	Lease liabilities	17	1.53	7.88
c)	Provisions	19	18.59	13.87
	Total non-current liabilities		29.29	399.25
Current liabilities				
i	Financial liabilities			
a)	Borrowings	16	4,089.86	3,348.90
b)	Lease liabilities	17	6.35	11.94
c)	Trade payables	21	-	-
	- dues to micro and small enterprises			
	- other than micro and small enterprises		423.96	270.25
d)	Other financial liabilities	18	51.19	75.41
ii	Other current liabilities	20	327.08	260.75
iii	Provisions	19	3.64	2.74
	Total current liabilities		4,902.08	3,969.99
	Total liabilities		4,931.37	4,369.24
	Total equity and liabilities		5,996.36	5,336.97

Summary of material accounting policies 2

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

As per our report of even date attached

For PKF Sridhar & Santhanam LLP

Chartered Accountants

ICAI Firm Registration No.: 003990S/S200018

V. Kothandaraman
Partner
Membership No.: 025973
Place: Chennai
Date: 20 May 2024



For and on behalf of the Board of Directors of

Samunnati Agro Solutions Private Limited

S G Anil Kumar
Director
DIN: 01189011
Place: Chennai
Date: 20 May 2024

Anuj Vijay Kumar Narang
Director
DIN: 01686940
Place: Chennai
Date: 20 May 2024

Samunnati Agro Solutions Private Limited
Statement of profit and loss for the year ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	22	21,986.33	16,940.51
Other income	23	344.04	169.96
Total income		22,330.37	17,110.47
Expenses			
Purchases of stock-in-trade	24	21,256.45	16,727.45
Changes in inventories of stock-in-trade	25	303.16	(293.95)
Employee benefits expense	26	215.14	281.04
Finance costs	27	452.58	429.79
Depreciation and amortization expenses	28	37.28	10.58
Other expenses	29	227.75	407.14
Total expenses		22,492.36	17,562.05
Profit / (loss) before tax		(161.99)	(451.58)
Tax expense			
Current tax	30	-	-
Deferred tax		38.51	(109.08)
Profit / (loss) for the year		(200.50)	(342.50)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		2.92	(0.08)
Income tax relating to these items		(0.73)	0.02
Other comprehensive income for the year, net of tax		2.19	(0.06)
Total comprehensive income / (loss) for the year		(202.69)	(342.44)
Earnings per share (Face value of Rs.10/- each)			
Basic earnings per share (Rs.)	31	(292.29)	(535.46)
Diluted earnings per share (Rs.)		(292.29)	(535.46)

Summary of material accounting policies 2

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

As per our report of even date attached

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

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

V. Kothandaraman

V. Kothandaraman
Partner
Membership No.: 025973
Place: Chennai
Date: 20 May 2024



S G Anil Kumar

S G Anil Kumar
Director
DIN: 01189011
Place: Chennai
Date: 20 May 2024

Anuj Vijay Kumar Narang

Anuj Vijay Kumar Narang
Director
DIN: 01686940
Place: Chennai
Date: 20 May 2024

Samunnati Agro Solutions Private Limited
Cash Flow Statement for the year ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit / (loss) before tax	(161.99)	(451.58)
Adjustments for:		
Depreciation and amortization expenses	37.28	10.58
Assets written off	0.34	34.90
Provision for inventory obsolescence	(98.91)	70.66
Excess provision written back	(48.73)	
Allowance for expected credit loss	10.19	72.49
Gratuity and leave encashment expenses	7.12	11.41
Income from investment in mutual funds	(3.60)	(6.52)
Interest income	(19.13)	(19.32)
Interest expenses	368.05	358.81
Interest expense on lease liability	0.83	2.23
Bad debts written off	2.44	3.33
Operating profit before working capital changes	93.89	86.99
Change in operating assets and liabilities		
(Increase) / decrease in inventories	311.26	(293.95)
(Increase) / decrease in trade receivables	(1,086.53)	554.88
(Increase) / decrease in other financial assets	(136.87)	(9.98)
(Increase) / decrease in other assets	159.83	(201.83)
Increase / (decrease) in trade payables	153.71	(364.28)
Increase / (decrease) in other financial liabilities	(12.15)	15.05
Increase / (decrease) in other liabilities and provisions	69.03	66.41
Cash used in operations	(447.82)	(146.71)
Less: Income taxes refund/ (paid)	36.29	(42.59)
Net cash (used in) operating activities	A (411.53)	(189.30)
Cash flows from investing activities		
Purchase of property, plant and equipment, intangible assets and IAUD	(35.86)	(95.04)
Proceeds from sale/ (purchase) of investments	-	-
Investment in equity shares of Samunnati Investment Management Services Private Limited	-	(0.10)
Investments in margin money deposits with banks	(46.38)	141.77
Interest income received	22.59	22.34
Income from investment in mutual funds	3.60	6.52
Net cash (used in) investing activities	B (56.05)	75.49
Cash flows from financing activities		
Proceeds from borrowings other than Debt Securities	16,307.85	12,285.40
Repayment of borrowings other than Debt Securities	(15,560.22)	(12,668.51)
Repayment of borrowings -Debt Securities	(375.00)	
Proceeds from issue of shares to the Holding Company	299.95	999.25
Repayment of principal portion of lease liabilities	(11.94)	(10.97)
Repayment of interest portion of lease liabilities	(0.83)	(2.23)
Interest expenses paid	(388.90)	(359.17)
Net cash from financing activities	C 270.91	243.77
Net increase in cash and cash equivalents	A+B+C (196.67)	129.95
Cash and cash equivalents at the beginning of the financial year	280.90	150.95
Cash and cash equivalents at end of the year	84.23	280.90
Cash and cash equivalents consist of:		
Balances with banks		
- in current accounts	84.23	126.45
- in deposit accounts (with original maturity of 3 months or less)	-	154.25
Cash on hand	-	0.20
	84.23	280.90

Summary of material accounting policies

2

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

As per our report of even date attached

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

V. Kothandaraman
V. Kothandaraman
Partner
Membership No.: 025973
Place: Chennai
Date: 20 May 2024



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

S G Anil Kumar
S G Anil Kumar
Director
DIN: 01189011
Place: Chennai
Date: 20 May 2024

Anuj Vijay Kumar Na
Anuj Vijay Kumar Na
Director
DIN: 01686940
Place: Chennai
Date: 20 May 2024

Samunnati Agro Solutions Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Number	Amount	Number	Amount
A. Equity share capital				
Balance at the beginning of the year	6,80,884	6.81	6,32,484	6.32
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Issued during the year	13,060	0.13	48,400	0.49
Balance at the end of the year	6,93,944	6.94	6,80,884	6.81
B. Other equity				
Securities Premium	773.63	(469.89)	0.86	304.60
Retained Earnings	773.63	(469.89)	0.86	304.60
Other comprehensive income	998.76	(342.50)	-	998.76
Comprehensive income for the year	-	-	0.06	(342.50)
Balance as at 31 March 2023	1,772.39	(812.39)	0.92	960.92
Changes in accounting policy or prior period years	-	-	-	-
Restated balance as at April 01, 2022	773.63	(469.89)	0.86	304.60
Premium on equity shares issued during the year	998.76	(342.50)	-	998.76
Loss for the year	-	-	-	(342.50)
Comprehensive income for the year	-	-	0.06	0.06
Balance as at 31 March 2024	1,772.39	(812.39)	0.92	960.92
Premium on equity shares issued during the year	299.82	(812.39)	0.92	960.92
Loss for the year	-	(200.50)	-	299.82
Comprehensive income for the year	-	-	(2.19)	(200.50)
Balance as at 31 March 2024	2,072.21	(1,012.89)	(1.27)	1,058.05

Summary of material accounting policies
The accompanying notes form an integral part of the financial statements.
As per our report of even date attached

For PKF Sridhar & Santhanam LLP
Chartered Accountants
ICAI Firm Registration No.: 003990S/IS200018

(Signature)

V. Kothandaraman
Partner
Membership No.: 0255973

Place: Chennai
Date: 20 May 2024



(Signature)
S G Anil Kumar
Director
DIN: 01189011

Place: Chennai
Date: 20 May 2024

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

(Signature)
Anuj Vijay Kumar Narang
Director
DIN: 01686940

Place: Chennai
Date: 20 May 2024

Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

1. Corporate information:

Samunnati Agro Solutions Private Limited was incorporated on 14 October 2016 with its registered office at No: 129-B, 8th Floor, Baid Hi Tech Park, ECR, Thiruvanmiyur, Chennai – 600041. The Company is engaged in the business of wholesale trading of Agri-inputs and commodities.

2. Basis of preparation of financial statements

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

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

These standalone financial statements were approved by the Company's Board of Directors and authorized for issue on May 20, 2024.

2.2. Functional and presentation currency

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

2.3. Basis of measurement

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

2.4. Measurement of fair value changes

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

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

2.5. Use of estimates and judgements and estimation uncertainty

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024

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

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

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

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

Property, plant and equipment (PPE)

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

Current tax

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

Deferred tax assets

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

Fair value

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

Effective Interest Rate (EIR) Method

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

Impairment of financial assets

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

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

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

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

Impairment of Non-financial assets (PPE)

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

Defined benefit plans and other long term employee benefits

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

Provisions and other contingent liabilities

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

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

2.6. Revenue recognition

a. Sale of goods

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

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

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

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

The Company has assessed its revenue arrangements based on the substance of the transaction and business model against specific criteria to determine if it is acting as principal or agent.

b. Dividend and interest income

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

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

2.7. Property, Plant and Equipment (PPE)

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

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

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

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

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

2.8. Intangible assets

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

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

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

Otherwise, it is recognized in profit and loss as incurred



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

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

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

2.9. Foreign exchange transactions and translations

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

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

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

2.10. Financial Instruments

a. Recognition and initial measurements

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

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

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

b. Classifications and subsequent measurement

Financial assets

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

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

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

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Financial liabilities

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

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

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

c. De-recognition

Financial assets

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

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

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

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or gets expired. The difference between the carrying amount of the financial liability de-recognized and the sum of consideration paid and payable is recognized as gain or loss in the statement of profit and loss.



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

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

d. Offsetting

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

e. Impairment of financial instruments

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

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

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

f. Write offs

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

2.11. Employee benefits

a. Short-term employee benefits

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

b. Contribution to PF and other funds

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
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c. Gratuity

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

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

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

d. Leave encashment/ compensated absences/ sick leave

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

2.12. Finance cost

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

2.13. Current and deferred tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
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Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered

2.14. Impairment of assets other than financial assets

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

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

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

2.15. Provisions and contingent liabilities

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

Contingent liability is disclosed for:

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

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

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

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
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2.16. Leases

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

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

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

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

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

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

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

2.17. Inventories

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

2.18. Cash and cash equivalents

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



Samunnati Agro Solutions Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024
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2.19. Earnings per share

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

2.20. Recent accounting pronouncements

New and amended standards adopted by the Company:

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

Material changes are in relation to the following:

- (i) Disclosure of accounting policies — amendments to Ind AS 1.
- (ii) Definition of accounting estimates — amendments to Ind AS 8.
- (iii) Deferred tax related to assets and liabilities arising from a single transaction — amendments to Ind AS 12.

The Company has evaluated the amendments and the impact is not material.

New Standards/Amendments notified but not yet effective: None

2.21. Events after reporting date

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



3 Property, plant and equipment, Right of use assets and Other intangible assets

Particulars	Property, plant and equipment										Intangible Assets		Biological assets	Right of use assets	
	Computers and accessories	Office equipment	Furniture and fittings	Plant & Machinery	Land	Building	Leasehold improvements	Vehicles	Total	Computer Software	Total				
Gross block															
Balance as at April 01, 2022	9.62	1.34	2.13	2.85	27.76	-	0.98	8.55	53.23	0.33	0.33	0.65	34.63		
Additions	0.07	0.30	-	1.01	42.03	11.00	-	3.22	57.63	80.89	80.89	-	12.83		
Disposals	-	-	-	-	-	-	-	(1.99)	(1.99)	(33.07)	(33.07)	-	-		
Balance as at March 31, 2023	9.69	1.64	2.13	3.86	69.79	11.00	0.98	9.78	108.87	48.15	48.15	0.65	47.46		
Additions	-	(0.07)	(0.65)	-	-	-	(0.02)	-	(3.90)	11.58	11.58	(0.10)	-		
Disposals	-	1.57	1.48	3.86	69.79	11.00	0.96	6.62	104.97	59.68	59.68	0.55	47.46		
Balance as at 31 March 2024	9.69	1.57	1.48	3.86	69.79	11.00	0.96	6.62	104.97	59.68	59.68	0.55	47.46		
Accumulated depreciation/amortization															
Balance as at April 01, 2022	4.71	0.29	0.48	0.05	-	-	0.62	1.91	8.06	0.33	0.33	0.01	16.87		
Charge for the year	2.46	0.23	0.21	0.26	-	0.12	0.22	2.31	5.81	(7.40)	(7.40)	0.06	12.11		
Disposals	-	-	-	-	-	-	-	(0.50)	(0.50)	-	-	-	-		
Balance as at March 31, 2023	7.17	0.52	0.69	0.31	-	0.12	0.84	3.72	13.37	(7.07)	(7.07)	0.07	28.98		
Charge for the year	1.61	0.25	0.21	0.26	-	0.18	0.12	1.93	4.56	21.54	21.54	0.06	11.12		
Disposals	-	(0.04)	(0.32)	-	(2.72)	(2.34)	(0.02)	(2.34)	(2.72)	(0.05)	(0.05)	-	-		
Balance as at 31 March 2024	8.78	0.73	0.58	0.57	-	0.30	0.94	3.31	15.21	14.42	14.42	0.13	40.10		
Net Block															
As at 31 March 2023	2.52	1.12	1.44	3.55	69.79	10.88	0.14	6.06	95.50	55.22	55.22	0.58	18.48		
As at 31 March 2024	0.91	0.84	0.90	3.29	69.79	10.70	0.02	3.31	89.76	45.26	45.26	0.42	7.36		

4 Intangible assets under development

Particulars	Amount
Balance as at April 01, 2022	43.42
Additions	54.05
Disposals/Capitalised during the year	(97.87)
Balance as at 31 March 2023	-
Additions	25.60
Disposals/Capitalised during the year	-
Balance as at 31 March 2024	25.60

Intangible assets under development (IAUD) ageing schedule

Particulars	As at 31 March 2024					As at 31 March 2023				
	Amount of IAUD for a period of					Amount of IAUD for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	25.60	-	-	-	25.60	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	25.60	-	-	-	25.60	-	-	-	-	-

There were no projects which is temporarily suspended as at 31 March 2024 and March 31, 2023.
There are no projects which has undergone cost overrun as at 31 March 2024 and March 31, 2023.



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	As at 31 March 2024	As at 31 March 2023		
5 Investments				
Non-current investments				
Investments in other companies carried at amortised cost				
300,000 (31 March 2023: 300,000) Compulsorily convertible debentures ("CCDs") of Rs. 100 each of Samunnati Agri Innovations Lab Private Limited (formerly known as Kamatan Farm Tech Private Limited) (unquoted)	30.00	30.00		
Investments in Subsidiaries				
10,000 (31 March 2023: 10,000) equity shares of Samunnati Investment Management Services Private Limited	0.10	0.10		
	<u>30.10</u>	<u>30.10</u>		
Total non-current investments				
Aggregate cost of unquoted investments	30.10	30.10		
Aggregate amount of impairment in value of investments	-	-		
	<u>30.10</u>	<u>30.10</u>		
	As at 31 March 2024	As at 31 March 2023		
	Non-Current	Current		
	Non-Current	Current		
6 Other financial assets				
Unsecured - Considered good				
Security deposits	15.61	-		
Margin money held with financial institution	-	50.00		
Interest accrued on deposits	-	5.58		
Insurance Receivable	-	134.09		
Other receivables	-	5.80		
	<u>15.61</u>	<u>195.47</u>		
	<u>15.61</u>	<u>195.47</u>		
	<u>16.80</u>	<u>10.87</u>		
	<u>16.80</u>	<u>10.87</u>		
7 Non-current tax assets (net)				
Advance Income Tax	19.45	55.74		
	<u>19.45</u>	<u>55.74</u>		
	<u>19.45</u>	<u>55.74</u>		
8 Deferred tax assets (net)				
Deferred tax	222.66	260.44		
	<u>222.66</u>	<u>260.44</u>		
	<u>222.66</u>	<u>260.44</u>		
Tax effect of items constituting deferred tax assets / (liabilities) :	Balance as at April 01, 2023	(Charge) / credit to statement of profit and loss	(Charge) / credit to OCI	Balance as at 31 March 2024
Fixed assets	(14.04)	0.54		(13.50)
Provisions for employee benefits	4.16	0.68	0.73	5.57
Provision for Inventory	17.78	(17.78)		(0.00)
Lease Liability	4.99	(5.12)		(0.13)
Impairment loss allowance	60.82	2.56		63.38
Carried forward losses	186.73	(19.39)		167.34
Total	260.44	(38.51)	0.73	222.66
Tax effect of items constituting deferred tax assets / (liabilities) :	Balance as at April 01, 2022	(Charge) / credit to statement of profit and loss	(Charge) / credit to OCI	Balance as at 31 March 2023
Fixed assets	(7.30)	(6.74)		(14.04)
Provisions for employee benefits	2.45	1.73	(0.02)	4.16
Provision for Inventory	-	17.78		17.78
Lease Liability	-	4.99		4.99
Impairment loss allowance	94.17	(33.35)		60.82
Carried forward losses	62.06	124.67		186.73
Others				
Total	151.38	109.08	(0.02)	260.44
9 Inventories				
(At lower of cost or net realisable value unless otherwise stated)				
Stock in trade	844.21	1,147.37		
Less: Provision for inventory	-	(90.81)		
	<u>844.21</u>	<u>1,056.56</u>		
	<u>844.21</u>	<u>1,056.56</u>		

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Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
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Note	Particulars	As at 31 March 2024	As at 31 March 2023
10	Trade receivables		
	<i>Unsecured</i>		
	Considered good	3,564.27	2,561.23
	Less: Allowance for expected credit loss	(21.14)	(14.87)
		3,543.13	2,546.36
	Having significant increase in credit risk	221.82	323.50
	Less: Allowance for expected credit loss	(36.45)	(42.00)
		185.37	281.50
	Credit impaired	386.35	203.62
	Less: Allowance for expected credit loss	(194.26)	(184.79)
		192.09	18.83
		3,920.59	2,846.69

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

Ageing schedule

Particulars	Current but not due	Outstanding for following period from due date of payment				Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
As at 31 March 2024						
Undisputed Trade Receivables – considered good	3,277.99	286.28	-	-	-	3,564.27
Undisputed Trade Receivables – which have significant increase in credit risk	-	160.22	61.60	-	-	221.82
Undisputed Trade receivable – credit impaired	-	-	-	154.62	68.22	386.35
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	3,277.99	446.50	61.60	154.62	68.22	4,172.44
Less: Allowance for expected credit loss	-	-	-	-	-	(251.85)
Net Total						3,920.59

Particulars	Current but not due	Outstanding for following period from due date of payment				Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
As at 31 March 2023						
Undisputed Trade Receivables – considered good	2,315.30	245.93	-	-	-	2,561.23
Undisputed Trade Receivables – which have significant increase in credit risk	-	237.00	86.50	-	-	323.50
Undisputed Trade receivable – credit impaired	-	-	-	81.67	4.01	203.62
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	2,315.30	482.93	86.50	81.67	4.01	3,088.35
Less: Allowance for expected credit loss	-	-	-	-	-	(241.66)
Net Total						2,846.69

11 Cash and cash equivalents

Cash on hand	-	0.20
Balances with banks		
In current accounts	84.23	126.45
In deposit accounts (with original maturity of 3 months or less)	-	154.25
	84.23	280.90

12 Bank balances other than Cash and Cash Equivalents

Deposit with banks	249.31	202.93
	249.31	202.93

13 Other current assets

Advance to suppliers	28.16	294.65
Employee advances	1.26	1.42
Prepaid expenses	44.38	31.07
Balance with statutory authorities	172.53	79.02
	246.33	406.16



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Note	Particulars	As at 31 March 2024	As at 31 March 2023
14	Share capital		
	Authorised		
	2,000,000 (31 March 2023: 2,000,000) equity shares of ₹ 10 each	20.00	20.00
		20.00	20.00
	Issued, subscribed and paid-up (fully paid up)		
	<i>Equity shares</i>		
	693,944 (31 March 2023 : 680,884) equity shares of Rs.10 each fully paid up	6.94	6.81
		6.94	6.81

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

	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares				
At the beginning of the year	6,80,884	6.81	6,32,484	6.32
Issued during the year	13,060	0.14	48,400	0.49
Outstanding at the end of the year	6,93,944	6.95	6,80,884	6.81

b. Shares held by the holding company
Samunnati Financial Intermediation &
Services Private Limited (equity shares of
Rs. 10 each)

6,93,944	6.95	6,80,884	6.81
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c. Terms / rights attached to equity shares

Equity shares

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

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

	As at 31 March 2024		As at 31 March 2023	
	Number	%	Number	%
Samunnati Financial Intermediation & Services Private Limited (equity shares of Rs. 10 each)	6,93,944	100%	6,80,884	100%

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

f. Details of shares held by promoters

As at 31 March 2024

Name of the promoter	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Samunnati Financial Intermediation & Services Private Limited	6,80,884	13,060	6,93,944	100%	0.00%
	6,80,884	13,060	6,93,944	100%	0.00%

As at 31 March 2023

Name of the promoter	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares	% change during the year
Samunnati Financial Intermediation & Services Private Limited	6,32,484	48,400	6,80,884	100%	0.00%
	6,32,484	48,400	6,80,884	100%	0.00%

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Note	Particulars	As at 31 March 2024	As at 31 March 2023
15 Other equity			
	Securities premium	2,072.21	1,772.39
	Retained earnings	(1,012.89)	(812.39)
	Other comprehensive income	(1.27)	0.92
		1,058.05	960.92
	Securities premium		
	Balance at the beginning of the year	1,772.39	773.63
	Shares issued during the year	299.82	998.76
	Utilized towards share issue expense	-	-
	Balance at the end of the year	2,072.21	1,772.39
	Retained earnings		
	Balance at the beginning of the year	(812.39)	(469.89)
	Loss for the year	(200.50)	(342.50)
	Balance at the end of the year	(1,012.89)	(812.39)
	Other comprehensive income		
	Balance at the beginning of the year	0.92	0.86
	Other comprehensive income for the year	(2.19)	0.06
	Balance at the end of the year	(1.27)	0.92
	Total equity	1,058.05	960.92

- (i) **Securities premium**
Securities premium is used to record the premium on issue of shares. This amount can be utilised in accordance with the provisions of the Companies Act 2013.
- (ii) **Retained earnings**
Retained earnings or accumulated surplus/ (loss) represents total of all profits/ (losses) retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserves.
- (iii) **Other comprehensive income**
Other comprehensive income represents accumulated balances of actuarial gains/(losses), arising out of employee defined benefit obligation and will not be subsequently reclassified to Statement of Profit and Loss. This reserve is not a distributable reserve.

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Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Note	Particulars	As at 31 March 2024		As at 31 March 2023	
		Non-Current	Current	Non-Current	Current
16	Borrowings				
	Secured				
	Debentures	-	62.50	437.50	-
	Less: Current maturities (Also, refer note 16 (ii))	-	-	(125.00)	125.00
	Term loan from parties other than banks	-	541.85	5.30	749.72
	Less: Current maturities (Also, refer note 16 (ii))	-	-	(5.30)	5.30
	Term loan from banks	64.02	-	133.34	-
	Less: Current maturities (Also, refer note 16 (ii))	(54.85)	54.85	(68.34)	68.34
	Term loans from parties other than banks				
	Overdraft	-	409.20	-	50.02
	Working capital loan	-	2,565.45	-	2,150.52
	Unsecured				
	Commercial paper	-	200.00	-	-
	From holding company	-	256.00	-	200.00
		9.17	4,089.86	377.50	3,348.90

(i) **Debentures**

Particulars	Repayment Terms	Amount due within 1 year	Amount due beyond 1 year	Security details
Non Convertible Debentures Value 180 millions	Face 24 monthly instalments beginning from October 2022 to October 2024 at ROI 14.50%	28.12	-	Secured by Book debts and and corporate guarantee from the Holding company
Non Convertible Debentures Value 220 millions	Face 24 monthly instalments beginning from October 2022 to October 2024 at ROI 14.50%	34.38	-	

(ii) **Secured Term loans Other than banks**

Term loans from parties other than banks carries an interest rate of 12.60%-12.95% p.a. (March 31, 2023: 11.5% to 14.5%) and secured by first charge over all the current assets and movable fixed assets and corporate guarantee issued by Holding company. These loans are repayable over the period of 12 months.

Secured Term Loan from Bank

Term loans from banks carries an interest rate of 9.50% - 10.85% p.a. (March 31, 2023: 9.5%-9.75%) and are secured by cash collateral in the form of fixed deposits and corporate guarantee issued by Holding company. The loans are repayable in 36 equated monthly instalments and 12 quarterly monthly instalments.

Working Capital Loan

- Bill discounting facility from Banks at an interest rate of 10.20% p.a (March 31, 2023 : 8.15%-10.20%) and are repayable at the end of bill discounting period which ranges from 1 to 6 months;
- Bill discounting facility From Parties other than Banks at an interest rate of 12.25%-13.5% p.a (March 31, 2023 : 11.15%-13.5%) and are repayable at the end of bill discounting period which ranges from 1 to 6 months;
- Reverse factoring facilities through TReDs platform (Invoice mart & RXIL) at an interest rate of 7.9% -10.34%p.a (March 31, 2023 : 7.5%-9.8%) and are repayable at the end of the discounting period.
- Pledge loans carries an interest rate of 9%-10.25% p.a (March 31, 2023: 8.5%-9%)
- Factoring facility carries an interest rate of 12.5% and are repayable at the end of bill discounting period which ranges from 1 to 6 months;
- These working capital loans are secured by way of a first exclusive charge on all existing and future fixed and current assets of the Company and corporate guarantee provided by the Holding Company. The Borrowings shall be utilised towards working capital requirements

Commercial Paper

Commercial paper carries an interest rate of 12.50% (March 31, 2023 : 11.25%) repayable at the end of 17 to 47 days.

Inter Company Loan

Borrowings from holding company carries an interest rate of 11.5% - 12% p.a. (March 31, 2023: 11-11.5% p.a.) and these loans are repayable equally at the expiry of the term of 6 to 12 months.

Overdraft

Overdraft facility which is repayable on demand and carries an interest rate of 7.75% to 9.75%



Samunnati Agro Solutions Private Limited

Notes to financial statements for the period ended 31 March 2024

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

Reconciliation of liabilities arising from financing activities:

Particulars	As at 31 March 2023	Amortisation of processing fees	Cash Flows (Net)	As at 31 March 2024
Long term borrowings	377.50	-	(368.33)	9.17
Short term borrowings	3,348.90	11.49	728.07	4,089.86
Total	3,726.40	11.49	359.74	4,099.03

Particulars	As at March 31, 2022	Amortisation of processing fees	Cash Flows (Net)	As at 31 March 2023
Long term borrowings	5.30	-	372.20	377.50
Short term borrowings	4,104.21	40.49	(795.80)	3,348.90
Total	4,109.51	40.49	(423.60)	3,726.40

	As at 31 March 2024		As at 31 March 2023	
	Non-Current	Current	Non-Current	Current
17 Lease liabilities				
Lease liabilities	1.53	6.35	7.88	11.94
	1.53	6.35	7.88	11.94

	As at 31 March 2024	As at 31 March 2023
	18 Other financial liabilities	
Current		
Interest accrued on loans but not due	8.77	20.84
Employee related payables	18.76	30.26
Others payable	23.66	24.31
	51.19	75.41

	As at 31 March 2024		As at 31 March 2023	
	Non-Current	Current	Non-Current	Current
19 Provisions				
Provision for gratuity	10.06	0.90	5.77	0.12
Provision for compensated absences	8.53	2.74	8.10	2.62
	18.59	3.64	13.87	2.74

	As at 31 March 2024	As at 31 March 2023
	20 Other current liabilities	
Statutory dues payables	67.21	24.00
Advance received from customers	259.87	236.75
	327.08	260.75

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Samunnati Agro Solutions Private Limited

Notes to financial statements for the period ended 31 March 2024

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

Note	Particulars	31-Mar-24	31-Mar-23
21	Trade payables		
a)	Total outstanding dues of micro enterprises and small enterprises	-	-
b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	423.96	270.25
		423.96	270.25

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

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

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

Particulars	As at 31 March 2024					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	391.17	21.51	6.88	4.40	423.96
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	391.17	21.51	6.88	4.40	423.96

Particulars	As at 31 March 2023					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	253.04	7.53	8.36	1.32	270.25
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	253.04	7.53	8.36	1.32	270.25

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Samunnati Agro Solutions Private Limited

Notes to financial statements for the period ended 31 March 2024

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

Note	Particulars	31-Mar-24	31-Mar-23
22	Revenue from operations		
	Sale of goods	21,953.10	16,868.87
	Sale of Services	13.73	16.69
	Other operating revenue	19.50	54.95
		21,986.33	16,940.51
	Revenue based on timing of recognition		
	Revenue recognition at a point in time	21,986.33	16,940.51
	Revenue recognition over period of time	-	-
		21,986.33	16,940.51
	Contract balances with customers*		
	Opening balance at the beginning of the year	236.75	178.54
	Closing balance at the end of the year	259.87	236.75
	*(The amounts reported herein are inclusive of GST)		
	Considering the nature of the business of the Company, the above contract liabilities are generally materialised as revenue within the operating cycle.		
23	Other income		
	Interest income on:		
	- fixed deposits	14.71	13.95
	- delayed payment of dues by customers	65.72	49.96
	- investment in CCDs	3.00	3.00
	- Refund from income tax authorities	1.42	2.37
	Exchange differences (net)	-	8.72
	Income of investment in mutual funds	3.60	6.52
	Bad Debts recovery	16.50	-
	Profit on sale of fixed assets	0.86	-
	Excess provision written back	147.64	-
	Income from Sale of Scrips	-	-
	Gain on fair valuation of investment	-	-
	Income from FPO based service	87.86	75.63
	Miscellaneous income	2.73	9.81
		344.04	169.96
24	Purchase of stock-in-trade		
	Purchase of stock-in-trade	21,256.45	16,727.45
		21,256.45	16,727.45
25	Changes in inventories of stock-in-trade		
	Opening stock	1,147.37	853.42
	Closing stock	844.21	1,147.37
		303.16	(293.95)
26	Employee benefits expense		
	Salaries and wages	191.50	252.05
	Gratuity expenses	3.39	2.87
	Compensated absences	3.73	8.54
	Contribution to provident and other funds	9.05	10.26
	Staff welfare expenses	7.47	7.32
		215.14	281.04
27	Finance cost		
	Interest expenses on Debentures	368.05	358.81
	Interest expenses other than debentures	49.01	28.26
	Interest on lease liability	0.83	2.23
	Other borrowing costs	34.69	40.49
		452.58	429.79



Samunnati Agro Solutions Private Limited

Notes to financial statements for the period ended 31 March 2024

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

Note	Particulars	31-Mar-24	31-Mar-23
28	Depreciation and amortization expenses (Also, refer note 3)		
	Depreciation on property, plant and equipment	4.56	5.81
	Depreciation on biological assets	0.06	0.06
	Amortisation on other intangible assets	21.54	(7.40)
	Depreciation on right of use asset	11.12	12.11
		37.28	10.58
29	Other expenses		
	Power and fuel	1.59	1.48
	Rent	7.18	6.76
	Rate and Taxes	0.67	2.49
	Insurance	21.61	26.47
	Legal and professional charges	47.06	55.43
	Deputation charges	22.44	5.04
	Consultancy /outsourcing charges	7.41	5.30
	Sitting charges	0.35	0.40
	Business Promotional Expenses	20.99	13.29
	Shared Service Expense	2.82	2.82
	Other Operating Expenses	26.69	40.85
	Payment to auditors (Refer to Note (a) below)	1.87	2.57
	Travelling and conveyance	16.10	24.62
	Outsourced manpower services	5.90	1.75
	Repairs and maintenance	5.22	3.51
	Bad debts written off	2.44	3.33
	Technology Expenses	20.70	15.95
	Allowance for expected credit loss	10.19	72.49
	Provision for Inventory	-	70.66
	Assets written off	0.34	34.90
	Miscellaneous expenses	6.18	17.03
		227.75	407.14
(a)	Payments to the auditors (excluding taxes):		
	Statutory audit	1.65	1.65
	Limited review	-	0.60
	Tax audit	0.22	0.32
		1.87	2.57
30	Income tax expense		
	Tax expense/(credit) recognized in the Statement of Profit and Loss		
	Current tax		
	Current tax on taxable income for the year	-	-
	Total current tax expense	-	-
	Deferred tax		
	Deferred tax (credit)	38.51	(109.08)
	Total deferred income tax (credit)	38.51	(109.08)
	Total income tax (credit)	38.51	(109.08)
	a) The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Enacted income tax rate in India applicable to the Company	25.168%	25.168%
	Loss before tax	(161.99)	(451.58)
	Tax expenses at the enacted income tax rate	(40.77)	(113.65)
	Tax effect of expenses that are not deductible in determining taxable profit:		
	Property, plant & equipment	(0.54)	6.74
	Others	2.80	(2.17)
	Income tax (credit)	(38.51)	(109.08)
	b) Income tax recognized in other comprehensive income		
	Deferred tax		
	Remeasurement of defined benefit obligation	(0.73)	0.02
	Total income tax recognized in other comprehensive income	(0.73)	0.02



Note	Particulars	31-Mar-24	31-Mar-23
31 Earnings per share			
	Loss for the year attributable to owners of the Company	(200.50)	(342.50)
	Weighted average number of ordinary shares outstanding - Basic & Diluted	6,85,970	6,39,640
	Basic and Diluted earnings per share (₹)	(292.29)	(535.46)

32 Operating Segments

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

33 Fair value measurement and financial instruments

Financial Instruments by category and fairvalue hierarchy

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

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

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

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

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

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

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

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

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

Financial Instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amortised cost	FVTPL	Amortised cost	FVTPL
Financial assets				
Investments	30.10	-	30.10	-
Trade receivables	3,920.59	-	2,846.69	-
Cash and cash equivalents	84.23	-	280.90	-
Bank balances other than above	249.31	-	202.93	-
Other financial assets	211.08	-	27.67	-
	4,495.31	-	3,388.29	-

34 Financial risk management

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

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

a) Market risk

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

Interest rate risk

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

Interest rate sensitivity analysis

The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates of borrowings by +/- 100 basis points for the year ended 31 March 2024 and March 31, 2023. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest sensitivity*		
Interest rates – increase by 1.00%	9.62	15.75
Interest rates – decrease by 1.00%	(9.62)	(15.75)

Foreign currency risk

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

Particulars	As at 31 March 2024	As at 31 March 2023
Financial assets		
Trade receivables (USD in Mn)	0.01	-
Trade receivables (Euro's in Mn)	0.45	0.12

Foreign currency sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31 March 2024 and 31 March 2023 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.



Particulars	Year ended 31 March 2024		Year ended 31 March 2023	
	EUR	USD	EUR	USD
Foreign currency sensitivity*				
Gain / (loss) on Appreciation 1% appreciation in INR	0.41	0.01	0.11	-
Gain / (loss) on Depreciation 1% Depreciation in INR	(0.41)	(0.01)	(0.11)	-

b) Credit risk

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

Particulars	As at 31 March 2024	As at 31 March 2023
Classes of financial assets		
Investments	30.10	30.10
Trade receivables	3,920.59	2,846.69
Cash and bank balance	333.54	483.83
Other financials assets	211.08	27.67

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

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

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

Cash and cash equivalents and bank deposits

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

Other financial assets

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

Trade receivables

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



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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance at the beginning of the year	241.66	374.18
Add: Allowance for the year	10.19	72.49
Less: Written-off during the year	-	(205.01)
Balance at the end of the year	251.85	241.66

The concentration of credit risk is limited due to the customer base being large and unrelated. In addition to the historical pattern of credit loss, the Company has considered the likelihood of increased credit risk and consequential default considering emerging situations due to COVID-19. The Company closely monitors its customers and assesses conditions such as change in payment terms, inability of the customer to pay etc. depending on severity of each case. Basis this assessment, the allowance for impairment of trade receivables as at 31 March 2024 is considered adequate.

c) Liquidity risk

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

(i) Maturity patterns of financial liabilities

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

As at 31 March 2024

Particulars	0-1 year	1-5 years	Beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	54.85	9.17	-	64.02
Short term borrowings	4,089.86	-	-	4,089.86
Lease liabilities (undiscounted)	4.14	4.63	-	8.77
Trade payables	423.96	-	-	423.96
Other financial liabilities	51.19	-	-	51.19

As at 31 March 2023

Particulars	0-1 year	1-5 years	Beyond 5 years	Total
Long term borrowings (Including current maturity of long term debt)	198.64	377.50	-	576.14
Short term borrowings	3,150.26	-	-	3,150.26
Lease liabilities (undiscounted)	13.30	8.78	-	22.08
Trade payables	270.25	-	-	270.25
Other financial liabilities	75.41	-	-	75.41

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35 Capital management

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

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

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings - Non-current	9.17	377.50
Borrowings - Current	4,089.86	3,348.90
Less: Cash and cash equivalents and other bank balances	333.54	483.83
Net debt (a)	3,765.49	3,242.57
Equity share capital	6.94	6.81
Other equity	1,058.05	960.92
Total equity (b)	1,064.99	967.73
Net debt / equity ratio (a/b)	3.54	3.35

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

36 Capital commitments

There are no outstanding capital commitments as at the year end. (31 March 2023 : Nil).

37 Contingent liabilities

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

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Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

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

a. Names of the related parties and relationship

Relationship	Name of the related party
Holding Company	Samunnati Financial Intermediation & Services Private Limited
Wholly-owned subsidiary	Samunnati Investment Management Services Private Limited
Fellow subsidiary	Samunnati Foundation Samunnati Finance Private Limited Samunnati Agri Innovations Lab Private Limited (Formerly known as "Kamatan Farm Tech Private Limited")
Key managerial personnel	Mr. Anil Kumar S G - Director and CEO Mr. Pravesh Sharma - Director Mr. Anuj Vijay Kumar Narang - Director Dr. Venkatesh Tagat - Independent Director Mr. Lalit Malik - Group CFO Mr. Anand Subramanian - Group CFO (w.e.f 18 April 2024)
Entity in which KMP has significant influence	Samunnati ESOP Welfare Trust

b) Related party transactions

Nature of transactions	Year ended 31 March 2024	Year ended 31 March 2023
Samunnati Financial Intermediation & Services Private Limited		
Loans taken	7211	4,265.00
Loans repaid	7155	5,465.00
Corporate guarantee received	2612.31	2,199.23
Issue of Equity shares	299.96	999.24
Interest expense on loans	56.59	133.04
Shared services expenses	17.28	21.50
Deputation charges	20.79	2.87
Deputation income	-	-
Samunnati Agri Innovations Lab Private Limited		
Interest received on 10% CCDs	3.00	3.00
Consultancy Charges	4.25	-
Deputation Charges	1.65	2.17
Samunnati Investment Management Services Private Limited		
Investment in equity shares (Non-current investments)	-	0.10
Samunnati Finance Private Limited		
Deputation charges	0.10	-
Samunnati Foundation		
Service Charges	0.86	-
Anuj Vijay Kumar Narang		
Remuneration *	16.21	9.74
Lalit Malik		
Remuneration *	0.90	11.73
Sitting fees paid		
Dr. Venkatesh Tagat	0.35	0.40

c) Balances at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Samunnati Financial Intermediation & Services Private Limited		
Borrowings (including interest accrued)	256.49	200.01
Corporate guarantee received	2,612.31	2,799.00
Other receivables	0.88	0.59
Other Payables	8.47	7.63
Samunnati Agri Innovations Lab Private Limited		
10% Compulsorily convertible debentures	30.00	30.00
Interest payable on 10% CCDs	-	2.27
Other receivables	0.12	0.12
Other payables	0.05	2.59
Samunnati Investment Management Services Private Limited		
Other payable	-	-
Other receivables	0.12	-



Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
(All amounts are in millions of Indian Rupees (₹), unless otherwise stated)

Samunnati Finance Private Limited		
Other payable	-	-
Other receivables	0.09	-
Samunnati Foundation		
Other payable	-	0.81
Other receivables	0.46	0.69

39 Employee benefit expenses

Defined contribution plans

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

The total expense recognized in profit or loss of Rs. 9.05 millions (for the year ended 31 March 2023: Rs. 10.26 millions) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans

(a) Gratuity

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

Details of the defined benefit plans as per the actuarial valuation are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
I Change in projected benefit obligation		
Projected benefit obligation at the beginning of the year	5.89	3.04
Current service cost	2.65	2.49
Interest cost	0.74	0.38
Benefits paid	(1.33)	(0.24)
Acquisitions	0.09	1.15
Disposals	-	(0.85)
Remeasurement of DBO	2.92	(0.08)
Projected benefit obligation at the end of the year	10.96	5.89
Current	0.90	0.12
Non-current	10.06	5.77
II Total amount recognized in the Statement of profit or loss		
Current service cost	2.65	2.49
Interest cost	0.74	0.38
	3.39	2.87
III Total amount recognized in other comprehensive income		
Actuarial gain / loss	2.92	(0.08)
	2.92	(0.08)
IV Principal actuarial assumptions used :		
Discount rate	7.00%	7.20%
Long-term rate of compensation increase	7.00%	7.00%
In- service mortality rate	IAL2012-14Ult	IAL2012-14Ult
Attrition rate	15.00%	15.00%

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

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

V Employee benefits - Maturity profile (undiscounted)

Particulars	Upto 1 years	Between 2-5 years	Between 6-10 years	Over 10 years	Total
As at 31 March 2024					
Defined benefit obligation	0.90	6.34	5.09	4.64	16.97
As at 31 March 2023					
Defined benefit obligation	0.12	3.10	3.56	3.33	10.11



Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
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VI Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarizes the effects of changes in these actuarial assumptions on the defined benefit liability at 31 March 2023.

Particulars	Discount rate		Future salary	
	Increases	Decreases	Increases	Decreases
As at 31 March 2024				
> Sensitivity level	1%	-1%	1%	-1%
> Defined benefit obligation	(0.55)	0.61	0.61	(0.57)
As at 31 March 2023				
> Sensitivity level	1%	-1%	1%	-1%
> Defined benefit obligation	(0.36)	0.40	0.42	(0.39)

(b) Compensated absences

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

Principal actuarial assumptions used :	As at 31 March 2024	As at 31 March 2023
Discount rate	7.00%	7.20%
Long-term rate of compensation increase	7.00%	7.00%
Attrition rate	15.00%	15.00%

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Notes to financial statements for the period ended 31 March 2024
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40 Leases

A. Leases as lessee

The Company has entered into lease contracts for buildings used in its operations. Leases of building generally have lease term between 1 and 5 years. The Company applied a single recognition and measurement approach for all leases including short-term leases.

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

(i) Right-of-use assets

Particulars	Year ended	
	31 March 2024	31 March 2023
Balance at the beginning of the year	18.48	17.76
Add: Additions to right-of-use assets	-	12.83
Less: Depreciation charge for the year	(11.12)	(12.11)
Balance at the end of the year	7.36	18.48

(ii) Lease liabilities

Particulars	Year ended	
	31 March 2024	31 March 2023
Balance at the beginning of the year	19.82	19.58
Add: Additions during the year	-	11.21
Add: Accretion of interest	0.83	2.23
Less: Payments during the year	(12.77)	(13.20)
Balance at the end of the year	7.88	19.82

Current	6.35	11.94
Non-current	1.53	7.88

Maturity analysis of lease liability (undiscounted contractual cashflows)

Particulars	Year ended	
	31 March 2024	31 March 2023
Less than 1 year	4.14	13.30
One to five years	4.63	8.78
Total undiscounted lease liability	8.77	22.07

The effective interest rate for lease liabilities is 10%, with maturity between 2023 - 2025.

(iii) Amounts recognised in statement of profit and loss

Particulars	Year ended	
	31 March 2024	31 March 2023
Interest on lease liabilities	0.83	2.23
Depreciation of right-of-use assets	11.12	12.11
Expenses relating to short-term leases	7.18	6.76
Total amount recognised in Statement of profit and loss	19.13	21.10

(iv) Amounts recognised in statement of cash flows

Particulars	Year ended	
	31 March 2024	31 March 2023
Total cash outflow for leases	12.77	13.20
	12.77	13.20

41 The Company has implemented cloud-based ERP from October 01, 2022 which is on SaaS model. The cloud server is located outside India and service provider promises very high level of server uptime and no data loss. As required by the Companies (Accounts) Rules, 2014, the back-up of the books of accounts shall be kept in servers physically located in India on a daily basis. As the original application server is kept outside India, a backup of the books of accounts needs to be taken on a daily basis and needs to be kept in servers in India for retrieval at any time. The Company has subscribed for certain functionality and the maintenance of the backup in India on a daily basis will be implemented from FY 2024-25.



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Notes to financial statements for the period ended 31 March 2024
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42 Ratios

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Change	Reasons for variance
Current ratio	Current assets	Current liabilities	1.13	1.21	-6.61%	Increase in Trade Receivable is more than increase in Borrowings and Trade payable resulting in decrease in Current ratio.
Debt - equity ratio	Total debt	Shareholder's equity	3.85	3.85	-0.05%	No Variance
Debt service coverage ratio	Earnings for debt service = net profit after taxes + non-cash operating expenses	Debt service = interest + principal repayments	0.22	(0.03)	-936.63%	Increase in Business volume in comparison with the previous year resulting in more cash flow available for debt service.
Return on equity ratio	Net profits after taxes	Average shareholder's equity	(0.20)	(0.64)	-69.06%	Decrease in loss in comparison with Previous year due to Write back of provisions.
Inventory turnover ratio	Cost of goods sold	Average inventory	22.69	17.39	30.44%	Increase in the inventory based sales during the year in comparison with the last year.
Trade receivable turnover ratio	Revenue from operations	Average trade receivable	6.50	5.36	21.29%	Increase in the Collection of Trade receivables during the year as a result of Increase in volume of business.
Trade payable turnover ratio	Purchases of stock-in-trade	Average trade payables	61.24	36.98	65.62%	The frequency in paying the creditors is increased due to the increase in volume of business.
Net capital turnover ratio	Revenue from operations	Working capital = current assets - current liabilities	34.46	20.31	69.67%	Increase in ratio due to the Order to cash cycle conversion increase during the year.
Net profit ratio	Net profit	Revenue from operations	(0.01)	(0.02)	-54.89%	Increase in ratio due to Increase in Business volume comparing with previous year
Return on capital employed	Earnings before interest and taxes	Capital employed = Net worth + total debt + deferred tax liability	0.06	(0.00)	-1312.25%	Increase in ratio due to Net profit increase in comparison with Previous year.
Return on investment	Interest (finance income)	Average fixed deposits + average margin money deposits + average investment in debentures	0.08	0.06	49.34%	Increase due to Increase in the Interest rate of deposits with Banks/Financial institutions.

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Samunnati Agro Solutions Private Limited
Notes to financial statements for the period ended 31 March 2024
(All amounts are in millions of Indian Rupees, unless otherwise stated)

43 Additional regulatory disclosures

- a. The Company owns freehold land and the title deeds of the freehold land is held in the name of the Company.
- b. The Company does not hold any investment property and hence the disclosure on fair valuation of investment property is not applicable to the Company.
- c. The Company has not revalued its property, plant and equipment (including right-of-use assets) and intangible assets and hence the disclosure on revaluation of property, plant and equipment (including right-of-use assets) and intangible assets is not applicable to the Company.
- d. The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are either:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment during the current year.
- e. The Company has borrowings from banks and financial institutions on the basis of security of current assets. The Company has filed the monthly statement of current assets with the banks and financial institutions and there are no material discrepancies between such filed statements and books of accounts except for the following:

(Amount in Rs. Millions)

Name of Bank	Month	Reported Net current Assets	Actual Net current Assets	Difference
HDFC Bank	Jun-23	3,965.90	4,120.23	-154.33
HDFC Bank	Sep-23	3,684.30	3,739.29	-54.99
HDFC Bank	Dec-23	4,066.70	4,161.42	-94.72
HDFC Bank	Mar-24	4,558.00	4,402.46	155.54

Note:

In the Quarter 4, the difference due to the reclassification entries between receivables and other current assets post submission of Data to the Bank. In the rest of the quarters the difference due to non consideration of advance to suppliers while submission to the Bank.

- f. No benami property are held by the Company and no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- g. The Company has not been declared as a wilful defaulter by any bank or financial Institution or any other lender.
- h. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, the following are the transactions with struck off Companies:

Name of the struck off company*	Nature of transactions with struck off company	Balance outstanding as at 31 March 2024	Balance outstanding as at 31 March 2023
Nil	Nil	-	-

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

- i. There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- j. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- k. The Company has not entered into any scheme(s) of arrangements and hence the disclosure on compliance with approved scheme(s) of arrangements is not applicable to the Company.
- l. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- m. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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- n. There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.
- o. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 44 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 45 Previous year figures have been regrouped / rearranged, wherever considered necessary, to conform to the classification / disclosure adopted in the current year.

As per our report of even date attached

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


V. Kothandaraman
Partner
Membership No.: 025973
Place: Chennai
Date: 20 May 2024



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


S G Anil Kumar
Director
DIN: 01189011
Place: Chennai
Date: 20 May 2024


Anuj Vijay Kumar Narang
Director
DIN: 01686940
Place: Chennai
Date: 20 May 2024