

17<sup>th</sup> June 2023

The Manager-Listing  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001

The Manager-Listing  
National Stock Exchange of India Ltd.,  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E)  
Mumbai-400051

BSE Code-537291

NSE Code-NATHBIOGEN

Sub: Submission of Notice of Annual General Meeting and Annual Report for the financial year 2022-23.

Ref: Regulation 34 of SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

With reference to the captioned subject, we are submitting herewith Notice of the 30th Annual General Meeting (AGM) of the Company along with the Integrated Annual Report of the Company for the financial year 2022-23, which is being sent to the shareholders by electronic mode.

The 30th Annual General Meeting of the Company will be held on Tuesday, July 11, 2023 at 11.00 a.m. through Video Conferencing/ Other Audio Visual means (VC/OAVM).

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management And Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members with the remote e-voting facility to cast their votes electronically on the resolutions mentioned in the AGM Notice using the electronic voting platform provided by National Securities Depository Limited (NSDL). The voting rights of members shall be in proportion to the shares held by them, as on the cut-off date i.e. Friday. June 30, 2023.

The remote e-voting period commences on, Saturday July 08, 2023 at 9.00 a.m. and ends on Monday, July 10, 2023 at 5.00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. In addition, the facility for voting through electronic voting system shall also be made available at the AGM and the members participating in AGM through VC/OAVM, who have not already cast their vote by remote e-voting shall be able to exercise their rights in the meeting.

The Annual Report containing the AGM Notice is also uploaded on the Company's website viz. [www.nathbiogenes.com](http://www.nathbiogenes.com)

Kindly take the same on your record.

Please take the above on record and oblige.

Thanking you,

Yours faithfully,  
For Nath Bio-Genes (India) Limited

Devinder Khurana  
Chief Financial Officer



# ANNUAL REPORT

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## 2022-2023



**Nath Bio-Genes (I) Ltd.**

हर बीज खरा, शक्ति भरा®



# 30th Annual Report 2022-2023

## Corporate Information

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### Directors

Mr. Satish Kagliwal - Managing Director  
Mrs. Jeevanlata Kagliwal  
Mrs. Sweta Kagliwal  
Mr. Hitesh Purohit  
Mr. Vadla Nagabhushanam  
Mr. Madhukar Deshpande  
Ms. Ashu Jain

### Chief Financial Officer

Mr. Devinder Khurana

### Company Secretary

Mr. Dhiraj Rathi

### Statutory Auditors

Gautam N Associates  
Chartered Accountant  
30, GNA House, Behind ABC Complex,  
Manmandir Travels Lane, Adalat Road,  
Aurangabad-431 001

### Bankers

1. Axis Bank Ltd.
2. HDFC Bank Ltd.
3. State Bank of India.
4. Janakalyan Sahakari Bank Ltd.

### Registered Office

Nath House, Nath Road, Aurangabad-431005  
0240-3502421/2/3/4/5

### Corporate Office

1, Chateau Windsor  
86, Veer Nariman Road  
Churchgate, Mumbai – 400 020

### Registrar & Transfer Agents

Big Share Service Private Limited,  
Office No. S6-2, 6th Floor, Pinnacle Business  
Park, Next to Ahura Center, Mahakali caves  
Road, Andheri East, Mumbai-400 059.

# Contents

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Notice	01
Managing Director's Statement	18
Directors' Report	19
Management Discussion & Analysis Report	49
Corporate Governance Report	59
Independent Auditor's Report (Standalone)	83
Financial Statement (Standalone)	95
Independent Auditor's Report (Consolidated)	123
Financial Statement (Consolidated)	131

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# NOTICE OF ANNUAL GENERAL MEETING

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Notice is hereby given that the THIRTIETH ANNUAL GENERAL MEETING of NATH BIO-GENES (INDIA) LIMITED will be held on Tuesday 11<sup>th</sup> July 2023 at 11.00 A.M. IST through Video Conferencing (VC)/ other Means (OAVM) to transact the following business:

## **ORDINARY BUSINESS.**

### **1. ADOPTION OF FINANCIAL STATEMENTS.**

To receive, consider and adopt the Audited Balance Sheet of the Company as of March 31, 2023, and Statement of Profit & Loss for the year ended as on that date together with the Reports of Directors and Auditors thereon.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and the Statutory Auditor thereon, be and are hereby received, considered and adopted.”

“RESOLVED THAT the audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2023, together with the Report of the Statutory Auditor thereon, be and are hereby received, considered and adopted.”

### **2. DECLARATION OF DIVIDEND.**

To declare a final Dividend of ₹ 2 per equity shares of face value of ₹ 10 each for financial year ended 31<sup>st</sup> March 2023.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT as recommended by the Board of Directors, dividend for the financial year 2022-23 at the rate of ₹ 2 per equity shares of face value of ₹ 10 each, be and is hereby declared and that the said dividend be paid out of the profits of the Company to the eligible equity shareholders.”

### **3. RE-APPOINTMENT OF DIRECTOR**

To appoint Mrs. Jeevanlata Kagliwal (DIN-02057459) as Director of the Company, who retires by rotation and being eligible, offer herself for re-appointment.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution

RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force, Mrs. Jeevanlata Kagliwal (DIN: 02057459), who retires as a Director by rotation and, being eligible, has offered herself for re appointment, be and is hereby re-appointed as a Director of the Company.”

## **SPECIAL BUSINESS**

### **4. RE-APPOINTMENT OF MR. SATISH KAGLIWAL AS MANAGING DIRECTOR OF THE COMPANY.**

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

“RESOLVED THAT, pursuant to the provisions of Section 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification from time to time or any re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the Companies Act, 2013 and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Satish Kagliwal as Managing Director of the Company for the period of 5 years effective from 1st August 2023 to 31st July 2028 on the following terms and conditions, including remuneration (effective from 01 April 2023), with liberty to the Board of Directors to alter and vary such terms and conditions, including remuneration in such manner as may be agreed between the Board and Mr. Satish Kagliwal.

RESOLVED FURTHER THAT the remuneration payable to Mr. Satish Kagliwal shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board of Directors & Key Managerial Personnel of the Company be and hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, usual, or expedient, to give effect to the aforesaid resolution.”

### **5. REGULARIZATION OF ADDITIONAL DIRECTOR MR AKASH NANDKISHOR KAGLIWAL (DIN-01691724) AS DIRECTOR OF THE COMPANY.**

To consider and if thought fit, to pass with or without modification the following resolution as Special Resolution

“RESOLVED THAT pursuant to applicable provisions of the Companies Act 2013, and the rules and regulations made thereunder (including any statutory modification or re-enactment thereof for the time being in force) consent of the members be and is hereby accorded to appoint Mr. Akash Nandkishor Kagliwal (DIN-01691724) as Director of the Company, who was appointed as Additional Director w.e.f. April 22, 2023, till the conclusion of ensuing Annual General Meeting.

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorized to do sign digitally or otherwise all such necessary e-forms, returns, deeds, documents, and writings and to do all such acts, deeds and things as may be considered necessary to give effect to the above said resolution.”

Date: 22.04.2023  
Registered Office: Nath House  
Nath Road,  
Chh. Sambhajanagar -431005  
CIN: L01110MH1993PLC072842

By order of the Board of Directors

Satish Kagliwal  
Managing Director  
DIN: 00119601

## NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.nathbiogenes.com](http://www.nathbiogenes.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020, and MCA

Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, and MCA Circular No. 2/2021 dated January 13, 2021.

8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.
9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare Services Private Limited in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA Bigshare Services Private Limited in case the shares are held by them in physical form.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website [www.nathbiogenes.com](http://www.nathbiogenes.com) websites of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
12. The Business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
13. Pursuant to Section 91 of the Companies Act, 2013, The Register of Members and Share Transfer Books of the Company will be closed from 05<sup>th</sup> July 2023 to 11<sup>th</sup> July 2023 both days inclusive. And record date is 30<sup>th</sup> June 2023 for payment of dividend.
14. The Board of Directors, at its meeting held on 22<sup>nd</sup> April 2023 has recommended dividend of ₹ 2 per equity share of the face value of ₹ 10 each for FY2023 for the approval of members at the 30<sup>th</sup> AGM.
15. Subject to the provisions of section 126 of the Act, dividend on equity shares, if declared, at the AGM, will be credited/dispatched on/after Monday, 17<sup>th</sup> July 2023 and within thirty days from the date of declaration of dividend
  - (a) to all those members holding shares in dematerialized form, as per the details provided by the share transfer agent of the Company, i.e., Bigshare Services as on closing hours on Friday, 30<sup>th</sup> June 2023; and



- (b) to all those members holding shares in physical form, as per the details provided by the share transfer agent of the Company, i.e., Bigshare Services as on closing hours on Friday, 30<sup>th</sup> June 2023.
16. As per SEBI Listing Regulations and pursuant to SEBI circular dated 20 April 2018, a listed entity shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Accordingly, dividend, if declared, will be paid through electronic mode, where the bank account details of the members are available. In case where the dividend could not be paid through electronic mode, payment will be made through physical instrument such as banker's cheque or demand draft incorporating bank account details of such members.
17. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA Bigshare Services Private Limited (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).
18. The relative Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.
19. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in the electronic form are therefore requested to submit their PAN to their depository Participants with whom they are maintaining their demat accounts. Members holding Physical shares can submit their PAN to the Company/ Bigshare Services.
20. In case of joint holders, the member whose name appears as the first holder in order of names as per the registrar of members of the Company will be entitled to vote during the AGM.
21. The Company has appointed M/s Neha P Agrawal, Practicing Company Secretaries Membership No. 7350, to scrutinize the Voting at the meeting and remote e voting process in fair and transparent manner.
22. Since AGM will be held through VC/OAVM, the Route Map is not annexed in the Notice.
23. Instruction for E-Voting and joining AGM are as follows:

### **EVOTING INSTRUCTIONS**

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on Saturday, 08<sup>th</sup> July 2023 at 09:00 A.M. and ends on Monday 10<sup>th</sup> July 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Friday 30<sup>th</sup> June 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday 30<sup>th</sup> June 2023.

### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-</li></ol>

**Voting service provider i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.



### **Individual Shareholders holding securities in demat mode with CDSL**

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and able to directly access the system of all e-Voting Service Providers.

**Individual Shareholders (holding securities in demat mode) login through their depository participants**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43



**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name, and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [nath.scrutinizer@gmail.com](mailto:nath.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical register details:  
<https://www.bigshareonline.com//InvestorRegistration.aspx>

OR

2. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to ([investor@nathbiogenes.com](mailto:investor@nathbiogenes.com))

### **In case shares are held in demat mode:**

1. Please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([investor@nathbiogenes.com](mailto:investor@nathbiogenes.com)). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
2. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2021, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are required to update their mobile number and email ID correctly in their demat account to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investor@nathbiogenes.com](mailto:investor@nathbiogenes.com). The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number, mail ID and questions or a topic they would like to speak at AGM at [investor@nathbiogenes.com](mailto:investor@nathbiogenes.com)



from July 05, 2023 (9:00 a.m. IST) to July 07, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

### Dividend Related Information

Pursuant to the changes in the Income-tax Act, 1961 ('the Act'), as amended by the Finance Act, 2020, dividends paid or distributed by the Company on or after 1st April 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source ('TDS') (at the applicable rates) at the time of payment of the dividend. The withholding tax rate would vary depending on the residential status of the shareholder(s) and subject to verification of documents, sent by the shareholder(s)

#### Resident Shareholders:

Tax shall be deducted at source under section 194 of the Income Tax Act, 1961 (the 'IT Act') @ 10% on the amount of dividend declared and paid by the Company during financial year 2022-23, subject to the following:

Sr No	Particulars	Rate of TDS	Section under IT Act
1	PAN is not available/Invalid PAN	20%	206AA
2	Non-filing of return of income tax for any of the last two financial years and TDS as well as TCS deduction in each of these years in case of the shareholder is ₹ 50000 or more (Refer Note 1)	20%	206AA

**Note 1:** Provisions of section 206AB of the IT Act are applicable with effect from 1 July 2021

No tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said resident individual from the Company during a financial year does not exceed ₹ 5000; or if an eligible resident shareholder provides a valid declaration in Form 15G/Form 15H or other documents as may be applicable to different categories of shareholders.

Further, if a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities and provides a copy of the same to the Company, tax shall be deducted on the dividend payable to such shareholder at the rate specified in the said certificate.

#### Non-resident Shareholders:

Tax is required to be deducted at source in the case of non-resident shareholders in accordance with the provisions of section 195 of the IT Act at the rates in force. As per the relevant provisions of the IT Act, the TDS on dividend shall be @ 20% or applicable rate plus applicable surcharge and health & education cess on the amount of dividend payable to the non-resident shareholders. For FII/FPI shareholders, section 196D provides for TDS @ 20% or applicable rate plus applicable surcharge and health & education cess.

However, as per section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with applicable Multilateral Instrument (MLI) provisions if they are more beneficial to them.

A list of documents/declarations required to be provided by the resident shareholders and list of documents/ declarations required to claim the benefit of DTAA by the non-resident shareholders are available on the Company's website <https://www.nathbiogenes.com>.

Kindly note that the documents should be send to Bigshare Services Private Limited., the registrar and share transfer agent at [tds@bigshareonline.com](mailto:tds@bigshareonline.com).

No communication on the tax determination/deduction shall be entertained after 07<sup>th</sup> July 2023.

The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the IT Act. In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.
- For deduction of tax at source, the Company would be relying on the above data shared by Bigshare Services Private Limited as updated up to the record date.

May be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the aforementioned details/documents from the shareholders, and such shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

The Company shall arrange to email the soft copy of the TDS certificate to shareholders at the registered email ID within the prescribed time, post payment of the said dividend, if declared in the AGM. The said certificate can also be viewed in Form 26AS at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the website of the Income Tax department of India <https://www.incometax.gov.in/home>.

In the event of any income-tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder/s, such shareholder/s will be responsible to indemnify the Company and provide the Company with all information/documents and co-operation in any assessment/appellate proceedings before the Tax/Government authorities.

For further details and formats of declaration, please refer to FAQs on Dividend Distribution available on the Company's website <https://www.nathbiogenes.com>.



**Explanatory Statement  
(Pursuant to Section 102 of the Companies Act, 2013)'**

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned in the accompanying Notice:

**Item No 3**

**DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT.**

Mrs. Jeevanlata Kagliwal was Regularized as Director of the Company by the members in the Annual General meeting held on 10<sup>th</sup> August 2019, liable to be retire by rotation.

Accordingly, in terms of Section 152 (6) of the Companies Act, 2013. Mrs Jeevanlata Kagliwal shall retire as a Director by Rotation at the forthcoming Annual General Meeting and being eligible, has offered herself for a Reappointment.

As per the terms of his appointment as a Director, her re-appointment as a Director on retirement by rotation at the forthcoming Annual General Meeting, would not constitute break in her term of Director.

Brief profile of Mrs Jeevanlata Kagliwal are as under.

<b>NAME OF DIRECTOR</b>	<b>Mrs. Jeevanlata Nandkishor Kagliwal</b>
<b>Date of Birth</b>	30 <sup>th</sup> April 1948
<b>Date of Appointment</b>	30 <sup>th</sup> May 2019
<b>Qualification</b>	M.A. Political Science
<b>Director in Other Public Company</b>	<ol style="list-style-type: none"><li>1. Nath Industries Limited</li><li>2. Global Transgenes Limited</li><li>3. Nath Industrial Chemical Limited</li><li>4. Nath Royal Seeds Limited</li><li>5. Nath Bio-Technologies Limited</li><li>6. Techindia Nirman Limited</li><li>7. Nath Bio-Genes (India) Limited</li></ol>
<b>Chairman/ Member of Committees of other Companies</b>	Membership in 3 Committees
<b>No of shares held in the Company</b>	266 Shares

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP except Jeevanlata Kagliwal are concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

**Item No 4.**

**RE-APPOINTMENT OF MR. SATISH KAGLIWAL AS MANAGING DIRECTOR OF THE COMPANY**

The terms of appointment of Mr. Satish Kagliwal will expire on July 31, 2023. The Board of Directors (Board) of the Company at meeting held on 22<sup>nd</sup> April 2023, and based on the recommendation of the Nomination and Remuneration Committee, has approved the proposals of reappointment Mr. Satish Kagliwal (DIN-00119601) as the Managing Director of the Company for a period of five years with effect from August 01, 2023 upon the terms and conditions contained in the draft Agreements to be entered into by the Company with Mr. Satish Kagliwal.

The said draft Agreements, inter-alia, contains the following material terms and conditions:

1. Period of Agreement: August 01, 2023, to July 31, 2028,
2. Remuneration: effective from April 01, 2023,

Sr no	Salary and Perquisites (Per Annum)	Amount
1.	Basic Salary	26,40,000
2.	Special Allowance	23,10,000
3.	Other Allowance	16,50,000
	Total	66,00,000

Mr. Satish Kagliwal shall be entitled to the following perquisites / allowances: House rent allowance, Reimbursement of medical expenses and medical insurance premiums for self and family, leave travel allowance, fees of clubs, telephone and internet facilities at residence and mobile phone facility, provision of car for the business of the Company, personal accident insurance; Bonus, ex-gratia incentives, assignment of key man or other insurance policies obtained by the Company and such other perquisites and special allowances as may be determined by the Board of Directors from time to time. Explanation: "Family "means the spouse, the dependent children, and dependent parents of the Managing Director. The perquisites and allowances together with the salary and commission payable as aforesaid shall be restricted to and subject to the applicable overall maximum ceiling limits set out in Sections 196, 197 read with Schedule V of the Companies Act, 2013 for the time being in force. The following perquisites shall not be included in the computation of the ceiling on remuneration specified above:

- a. Contribution to provident fund, super annuation fund or annuity fund as per the rules of the Company to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - b. Gratuity payable at rate not exceeding half a month's salary for each completed year of service.
  - c. Encashment of leave at the end of the tenure. For the purposes of calculating the ceiling, perquisites shall be evaluated as per Income tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be valued at actual cost. Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long-distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
3. Annual Privilege Leave: On full salary for a period of 21 Days and shall be entitled to accumulate such leave as per Company Rules Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
  4. Mr. Satish Kagliwal shall not be paid any sitting fees for attending the Meetings of the Board of Directors and/or Committee(s) thereof.
  5. Either party shall be entitled to terminate the agreement by giving to the other party 180 days' notice in writing without showing any cause provided that the same may be waived mutually.
  6. The terms and conditions of the said re-appointment and/or remuneration and/or agreement may be altered and varied from time to time, by the Board of Directors so as not to exceed the limits set out in Sections 196, 197 read with Schedule V of the Companies Act, 2013 [including any statutory modifications or re-enactment thereof], for the time being in force or any amendments or

modifications that may be made thereto by the Central Government in that behalf from time to time, or any amendments.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP except Jeevanlata Kagliwal & Satish Kagliwal are concerned or interested in the Resolution at Item No. 5 of the accompanying Notice.

#### **Item No-5.**

#### **APPOINTMENT OF MR. AKSAH KAGLIWAL, AS DIRECTOR, OF THE COMPANY.**

The Board of Directors of the company had appointed Mr. Akash Nandkishor Kagliwal (DIN: 01691724) as an Additional Director of the Company with effect from April 22<sup>nd</sup>, 2023, pursuant to the provisions of the Section 152 & 161 of the Companies Act, 2013 read with the rules framed there under, to hold office up to the date of the 30<sup>th</sup> Annual General Meeting. Considering the knowledge and experience of Mr. Akash Kagliwal, the Board of Directors in consonance with Nomination and Remuneration Committee recommends the appointment of Mr. Akash Kagliwal as an Executive Director of the Company and is now being placed before the Members at the General Meeting for their approval.

The Company has received from Mr. Akash Kagliwal

(i) consent in writing to act as director in form DIR2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and

(ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

<b>NAME OF DIRECTOR</b>	<b>Mr. Akash Kagliwal</b>
<b>Date of Birth</b>	10/06/1979
<b>Qualification</b>	Diploma in Business Management
<b>Expertise in specific Functional areas</b>	Mr. Akash Kagliwal is BA (Hons) International Business from Regent Business School, London  Mr. Akash Kagliwal is having rich experience in the field of Biotechnology, food park, Agro research, hybrid seeds, paper industries, industrial chemicals, Etc.
<b>Director in other Public Companies</b>	Nath Industries Limited (Managing Director)
<b>Chairman/ Member of Committees of other Companies</b>	NIL
<b>No of shares held in the Company</b>	NIL

By order of the Board of Directors

Date: 22<sup>nd</sup> April 2023  
Registered Office: Nath House  
Nath Road,  
Chh. Sambhajinagar-431005  
CIN: L01110MH1993PLC072842

Satish Kagliwal  
Managing Director  
DIN: 00119601

# MANAGING DIRECTOR'S STATEMENT

To Our Loyal Shareholders

**Nath Bio-Genes (India) Limited** is committed to be a strategic partner to our farmers by helping them overcome challenges of low yield, waste and disease infestation and vagaries of monsoon.

Seed is the basic and the most critical input in the agriculture and so the investments made on all other inputs will go waste if the seed is not of good quality. Thus, the quality seed is of paramount importance for sustainable growth of agricultural production and productivity. Hence, we have invested heavily in Research and Development, especially to innovate seeds, which is dream products for our Farmers.



The availability of quality seed is not a one-time affair; it needs to be monitored every season year after year at different stages such as seed production, processing, testing, marketing etc. Thus, company has invested vastly in seed replacement system.

Agriculture fundamentals remain attractive with healthy farmer income levels and resilient customer demand. At the same time, global macroeconomic challenges persist. Our priorities for 2023 are straightforward and reflective of our operating environment – execute our balanced plan to deliver according to market growth and margin expansion, which will enable to continued value creation.

The key constituents of our basket are our top-ranked cotton hybrid SANKET; most popular bajra seed in the market, Super 27; 3 fast-growing paddy hybrids, visibly Dhoom, Dhadak, and Dhadak Gold; and unparalleled hybrid tomato seed Akhand; NCH 495, which is a unique chili hybrid that is hot pepper, first ever product in the industry showing high tolerance to black thrips. Besides many more other winning products in crops like maize, cucumber, bitter gourd, etc.

Strengthened by the company's competitive advantages, we have delivered broad-based sales and earnings growth year over year, with value returned to shareholders via dividend.

As economies around the world continue to recover, we are committed to unlocking value at a faster pace, while continuing to do what Nath Bio does best – launching innovative products, forging strong customer relationships, and maintaining focus on execution.

Ultimately, we are committed to the success of agriculture—across all its spectrums—which is the backbone for which all of us depend upon so dearly each and every day.

Thank you for your support as Nath Bio Genes continues to deliver value for all stakeholders, building a stronger agriculture system for our world.

# DIRECTORS' REPORT

The Directors of the Company are pleased to present the Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March 2023.

## 1. FINANCIAL RESULTS

(Rs in Lakhs)

Sr. No	Particulars	Standalone		Consolidated	
		Year ended. 31.03.2023	Year ended. 31.03.2022	Year ended. 31.03.2023	Year ended. 31.03.2022
1.	Sales	30129.15	27836.23	30136.37	27836.23
2.	Profit before Interest & Depreciation	4945.10	3909.05	4929.73	3904.33
3.	Interest	1012.08	1061.10	1012.08	1061.10
4.	Depreciation	301.23	308.41	301.23	308.41
5.	Profit Before Tax & Exceptional items	3631.80	2539.55	3616.43	2534.82
6.	Tax Provision (Net of Deferred Tax)	115.29	395.15	115.29	395.15
7.	<b>Profit After Tax</b>	<b>3516.51</b>	<b>2144.39</b>	<b>3501.14</b>	<b>2139.66</b>
8.	Exceptional Items	0	8878.19	0	8878.19
9.	Profit available for Appropriation	3516.51	-6733.80	3501.14	-6738.53
10.	Balance carried to Balance Sheet	3516.51	-6733.80	3501.14	-6738.53

## 2. COMPANY'S PERFORMANCE AND OPERATION.

Income from operations during the financial year ended 31<sup>st</sup> March 2023 was at Rs.30129.15 Lakhs (Standalone) as against Rs. 27836.23 Lakhs (Standalone) representing an increase of 8.23 % over the previous year. Profit after Tax for the year under review was Rs 3516.51 Lakhs (Standalone) which is higher by 43% as compared to last year. This was achieved by the company through maintaining the expenses almost at previous year level and enhancing sales by Rs.2292.92 Lakhs (Standalone).

## 3. DIVIDEND.

In view of the proposed growth plan, the Directors have recommended a dividend for the financial year 2022-23 of Rs. 2/- (i.e., 20%) per equity shares of the nominal value of Rs. 10.00 per share fully paid up, subject to approval of shareholders in the upcoming Annual General Meeting of the Company.

## 4. DEPOSITS.

The company has not accepted any fixed deposits during the year under review.

## **5. SHARE CAPITAL.**

The paid-up equity share capital as on 31st March 2023 was Rs.1900.40 Lakhs divided into 19004000 equity shares of face value of 10/- each. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the has not issued shares with differential voting rights, sweat equity shares, nor has initiated any stock options.

## **6. FINANCIAL STATEMENT.**

Full version of the Annual Report 2022-23 containing complete Balance Sheet, Statement of Profit & Loss, other statements, and notes thereto, prepared as per the requirements of Schedule III to the Companies Act, 2013, Directors' Report (including Management Discussion and Analysis, Corporate Governance Report) are being sent via email to all shareholders who have provided their email address(es). The full version of Annual Report 2022-23 is also available for inspection at the registered office of the Company during working hours upto the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website at [www.nathbiogenes.com](http://www.nathbiogenes.com).

## **7. TRANSFER TO RESERVES.**

The entire retained earnings closing balance of the retained earnings of the Company for FY 2023, after all appropriation and adjustments was Rs. 55,435.02 Lakhs and the same has been retained as such.

## **8. CONSOLIDATED FINANCIAL STATEMENT**

In compliance with the relevant provisions of Section 133 of the Companies Act, 2013 and Ind As-110 on Consolidated Financial Statements, read with the Accounting Standard AS-23 on Accounting for Investments in Associates, your Directors have pleasure in attaching the consolidated financial statements with Nath Bio-Genes (CA), Uzbekistan, for the financial year ended March 31, 2023, which forms part of the Annual Report.

## **9. ANNUAL SECRETARIAL COMPLIANCE REPORT**

The Company has undertaken an audit for the financial year 2022-23 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/S Neha P Agrawal, Practicing Company Secretary, has been submitted to the Stock Exchanges within the specified time.

## **10. STATUTORY AUDITORS AND AUDITORS REPORT.**

At the Annual General Meeting held on 30<sup>th</sup> June 2022, M/s Gautam N Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in year 2027.

The statutory auditors report is annexed to this annual report. There are no adverse remarks on disclosure by the statutory auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review. Pursuant to Section 139(2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the Company at its Annual General Meeting (AGM) held on 30<sup>th</sup> June 2022, had appointed M/s Gautam N Associates,, Chartered Accountants as Statutory Auditors to hold



office from the conclusion of Annual General Meeting to be held in year 2023, subject to ratification by shareholders every year, as may be applicable. However, the Ministry of Corporate Affairs (MCA) vide its notification dated 7th May 2018 has omitted the requirement under first proviso to section 139 of the Companies Act, 2013 and rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of appointment of statutory auditors by shareholders at every subsequent AGM.

#### **11. AUDITORS' REPORT.**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, or adverse remark.

#### **12. INTERNAL AUDITORS.**

The Board of Directors of the Company has appointed M/s M.K. Ghatiya and Associates, Company Secretaries Internal Auditors to conduct Internal Audit of the Company for the financial year ended 31st March 2023. The Internal Audit reports are being reviewed by the Audit Committee of the Company.

#### **13. COST AUDITORS.**

Pursuant to the provisions of Section 148 (1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to maintain cost records and accordingly no such audit is required to be conducted.

#### **14. SECRETARIAL AUDIT REPORT.**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014, the Board of Directors have appointed M/s. Neha P Agrawal Company Secretaries in Practice (C.P.No.8048) as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year ended 31st March 2023. The Secretarial Audit Report issued by M/s. Neha P Agrawal Practising Company Secretaries in Form MR-3 is annexed to this Board's Report as **Annexure – VI**.

#### **15. SUBSIDIARIES.**

The details of the subsidiaries company as of 31 March 2023 is as under: -

**Nath Bio-Genes CA, LLC:** A Joint Venture with 90% stake holding as Nath Bio Genes CA LLC was incorporated & registered under the statute of Republic of Uzbekistan.

#### **16. ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEM.**

According to Section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the company 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. Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. The Company has a well-placed, proper, and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorised,

recorded, and reported correctly. The Internal Auditors are an integral part of the internal control system of the Company. Maintain its objective and independence, the Internal Auditors report to the Audit Committee of the Board. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company.

#### **17. DIRECTORS' RESPONSIBILITY STATEMENT.**

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors hereby confirms that,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. It has in the selection of the accounting policies, consulted the Statutory Auditors, and has applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the company as of 31<sup>st</sup> March 2023 and of the profits of the company for that period.
- iii. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability. There are, however, inherent limitations, which should be recognized while relying on any system of internal control and records.
- iv. It has prepared the annual accounts on a going concern basis.
- v. The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operation efficiently.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **18. DIRECTORS & KEY MANAGERIAL PERSON**

##### **Director Retires by rotation**

- ✚ Ms. Jeevanlata Kagliwal (DIN-02057459) retires by rotation under Section 152 of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

Key Managerial Person

The Key Managerial Personnel (KMP) of the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Satish Kagliwal- Managing Director  
Mr. Devinder Khurana- Chief Financial Officer  
Mr. Dhiraj Rathi- Company Secretary



**19. DECLARATION OF INDEPENDENT DIRECTOR.**

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub section (6) of Section 149.

**20. FAMILIARIZATION PROGRAMME OF INDEPENDENT DIRECTOR.**

The details of the familiarization program for the Independent Directors are reported in the Report on Corporate Governance.

**21. NUMBER OF MEETINGS OF THE BOARD.**

Four meetings of the Board were held during the year. The dates on which the Board meetings were held are 30<sup>th</sup> May 2022, 13<sup>th</sup> August 2022, 20<sup>th</sup> October 2022, and on 14<sup>th</sup> February 2023,

the details of attendance of Board meetings and Committee meetings held during the Financial Year 2022-23 form part of the Corporate Governance Report.

**22. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEE, AND INDIVIDUAL DIRECTORS.**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. Detailed information in this regard has been given in the Corporate Governance Report.

**23. MANAGEMENT DISCUSSION & ANALYSIS.**

The Management Discussion and Analysis has been given separately in the Annual report.

**24. PARTICULARS OF EMPLOYEE.**

The overall employees of the Company as on 31<sup>st</sup> March 2023 is 433 and other details is given separately in Annexure-I.

**25. PARTICULARS OF CONTRACT OR ARRANGEMENTS PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no material related party transactions during the year under review with the Promoters, Directors, or Key Managerial Personnel. The Company has developed a Related Party Transactions framework through standard operation procedures for the purpose of identification and monitoring of such transactions. All Related Party Transactions are placed before the Audit Committee as also to be Board for approval. The particulars of contracts or arrangements entered by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 disclosed in **Form No. AOC – 2** and is set out as **Annexure –II** and forms part of this report.

**26. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.**

Given Separately as Annexure III

**27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

The loan given or guarantee provided, or investment made by the Company during the financial year 2022-23 as per Section 186 of the Companies Act, 2013 have been given in the Balance Sheet and Audit Report.

**28. CORPORATE SOCIAL RESPONSIBILITY (CSR).**

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set

out in **Annexure IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report.

### **29. HUMAN RESOURCE MANAGEMENT**

The great task of Product development, Supply chain, Marketing etc. was done at Nath Bio-Genes successfully. We work as team by aligning objectives with organizational strategy to drive business out comes successfully and personal motivation. The above success was possible, we strive to on board the right people, with right skills and knowledge, at right time. The talent of individual employees utilized effectively managing it with strategies and initiatives driven to achieve business goals. Today Nath Bio-Genes strength of 433-member strong work force drives our growth effectively and efficiently.

### **30. DIVIDEND DISTRIBUTION POLICY**

Pursuant to Regulation 43A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the board has approved and adopted the Dividend Distribution Policy and the same is available at Companies website and provided as Annexure-VII to the Annual Report.

### **31. INSIDER TRADING CODE.**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, the Company have its Code of Conduct for regulating, monitoring, and reporting of trading by Designated Persons in line with the recent amendments brought by SEBI in the PIT Regulations. The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances. the Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information by including a policy for determination of legitimate purposes.

### **32. MATERIAL CHANGES AND COMMITMENTS.**

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2023, to the date of signing of the Director's Report.

### **33. RISK ASSESMENT AND MANAGEMENT.**

The Company is exposed to various business risks. These risks are driven through external factors like economic environment, competition, regulations etc. The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact, and risk mitigation process. A detailed exercise is being conducted to identify, evaluate, manage, and monitor business and non-business risks. The Audit Committee and Board periodically review the risks and suggest steps to be taken to manage/mitigate the same through a properly defined framework. During the year, a risk analysis and assessment was conducted, and no major risks were noticed, which may threaten the existence of the Company.

### **34. POLICY AGAINST SEXUAL HARRASMENT AT WORKPLACE.**

Pursuant to the provisions of Section 4(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place an Internal Complaints' Committee. The following is a summary of sexual harassment complaints received and disposed of during the year

No. of complaints received: Nil  
No. of complaints disposed of: Nil

### **35. ENVIRONMENTAL SAFETY.**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

### **36. COMMITTEE OF THE BOARD**

Currently the Board has Five Committees:

1. Audit Committee.
2. Stakeholders' Relationship Committee,
3. Nomination & Remuneration committee.
4. Corporate Social Responsibility Committee
5. Risk Management Committee

A detailed note on the Board and its committees, composition, and compliances, as per the applicable provisions of the Act and Rules is provided under the Corporate Governance Report.

### **37. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure -III to this Report.

### **38. EXTRACT OF ANNUAL RETURN.**

As per the requirements of Section 92(3) of the Act and Rules framed there under, the extract of the annual return for FY 2023 is given in **Annexure-V** in the prescribed Form No. MGT-9, which is a part of this report. And will be uploaded on Companies website [www.nathbiogenes.com](http://www.nathbiogenes.com).

### **39. BUSINESS RESPONSIBILITY REPORT / BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The Business Responsibility Report is discontinued by the SEBI from the financial year 2021-22 and with effect from 2022-23 top 1000 Company based on the Market Capitalization shall submit the Business Responsibility and Sustainability Report, but our Company is not under the top 1000 Company therefore requirement of BRSR is Not Applicable to us.

#### **40. INSURANCE**

All the insurable interest of the company, including Inventories, Buildings, Machinery etc., is adequately insured.

#### **41. INDUSTRIAL RELATION.**

The Company enjoyed cordial relations with its employees at all levels. Your directors record their appreciation of the support and co-operation of all employees and counts on them for the accelerated growth of the Company.

#### **42. ACKNOWLEDGEMENTS.**

The Directors place on record their sincere appreciation for the dedication, hard work, and commitment of the employees at all levels and their significant contribution to your Company's growth. Your Company is grateful to the Distributors, Dealers, and Customers for their support and encouragement. Your directors thank the Banks, Financial Institutions, Government Departments and Shareholders and look forward to having the same support in all our future endeavors.

For and on behalf of the Board of Directors

22<sup>nd</sup> April 2023  
Registered Office:  
Nath House,  
Nath Road  
Chh. Sambhajinagar-431005

Managing Director  
Satish Kagliwal  
DIN: 00119601

Director  
Jeevanlata Kagliwal  
DIN: 02057459



## ANNEXURE-1

### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) AND SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES

#### (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The Ratio of the remuneration of each Director to the median remuneration to the employee of the Company for the financial year 2022-23: -

Satish Kagliwal: Managing Director 12.58

#### Note

- i. Independent Directors have been paid sitting fees for attending meeting of the Board or its Committees as disclosed in the Corporate Governance Report. The sitting fees paid have not been included in the details mentioned above.
  - ii. For Calculation of median remuneration, the employee count taken is 419 which comprises of employees who have served for whole of the Financial Year 2022-23.
2. Percentage increase in remuneration of each Director, Chief financial officer, Company Secretary in Financial Year 2022-23:

Directors/CFO/CS Name	Designation	% Increase /decrease in remuneration of 2022-23
Satish Kagliwal	Managing Director	0.00 %
Devinder Khurana	Chief Financial Officer	7.00 %
Dhiraj Rathi	Company Secretary	19.00%

3. Percentage increase in the median remuneration of employees in the financial year 2022-23: 5.64%
4. Number of the Permanent employees on the rolls of the company as on 31.03.2023: 433
5. Average percentile increases in salaries of Employees other than Managerial personnel in the last financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and any exceptional circumstances for increase in the Managerial Remuneration (if any):

The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 7.14%. The increment given to each individual employee is based on the employees' potential, experience as well as their performance and contribution to the Company's progress over a period.

6. Affirmation of remuneration is as per the remuneration policy of the company.  
It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy adopted by the Company.



## 7. Top ten Employees in terms of remuneration drawn during the year 2022-23

TOP TEN EMPLOYEES-2022-23						
Sr. No.	Name	Designation	Remuneration (INR in Lakhs)	Qualification	Joining Date	Age
1	Venkatesh Kulkarni	Head R & D	94.00	PhD., M. Sc. (Agri.)	21/05/2018	57
2	Devinder Khurana	CFO	69.76	CFA, CFE, CAIIB	01/08/1996	64
3	Ravinder Reddy	VP-SCM	69.19	M. Sc. (Agri.),	05/05/2020	63
4	Harish Pandey	AVP- Mkt	67.71	B. Sc. (Agri.)	28/08/2020	49
5	Ram Kumar Pandey	AVP- Mkt	62.27	B. Sc. (Agri.), Diploma in Marketing Management,	01/08/2020	50
6	Satish Kagliwal	Managing Director	48.00	MMS	01/11/1990	66
7	Syed Sajid Hassan	VP-IBD	47.31	B. Sc. (Agri.), M. B. A.	02/07/2019	58
8	Abhinay Jadhav	Cheif People Officer	37.98	B. Com., M. B. A. (HR)	01/06/2021	51
9	Satyadev Pathak	GM- PD	31.54	M. Sc. (Bot.), B. Sc. (Agri.)	14/10/2016	56
10	Santosh Joshi	VP- BO	29.33	M. Com., D. B. M.	01/01/2008	52

### Notes:

1. The employees have adequate experience to discharge responsibilities assigned to them.
2. None of the employees are relatives of the Directors of the Company



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

Particulars of contracts / arrangement entered into by the Company with Related Parties					
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 transaction under third proviso thereto)					
<b>1. Details of contract or arrangement or transactions not at arm's length basis:</b>		All contracts / arrangements entered in to by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act 2013 are at arm's length basis.			
<b>2. Details of contract or arrangement or transactions at arm's length basis:</b>					
a) Name of the Related Party	Global Transgenes Limited	Agri-Tech (India) Limited	Paithan Mega Food Park Limited	TechIndia Nirman Limited	Arati Farms Pvt Ltd
b) Nature of transaction	Operational	Operational	Operational	Operational	Operational
c) Duration of transaction	NA	NA	NA	NA	NA
d) Salient features of transaction including the value if any	Research & Development	Land Purchase	Warehouse Renting	Real Estate Development	Seed Production

**ANNEXURE III**

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.**

**Conservation of Energy:**

Energy conservation dictates how efficiently a company can conduct its operations. Your Company recognizes the importance of energy conservation in decreasing the detrimental effects of global warming and climate changes. Being in the field of Agriculture, we are constantly endeavoring to improve upon the agro-climatic conditions. As a contentious effort, we have taken necessary measure to achieve economy in consumption of energy. To augment efforts, the company has installed Solar Panels over the processing plant to conserve energy.

**Technology Absorption & Research and Development:**

The company has been in the field of Technology Absorption and Research & Development since inception. Our state-of-the-art R & D facility, at Chh. Sambhajinagar is constantly in the process of developing new seeds to enhance the yield to the farming community without jeopardizing the environment. We have employed state-of-the-art technology, wherever applicable.

<b>Expenditure on R &amp; D</b>	<b>937.13 Lakhs</b>
<b>Foreign Exchange Earning and Outgo:</b>	
<b>Earnings</b>	807.80 Lakhs
<b>Outgo</b>	170.96 Lakhs

#### ANNEXURE IV

#### Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR Committee	Refer Sections: (a) Corporate Social Responsibility and (b) Disclosures: CSR&G Committee in this Report
2. Average net profit of the Company for last three financial years `	INR 4444.15 Lakhs
3. Prescribed CSR expenditure (two percent of the amount mentioned in item 2 above)	INR 88.88 Lakhs
4. Details of CSR spent during the financial year: <ul style="list-style-type: none"> <li>• Total amount spent for the financial year</li> <li>• Amount unspent if any</li> <li>• Manner in which the amount spent during the financial year</li> </ul>	90.22 Lakhs Not Applicable Details given below

#### DETAILS OF AMOUNT SPENT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2022-23

Sr. No.	CSR project or Activity Identified Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of Program Area or Other (1) Local Area or State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise (In Lakhs)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (In Lakhs)	Cumulative Expenditure Up to the reporting period i.e. FY 2019-2023 (In Lakhs)	Amount Spent Direct or through Implementing Agency
1	(i)	PAN India	Rural Transformation		INR 90.22	Self through Company Staff
<b>Total</b>					INR 90.22	

## **CORPORATE SOCIAL RESPONSIBILITY AT NATH BIO-GENES (INDIA) LIMITED**

At NBIL, Corporate Social Responsibility (CSR) is being embedded in the long-term business strategy of the Company. For NBIL, business priorities and social commitments are meant to co-exist in harmony for the development of people and communities at large. The Company's CSR initiatives in rural development would help elevate the quality of life of millions of farmers. We further plan to venture into healthcare, education, and rural employment over a period.

Your Company has been making systematic efforts at educating the farming community on the best agriculture cultivation practices to aim at rural development. We combine a judicious mix of technology, material, and information with specific focus on agriculture. We are continuously working on enhancing opportunities by disseminating information relevant to improving livelihood options among rural communities. We deploy locally relevant solutions to promote agriculture and other farm-based activities. We focus on building the capacity of farming communities from the time that we engage them by ensuring their participation in the resource mapping and planning exercise. Need-based training programs are conducted to further enhance the skills and knowledge of small and marginal farmers. Trainings on sustainable agricultural practices, soil and water conservation, pest management, use of fertilizers, are imparted.



**ANNEXURE V**

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2023

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS</b>	
<b>i) CIN</b>	L01110MH1993PLC072842
<b>ii) Registration Date</b>	14-07-1993
<b>iii) Name of the Company</b>	Nath Bio-Genes (India) Limited
<b>iv) Category / Sub-Category of the Company</b>	Public Company / Limited by shares
<b>v) Address of the Registered office and contact details</b>	Nath House, Nath Road, Chh. Sambhajinagar-431005
<b>vi) Whether listed company</b>	Yes
<b>vii) Name, Address and Contact details of Registrar and Transfer Agent,</b>	Big Share Services Pvt. Ltd, Office No S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai-400 059.
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
<b>All the business activities contributing 10% or more of the total turnover of the company</b>	GM and Hybrid Seeds
<b>Horticulture Business</b>	100%
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	
Holding Company	NIL
Subsidiary Company	As per Attachment A
Associate Companies	NIL
<b>IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>	
<b>i) Category-wise Share Holding</b>	As per Attachment B
<b>ii) Shareholding of Promoters</b>	As per Attachment C
<b>iii) Change in Promoters' Shareholding</b>	As per Attachment C
<b>iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)</b>	As per Attachment D
<b>v) Shareholding of Directors and Key Managerial Personnel</b>	As per Attachment E
<b>V. INDEBTEDNESS</b>	
<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>	As per Attachment F
<b>VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
<b>A. Remuneration to Managing Director, Whole-time Directors and/or Manager.</b>	As per Attachment G
<b>B. Remuneration to other directors</b>	As per Attachment G
<b>C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD</b>	As per Attachment G
<b>VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	NIL

### Attachment A

#### Particulars of Subsidiary Companies

Sr No	Name of the Company	Address of Company	CIN	% Of shares held	Applicable Section
1	Nath Bio-Genes CA LLC	Uzbekistan	N.A.	90%	2 (87)

### Attachment B

#### SHARE HOLDING PATTERN as on 31<sup>st</sup> March 2023

##### Category wise shareholding

Category of Shareholders	No. of shares at the beginning of the year (As on 01.04.2022)				No. of shares at the end of the year (As on 31.03.2023)				% Of change during the year
	Demat	Physical	Total	% Of total shares	Demat	Physical	Total	% Of total shares	
<b>(A) Promoter</b>									
<b>1 Indian</b>									
<b>(a)</b> Individuals/HUF	439	0	439	0.00	439	0	439	0.00	0.00
<b>(b)</b> Central Govt.	0	0	0	0	0	0	0	0	0.00
<b>(c)</b> Bodies Corporate	7801344	0	7801344	41.05	8664463	0	8664463	45.59	4.54
<b>(d)</b> FI/ Banks	0	0	0	0	0	0	0	0	0.00
<b>(e)</b> Any Others	0	0	0	0	0	0	0	0	0.00
<b>Sub Total(A)(1)</b>	<b>7801783</b>	<b>0</b>	<b>7801783</b>	<b>41.05</b>	<b>8664463</b>	<b>0</b>	<b>8664463</b>	<b>45.59</b>	<b>4.54</b>
<b>2 Foreign</b>									
<b>A</b> Individuals (NRI)	0	0	0	0	0	0	0	0	0.00
<b>B</b> Bodies Corporate	0	0	0	0	0	0	0	0	0.00
<b>C</b> Institutions	0	0	0	0	0	0	0	0	0.00
<b>D</b> QFI	0	0	0	0	0	0	0	0	0.00
<b>E</b> Any Others	0	0	0	0	0	0	0	0	0.00
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoters (A) = (A)(1) + (A)(2)</b>	<b>7801783</b>	<b>0</b>	<b>7801783</b>	<b>41.05</b>	<b>8664902</b>	<b>0</b>	<b>8664902</b>	<b>45.59</b>	<b>4.54</b>

(B)	<b>Public shareholding</b>									
1	<b>Institutions</b>									
(a)	Mutual Funds / UTI	919645	1694	921339	4.85	876220	1694	877914	4.62	-0.23
(b)	FI / Banks	0	22	22	0.00	0	22	22	0.00	0.00
(c)	Alternative Investment Fund	0	0	0	0	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
(f)	FII's	0	0	0	0	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0.00	0
(h)	Foreign Portfolio Investor	13989	0	13989	0.07	25067	0	25067	0.13	0.06
(i)	Any Other	0	550	550	0.01	0	550	550	0.01	0.00
(i-ii)	Overseas Bodies Corporate	880	0	880	0.01	880	0	880	0.01	0.00
	<b>Sub-Total (B)(1)</b>	<b>934514</b>	<b>2266</b>	<b>936780</b>	<b>11.05</b>	<b>902167</b>	<b>2266</b>	<b>904433</b>	<b>4.75</b>	<b>6.30</b>
B 2	<b>Non-institutions</b>									
(a)	Bodies Corporate	3734038	10297	3744335	19.70	2800322	10297	2810619	14.79	-2.52
(b)	Individuals									
I	Individual shareholders holding share capital up to Rs 2 lakh	4027990	264888	4292878	22.58	4447025	261082	4708107	24.77	2.19
II	Individual shareholders holding share capital in excess of Rs. 2 lakhs.	1381566	0	1381566	7.26	1025342	0	1025342	5.40	-1.86
(c)	NBFC	945	0	945	0.02	0	0	0	0	0.02
(d)	Any Other	216542	0	216542	1.13	296589	0	296589	1.56	0.43
(d-i)	NRI	503848	14668	518516	2.72	519121	15048	534169	2.81	0.09
(d-ii)	Clearing Member	111600	0	111600	0.58	59839	0	59839	0.27	-0.31
	<b>Sub-Total (B)(2)</b>	<b>9975584</b>	<b>289853</b>	<b>10265437</b>	<b>54.01</b>	<b>9148238</b>	<b>286427</b>	<b>9434665</b>	<b>49.64</b>	<b>-4.36</b>
(B)	<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	<b>10910098</b>	<b>292119</b>	<b>11202217</b>	<b>58.94</b>	<b>10050405</b>	<b>288693</b>	<b>10339098</b>	<b>54.40</b>	<b>-4.54</b>
	<b>TOTAL (A)+(B)</b>	<b>18711881</b>	<b>292119</b>	<b>19004000</b>	<b>100.00</b>	<b>18715307</b>	<b>288693</b>	<b>19004000</b>	<b>100.00</b>	<b>0.00</b>
(C)	<b>Shares held</b>									

	by Custodians for ADRs and GDRs									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (C)</b>	0	0	0	0.00	0	0	0	0.00	0.00
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>18711881</b>	<b>292119</b>	<b>19004000</b>	<b>100.00</b>	<b>18715307</b>	<b>288693</b>	<b>19004000</b>	<b>100.00</b>	<b>0.00</b>

### Attachment C

#### Shareholding of Promoters & Change in Promoters Shareholding

Sr. No	Shareholders Name	No. of shares at the beginning of the year (As on 01.04.2022)			No. of shares at the end of the year (As on 31.03.2023)			% Of change during the year
		No. of Shares	% Of total Shares of the company	% Of Shares Pledged / encumbered to total shares *	No. of Shares	% Of total Shares of the company	% Of Shares Pledged / encumbered to total shares *	
1	Akash Farms LLP	1510452	7.95	0.00	1510452	7.95	0.00	0.00
2	Ashu Farms LLP	2088449	10.99	24.13	2088449	10.99	24.13	0.00
3	Agri-Tech India Ltd	1322012	6.96	0.00	1495131	7.87	0.00	0.91
4	Tingli Finvest Pvt. Ltd	562360	2.96	0.00	562360	2.96	0.00	0.00
5	Nath Royal Ltd.	494692	2.60	0.00	494692	2.60	0.00	0.00
6	Barkha Farms Pvt. Ltd	354030	1.86	0.00	354030	1.86	0.00	0.00
7	Ferry fax farms Pvt. Ltd.	307644	1.62	48.76	307644	1.62	48.76	0.00
8	Pithambar Farms Pvt. Ltd.	250000	1.32	0.00	250000	1.32	0.00	0.00
9	Arati Farms Pvt. Ltd.	202641	1.07	0.00	202641	1.07	0.00	0.00
10	Nath Biotechnologies Ltd.	101200	0.53	0.00	101200	0.53	0.00	0.00
11	Prabha Farms Pvt. Ltd	75271	0.40	0.00	75271	0.40	0.00	0.00
12	Paresh Farms Pvt. Ltd.	374	0.01	0.00	374	0.01	0.00	0.00
13	Jeevan Investment and Finance Pvt. Ltd	219	0.01	0.00	219	0.01	0.00	0.00
14	Nath Industries Limited	532000	2.80	0.00	532000	2.80	0.00	0.00
15	Emerald Seeds Private Limited	0.00	0.00	0.00	690000	3.63	100	3.63
16	Jeevanlata Kagliwal	293	0.01	0.00	293	0.01	0.00	0.00
17	Nandkishor Kagliwal	146	0.01	0.00	146	0.01	0.00	0.00
	<b>TOTAL</b>	<b>7801783</b>	<b>41.05</b>	<b>8.38</b>	<b>8664463</b>	<b>45.59</b>	<b>16.38</b>	<b>4.54</b>



### Attachment D

Shareholding of top ten Shareholders as on 31<sup>st</sup> March 2023. (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	No of shares	% Of Total Shares of the Company
1	Mayo Farms LLP	1087339	5.72
2	Tapovan Farms LLP	984191	5.17
3	Aditya Birla Sun Life Trustee Private Limited	919139	4.83
4	Satpal Khattar	400000	2.10
5	KBS Properties Private Limited	308000	1.62
6	Seetha Kumari	169544	0.89
7	Anita Jaideep Sampat	96487	0.50
8	Arun Kumar	89945	0.47
9	Jaideep Narendra Sampat	74214	0.39
10	Hruday Infra and Resource	71684	0.37

### Attachment E

#### Shareholding of Directors and Key Managerial Personnel

Sr. No	Name	No of shares	% Of Total Capital of the company	Date	Increase of Decrease in Shareholding
<b>A</b>	<b>Directors</b>				
1	Mr. Satish Kagliwal	0	0	01/04/2022	0
	Managing Director			31/03/2023	
2	Mrs. Jeevanlata Kagliwal	293	0.001	01/04/2022	0
	Director			31/03/2023	
3	Mrs. Sweta Kagliwal	0	0	01/04/2022	0
	Director			31/03/2023	
4	Ms. Ashu Jain			01/04/2022	0
	Independent Director	0	0	31/03/2023	0
5	Mr. Vadla Nagabhusanam	0		01/04/2022	0
	Independent Director	0	0	31/03/2023	0
6	Mr. Hitesh Purohit	0		01/04/2022	0
	(Independent Director)	0	0	31/03/2023	0
7	Mr. Madhukar Deshpande	0	0	01/04/2022	0
	(Independent Director)	0	0	31/03/2023	0
<b>B</b>	<b>Key Managerial Person</b>				
8	Mr. Devinder Khurana	0	0	01/04/2022	0
	Chief Financial Officer			31/03/2023	
9	Mr. Dhiraj Rathi	0	0	01/04/2022	0
	Company Secretary			31/03/2023	

**Attachment F**

***Indebtedness of the Company including interest outstanding/accrued but not due for payment.***

Indebtedness at the beginning of the financial year (01.04.2022)	Secured Loans excluding Deposits	Unsecured Loans	Deposits from Dealers	Total Indebtedness
<b>i) Principal Amount</b>	9107.47	188.39	636.44	9932.30
<b>ii) Interest due but not paid</b>	0.00	0.00	0.00	0.00
<b>iii) Interest accrued but not due</b>	0.00	0.00	0.00	0.00
<b>Total i + ii + III</b>	9107.47	188.39	636.44	9932.30
<b>Change in Indebtedness during the financial year</b>				
<b>Addition</b>	1310.48	0.00	85.00	1395.48
<b>Reduction</b>	0.00	85.12	0.00	85.12
<b>Exchange Difference</b>	0.00	0.00	0.00	0.00
<b>Net Change</b>	1310.48	85.12	85.00	1310.36
<b>As on (31-03-2023)</b>				
<b>i) Principal Amount</b>	10417.95	103.27	721.44	11242.66
<b>ii) Interest due but not paid</b>	0.00	0.00	0.00	0.00
<b>iii) Interest accrued but not due</b>	0.00	0.00	0.00	0.00
<b>Total i + ii + III</b>	10417.95	103.27	721.44	11242.66



Attachment G

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs in Lakhs)

Sr. No	Particulars of Remuneration	Satish Kagliwal	Total
1	Salary	48.00	48.00
2	Value of perquisites	Nil	Nil
3	Profits in lieu of salary	Nil	Nil
4	Commission	Nil	Nil
	Total	48.00	48.00

B. Remuneration to other directors

(INR)

Sr. No	Particulars of Remuneration	Jeevanlata Kagliwal	Sweta Kagliwal	Vadla Nagabhushan am	Madhukar Deshpande	Ashu Jain	Hitesh Purohit
1	Independent Directors	Nil	Nil	Nil	Nil	Nil	Nil
2	Fee for Attending Board Meetings	20000	20000	24000	24000	20000	20000
3	Commission	Nil	Nil	Nil	Nil	Nil	Nil
4	Others	Nil	Nil	Nil	Nil	Nil	Nil
	Total	20000	20000	24000	24000	20000	20000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs in Lakhs).

Sr. No	Particulars of Remuneration	Devinder Khurana Chief Financial Officer	Dhiraj Rathi Company Secretary	Total
1	Salary	69.76	6.85	76.96
2	Value of perquisites	0.00	0.00	0.00
3	Others	0.00	0.00	0.00
	Total	69.76	7.20	76.96

## Annexure-VI

FORM NO. MR -3  
SECRETARIAL AUDIT REPORT  
For the financial year ended 31<sup>st</sup>March 2023

[Pursuant to section 204(1) of The Companies Act, 2013 and the Rule no. 9 of the Companies (Appointment and Remuneration Personnel Rules, 2014) and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

**To,  
The Members,  
Nath Bio-Genes (India) Limited  
Nath house, Nath Road, Chh. Sambhajinagar  
CIN L01110MH1993PLC072842**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NATH BIO-GENES (INDIA) LIMITED bearing CIN L01110MH1993PLC072842, ('the Company'). The secretarial audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (Audit Period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter:

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, 2023, according to the provisions of –

1. The Companies Act, 2013 (the Act) and the rules made there under including any re-enactment thereof.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made under that Act.
3. The Depositories Act, 1996 and the Regulations and Byelaws framed under that Act.
4. The Foreign Exchange Management Act, 1999 (FEMA) and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI), Foreign Direct Investment (FDI) and External Commercial Borrowings (ECB).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015
- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - (Not Applicable during the period under review).
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
- f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not applicable as the company has not granted any options to its employees during the financial year under review.**
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not applicable as the company has not issued any debt securities during the financial year under review.**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable as the company has not delisted its equity shares from any stock exchange during the financial year under review.**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not applicable as the company has not bought back any of its securities during the financial year under review.**
- j. The Company has complied with the provisions of the SEBI (Depositories and Participants) Regulations, 1996 including submitting of Reconciliation of Share Capital Audit Reports
- k. The Securities and Exchange Board of India (Registrars to an Issue and share Transfer Agents) Regulations, 1993 regarding the companies Act and dealing with client; and
- l. The Memorandum and Articles of Association.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- b) Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The company has identified the following laws as specifically applicable to the During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above

The company has identified the following laws as specifically applicable to the company however I have not verified whether the company has complied the provisions of the following acts as the same was not within the scope of my work.

- a. The Seeds Act 1966
- b. Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- c. Factories Act 1948
- d. Minimum Wages Act 1923
- e. Contract Labour (Regulations & Abolition) Act 1970
- f. The Income Tax Act 1961
- g. Goods & Service Tax Act.

I further report that:

1. The board of directors of the company is duly constituted with proper balance of Executive directors, non-executive directors, independent directors, and women director.
2. Adequate notice is given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance.
3. 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.
4. The status of the company during the financial year under review has been that of Listed Public Company.
5. The company has not been a holding or subsidiary of another company. The company has not been a government company or a financial company.
6. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / ~~debtenture holdings~~ and directorships in other companies and interests in other entities.
7. Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes of Meeting.
8. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
9. As Per the SEBI Guidelines, The Registry and Share Transfer Activity is being handled by M/s Big Share Services Private Limited.
10. The company has proper board process.

11. The Company has obtained all necessary approvals under the various provisions of the Act; and
12. There was no prosecution initiated and no fines or penalties are imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its directors, and Officers.

I further report that compliance of applicable financial laws including Direct and Indirect tax laws by the company has not been reviewed in this Audit since the same has been subject to review by the Statutory auditor and other designated professionals.

I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

**Neha P Agrawal**

**Practicing Company Secretary**

FCS No 7350 & CP No 8048

Peer review Certificate No. 1304/2021

Date: - 22<sup>nd</sup> April 2023

Place: - Chh. Sambhajinagar

UDIN: - F007350E000173065

Note: - This report is to be read with my letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.



“ANNEXURE A”

To,  
The Members,  
Nath Bio-Genes (India) Limited  
Nath house, Nath Road, Chh. Sambhajinagar  
CIN L01110MH1993PLC072842

My Secretarial audit report of even date is to be read along with this letter:

**Management’s responsibility: -**

1. It is the responsibility of management of the company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of applicable laws and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records based on my audit.
2. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on a test basis.

**Auditor’s responsibility: -**

1. I have followed the audit practices and processes 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. I have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
3. I believe that audit evidence and information obtained from the company’s management is adequate and appropriate for me to provide a basis for my opinion.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer: -**

5. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Neha P Agrawal**  
**Practicing Company Secretary**  
FCS No 7350 & CP No 8048  
Peer review Certificate No. 1304/2021

Date: - 22<sup>nd</sup> April 2023  
Place: - Chh. Sambhajinagar  
UDIN: - F007350E000173065



**Compliance Certificate under Regulation 17 (8) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015.**

The Members,  
Nath Bio-Genes (India) Limited  
Nath house, Nath Road  
Chh. Sambhajinagar-431005

Sub: Compliance Certificate under regulation 17(8) read with Part B of schedule II to the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

We hereby certify that:

a. We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2023 and that to the best of our knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

ii. These statements together present a true and fair view of the company's affairs and are in compliance with Indian Accounting Standards (IND AS), applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions are entered into by the company during the year which are fraudulent, illegal, or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee that there are no:

- i. Significant changes in internal control over financial reporting during the year.
- ii. Significant changes in accounting policies during the year and that the same have been disclosing in the notes to the financial statements; and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For Nath Bio-Genes (India) Limited

Satish Kagliwal  
Managing Director  
DIN-00119601

Devinder Khurana  
Chief Financial Officer

## Annexure-VII

### **Dividend Distribution Policy**

#### **NATH BIO-GENES (INDIA) LIMITED DIVIDEND DISTRIBUTION POLICY**

##### **1. PREAMBLE**

As per Regulation 43A of SEBI (LODR) Regulations (Amended), 2015, the top (1000) listed entities on market capitalization (calculated as on March 31 of every financial year) shall formulate dividend distribution policy which shall be disclosed in their annual Reports and on their Annual Reports and on their websites. Nath Bio-Genes (India) Limited being one of the top 1000 listed companies as per the market capitalization in the year March 2021, framed this policy to comply With the SEBI (LODR) Regulations, 2015.

##### **2. OBJECTIVE**

The objective of the policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect Dividend

##### **3. PHILOSOPHY.**

The Company is deeply committed to driving superior value creation for all its shareholders. The Company believes that driving growth creates maximum shareholder value and thus it would first like to deploy its profits to fund its working capital requirements, capital expenditure requirements, reducing debt, allocate reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

##### **4. DEFINITION**

‘Company’ means Nath Bio-Genes (India) Limited.

‘Board’ or ‘Board of Directors’ means Board of Directors of the Company.

‘Dividend’ means Dividend as defined under Companies Act, 2013.

‘Policy or this Policy’ means the Dividend Distribution Policy.

‘SEBI (LODR) Regulations’ means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or reenactment(s) thereof for the time being in force.

##### **PARAMETERS FOR DECLARATION OF DIVIDEND**

**Internal Factors / Financial Parameters** - The Board of Directors of the Company would consider the following financial parameters before declaring or recommending dividend to Shareholders.

- Investment Opportunities, for expansion and diversification into new project, acquisitions and other potential strategic action that may help grow Company.
- Liquidity position of the Company.
- Growth in earnings of the Company.
- Restrictions in debt agreements executed with lenders in relation to the Payment of dividends.
- The Board of Directors of the Company would consider its working capital requirements, R&D expenditure, and capital expenditure requirements for future growth before declaring the dividend.
- The dividend declaration would also depend upon the liquidity position of the Company, Outstanding borrowings and the cash flow required to meet contingencies.
- The Board of Directors of the Company shall also consider past dividend trends of the Company.
- Contingencies Requirements.
- State of Economy and Nature of Industry.
- Macro-economic and business Condition in General.
- Any other factors before declaring the dividend.

**External Factors-** The Board of Directors of the Company would consider the following external parameters before declaring or recommending dividend to Shareholders.

- Dividend declared would be in compliance with prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws.
- The Board of Directors of the Company would consider dividend pay-out ratios of Companies in the same industry.
- Prevailing legal requirements, tax rules, Government policies and statutory conditions or restrictions as may be provided under applicable laws.
- The declaration of dividends and its quantum may have a positive impact on the market prices.
- The Company may also consider the rate of inflation when declaration of dividend.

##### **5. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND.**

The Company shall not recommend dividend if it is of the opinion that it is financially not prudent to do so. The shareholders of the Company may not expect Dividend under the following circumstances.

- In case the Company is undertaking significant expansion which would require higher allocation of resources.
- If the Company requires significant amount of working capital to fund its future growth.
- In case the Company proposes to use surplus cash for buy-back of securities.
- In the event of inadequacy of profits or whenever the Company has incurred losses

The Company may declare dividend out of the profits of the Company for the year or out of the profits for any previous year or years or out of the free reserves available for

distribution of Dividend, after having due parameters laid down in this Policy.

#### **6. UTILISATION OF RETAINED EARNING.**

The Company maintains enough retained earnings to address the financing of working capital, capital expenditure, corporate actions, inter alia, buyback and reduction of capital, and unanticipated and emergency expenditures.

The Company may also use the retained earnings for such purposes as are within the Provisions of the Act, Rules, Listing Regulations, and any other applicable law.

#### **7. AMENDMENTS**

The Board may, subject to applicable law, amend, suspend, or rescind this Policy at any time. Any difficulties or ambiguities in this Policy will be resolved by the Board and/ or administrative committee of the Board, in line with the broad intent of this Policy, as and when required.

#### **8. DISCLAIMER**

This Policy shall not be construed as a solicitation for investments in the Company's Securities and shall neither act as an assurance of guaranteed returns (in any form), On investments in the Company's securities.

#### **9. CHANGE IN LAW.**

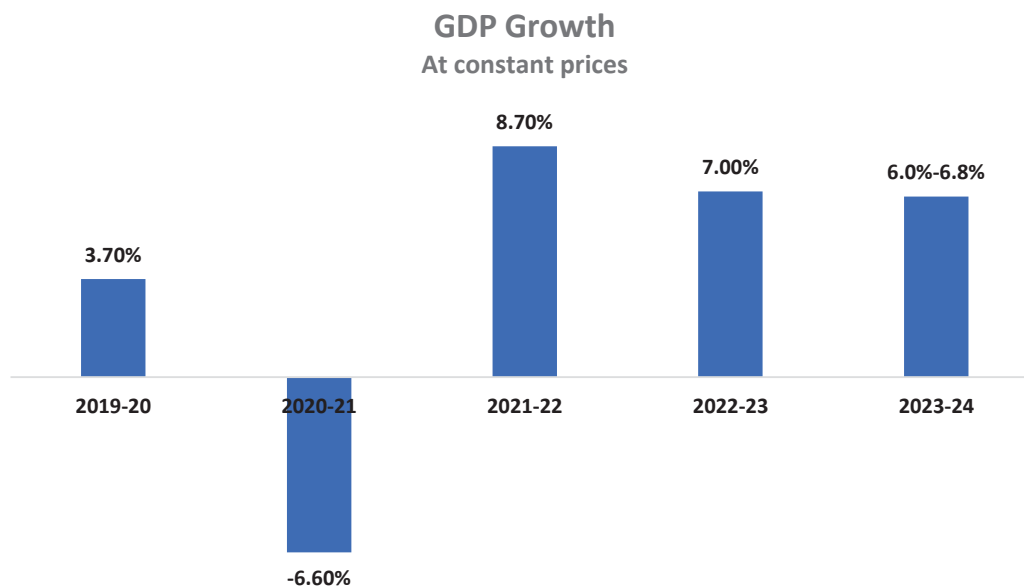
In case of any subsequent changes in the provisions of the Act or further rules and regulations / guidelines from the Securities and Exchange Board of India including the Listing Regulations or any other regulations which makes any of the provisions of this Policy inconsistent, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in the Policy would be modified accordingly in due course to make it consistent with applicable laws.



# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Indian Economy

India's GDP is anticipated to expand by 6% to 6.8% in FY24. The bullish growth estimates are based on a variety of positive factors, including a rebound in private consumption due to increased industrial activity, greater Capital Expenditure (Capex), near-universal vaccine coverage, and the return of migratory workers to cities. Despite facing the challenges of COVID-19, the conflict between Russia and Ukraine, and the coordinated policy rate hikes by central banks - led by the Federal Reserve - aimed at curbing inflation, which caused the US dollar to appreciate and widened the current account deficits in net importing economies, agencies globally maintain their projection that India will remain the fastest-growing major economy in FY23, with a growth rate of 6.5-7.0%.



Following the effect of the first two waves of the pandemic, which resulted in a major GDP contraction in FY21, the rapid recovery from the virus in the third wave contributed to a recovery of economic production in the January-March quarter of 2022. Due to the Indian economy's full recovery ahead of many other countries, production in FY22 exceeded its pre-pandemic level in FY20. However, the turmoil in Europe forced a reevaluation of forecasts for inflation and economic growth in FY23. In January 2022, retail inflation in the country rose over the RBI's tolerance range. It remained above the goal range for 10 months before falling below the upper end of the target range of 6% in November 2022.

In FY23, India's economic development was mostly driven by private consumption and capital formation, which helped generate employment as seen by the dropping urban unemployment rate and quicker net enrolment in Employee Provident Fund. According to the Periodic Labour Force Survey (PLFS), the rate of urban unemployment for those aged 15 and over decreased from 9.8% in the quarter ending September 2021 to 7.2% in the following quarter (quarter ending September 2022).

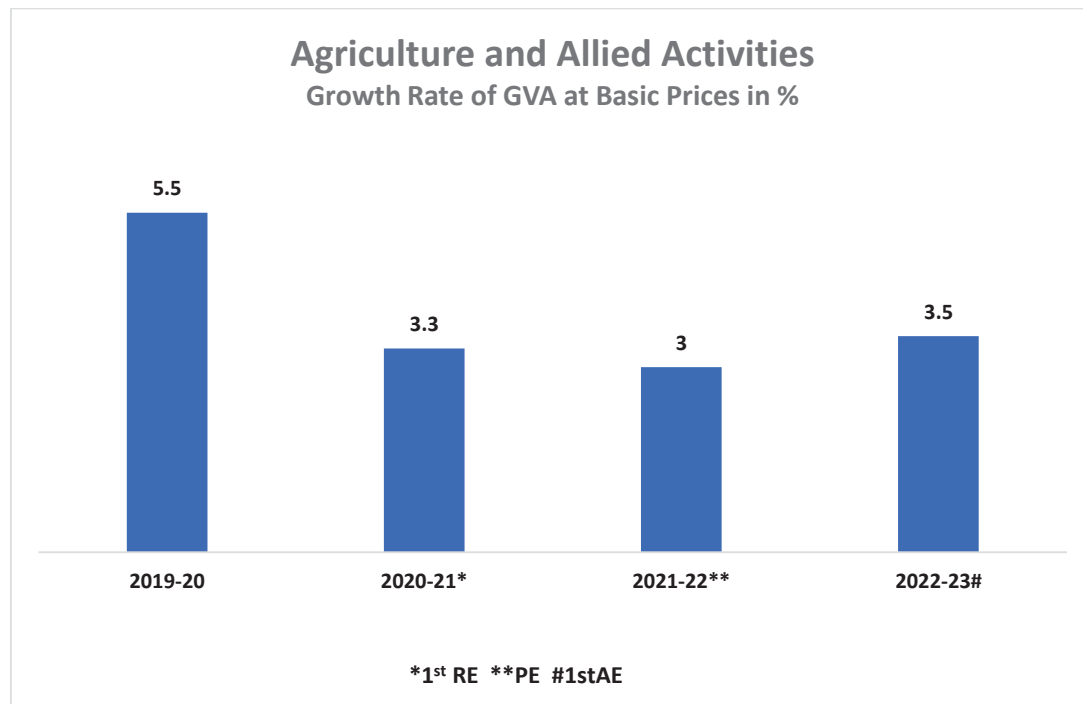
From April to November 2022, there was an impressive YoY increase of 15.5% in Gross Tax Revenue, fuelled by robust growth in direct taxes and the Goods and Services Tax. The introduction of innovative

policies like PM Gati Shakti, National Logistics Policy, and PLI schemes is expected to bolster the country's manufacturing and infrastructural sectors, reduce value chain costs, and provide a firm foundation for sustainable economic growth and improving resilience.

(Source – [Economic survey 2022-23](#))

### **Agricultural Sector**

The agriculture sector in India is expected to increase by 3.5 percent in FY23. Apart from serving local needs, India has recently emerged as a net exporter of agricultural products. Agricultural exports reached \$50.2 billion in FY23. According to estimates, the country produced 149.9 million tonnes more food grain during the month of Kharif than it did on average over the preceding five years. However, the area seeded with paddy was around twenty lakh hectares less than in 2021.



India's agricultural exports reached \$50.21 billion in 2021–2022, an increase of 19.92%. India exported fresh produce worth \$1.5 billion in 2021–2022; these included fruits worth \$0.74 billion and vegetables at \$0.76 billion.

The food processing industry in India is a burgeoning industry that has gained significance in recent years. According to the Agricultural and Processed Food Products Export Development Authority (APEDA), the industry is likely to grow at a CAGR of 3% between 2022 and 2030. Processed fruits and juices, pulses, guar gum, groundnuts, milled goods, cereal preparations, oil meals, and alcoholic drinks are some of the major processed food exports from India. In FY22, India exported goods worth US\$25.6 billion, making history in the fields of agricultural and processed food exports.

(Source-

<https://pib.gov.in/PressReleasePage.aspx?PRID=1895288#:~:text=Fiscal%20policy%20statements%20highlighted%20that,Bn%20in%20FY%202022%2D23.> , <https://www.studyiq.com/articles/union-budget-2023-for-agriculture-sector/#:~:text=%E2%80%9CThe%20agriculture%20credit%20target%20will,over%20the%20past%20few%20years.>)

### Government Measures and Policies

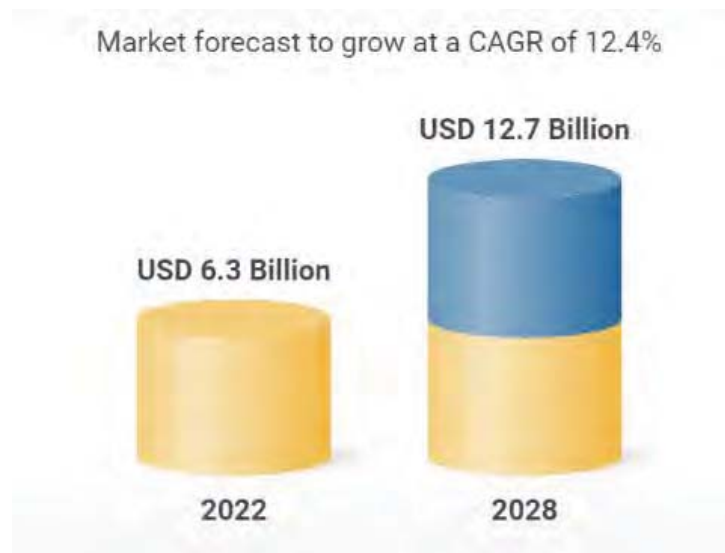
In order to lower the cost of agricultural inputs, increase productivity, and increase farmer incomes, the government has enacted a number of developmental programs, plans, reforms, and policies. These consist of:

- **Agriculture Accelerator Fund** – The Fund will seek to provide farmers with creative and cost-effective solutions to their challenges. Additionally, it will use contemporary technology to change agricultural practices and boost production and profitability.
- **Increase in Agriculture Credit** – The Government increased the credit to Rs.20 lakh crore with a focus on animal husbandry, dairy, and fisheries.
- **Promotion of natural farming** - The government declared that it would establish 10,000 Bhartiya Prakritik Kheti Bio-Input Resource Centres for organic farming. The government would assist one crore farmers in switching to natural farming over the next three years. 10,000 Bio-Input Resource Centres will be established for this, resulting in the development of a dispersed national micro-fertilizer and pesticide production network.
- **Promotion of alternative fertilizers** – The government also launched new schemes promoting the adoption of alternative and natural fertilizers.

(Source - <https://www.outlookindia.com/national/budget-2023-from-start-up-fund-to-natural-farming-what-is-new-for-farmers-and-agriculture-sector-news-258645> )

### Seed Sector Overview

In India, the seed market was worth US\$6.3 billion in 2022. With a compound annual growth rate (CAGR) of 6.8%, the size of the global seeds market increased from \$58.74 billion in 2022 to \$62.72 billion in 2023. The Russia-Ukraine war hampered global economic recovery from the COVID-19 epidemic. Due to supply chain interruptions, a rise in commodity prices, and economic sanctions against other nations as a result of the conflict between these two nations, there has been inflation in many different markets throughout the world. At a CAGR of 6.6%, the seeds market is projected to reach \$81.1 billion in 2027.



The global market for hybrid seeds was worth \$59,555.2 million in 2020, and it is anticipated to grow to \$166,189.8 million by 2031, at a CAGR of 9.6% from 2022 to 2031. India's hybrid seed market

produced \$17,729.4 million in sales in 2020, and it is anticipated to increase to \$51,780.8 million by 2031, at a CAGR of 10.0%. This significant market share is mostly attributable to the expansion of indoor farming operations and the rise in demand for organic products as well as for expensive fruits, vegetables, and flowers that can be grown with ease and efficiency inside.

The agro-ecological diversity of India comprises a number of significant crops, but cotton is one of the most significant for the nation's agricultural exports. Cotton is one of India's most important cash crops and fibres because it employs between 40 and 50 million people in trading and processing. Additionally, it directly contributes to the survival of six million farmers. The government through its Public-Private Partnerships plans to conduct a cluster-based and value-chain strategy to boost the production of extra-long staple cotton. The supply of inputs, extension services, and market links will necessitate collaboration between farmers, the government, and corporations.

Due to increased investment in agricultural infrastructure, including irrigation systems, warehousing, and cold storage, the agriculture industry in India is anticipated to gain further pace in the coming years. Additionally, it is likely that the increased usage of genetically modified crops would increase Indian farmers' yields.

(Source: <https://www.alliedmarketresearch.com/hybrid-seeds-market#:~:text=India%20hybrid%20seeds%20market%20generated,10.0%25%20during%20the%20forecast%20period.> , <https://www.investindia.gov.in/sector/agriculture-forestry> , <https://www.researchandmarkets.com/reports/5769073/seed-industry-in-india-market-trends>)

### **Company Overview**

Nath Bio-Genes (India) Limited is an experienced seed Company in India that has been producing and distributing seeds to Indian farmers for about two decades. With its strong research and development background, the Company has developed several highly rated cotton seeds that have demonstrated resilience to various viruses and weather changes and have performed well in ICAR trials. The Company's new launches, Sanket and Jumbo cotton seeds are ranked amongst the top three in most geographies and under different planting conditions. Such consistently high ranking of the Company's seeds provides reasonable confidence that its cotton seed portfolio will grow faster than the industry.

The Company incorporated a variety of growth drivers in its portfolio, including hybrid paddy, bajra, maize, vegetable seeds, and plant nutrients supplement resulting in de-risking of its business. The management has projected a 15% plus guidance for the upcoming year. Despite a difficult climate, the Company has been able to improve its working capital cycle from the previous year, with the progress being driven by receivables management. The Company has increased its non-cotton non-paddy portfolio sales to 44.69% of total revenue.

The Company works hard to sustain positive relationships with the agricultural industry and forge strong connections to collaborate closely with forward-thinking farmers. Over 15,000 farmers have joined the Company's network to cultivate seeds for it. Among other honours & accolades, the Company had received the coveted "Vasant Naik Prathisthan Award" for its contribution to raising agricultural productivity.



## Product Portfolio

Segment	Key Products	Product Pipeline	Key Geographies
Cotton	Sanket, Jambo, Profit +, Panchrantna, Himalaya	NBC 2020, NBC 211, NBC 30, NBC 85	PAN India
Paddy	Dhadak, Dhadak Gold, Loknath, Gorakhnath, Tehelka, Gazab, Khushi-27, Puravakamini, Menka, Kasturi, Nath 2020, Nath Poha, Golden-72.	NBRH 19195, NBRH 34	North, Central and North-East India
Pearl Millet	Super-27, NBBH-20, NBH-07, NBH-05, NBH-1717	NBBH-2122, NBBH-2212	North, West & Central India
Mustard	Rajshree, Rajshree Gold, Himalaya, Goldie, Goldie Super, Golden-100 & Pari-313	In process	North & Central India
Corn	Dominator, NWMH-2002 Gold, Don-1588, NMH-1008, Koshi-55	NMH-5620, NMH-6560, NMH-6926	PAN India
Wheat	Mohan Wonder, Manik-07	NW-10, NW-16, NW-20	North, Central, West & East India.
Forage	NutriMax, NutriMax Gold	In process	North, Central, West & East India
Grain Sorghum	Amranath, Amarnath-251	In process	North, Central, West & South India
Vegetable	Chilli – Legend, NCH-495 Okra - NOH05, Sara Cucumber – NCH02. NCH 1061 Bitter Gourd – Chintu Tomato – Akhand, Joy	Chilli – NCH 2561, NCH 200, NCH 2564 Okra – NOH3341 Cucumber – NCUH2061 Bitter Gourd - NBH6054 Tomato - NTH1965	PAN India
PNS	Win-chi-Win, WinGoli, WinPro Granules	In Process	PAN India

**Cotton** – The performance of Cotton has been better despite the industry facing the issue of sale of illegal BT cotton seeds. The Company has been actively collaborating with the industry body and the Government as well as imparting education to farmers on the issue. About 13.80 lakh cotton packets were sold by the Company in FY23. The Company believes that the efforts it is making with farmers will pay off, that they will produce results, and that it will enable the Company to achieve a 15% volume gain in FY24.

**BT Cotton** - The only transgenic crop that has been given the government permission for commercial production in India is BT cotton. It has undergone genetic modification to create an insecticide to combat the common pest known as the cotton bollworm.

**HTBT Cotton** - Although it has not received regulatory approval, the HTBT cotton version adds a further layer of modification, making the plant resistant to the herbicide glyphosate.

**Challenges faced by Cotton Industry** – HTBT cotton requires only one application of glyphosate. There is no additional requirement for weeding. This leads to a saving of cost of about Rs. 7,000-8,000 per acre of land. Since the Genetic Engineering Appraisal Committee has not authorized it, it is being sold illegally in Indian marketplaces. With such unlawful cotton seed sales, farmers are in danger since there is no guarantee of the quality of the seed, it pollutes the environment, the industry loses genuine seed sales, and the Government also loses revenue. It would not only destroy tiny cotton seed businesses, but it will also endanger the country's whole legal cotton seed industry.

**Products in the pipeline** – The new products being developed by the company are NBC 1821, NBC 1851, NBC 1811, and NBHV 2205. To market distinctive cotton products like NBC-10, Sanket, Maharana, and Jambo, extraordinary efforts have been made. The Government raised cotton seed rates by Rs 853 for each packet, which helps to provide a better value. However, the trade of unlawful HTBT Cotton continues to have an impact on the sector.

The following are the products, the Company is developing:

- Medium and Large Boll
- High tolerance to sucking pest.
- High tolerance to pink bollworm
- Wider adaptability
- Yield Superiority

With a focus on yield superiority, the strategy is to offer farmers a wide selection of cotton seed types that are suited for various climatic situations. Sanket and Jambo, the Company's two newest hybrids, are aiding in the segment's rise.

**Paddy** - The sales of paddy comprise both open pollination and hybrid seeds, with the latter commanding higher margins. As a result, hybrid paddy has the most significant share in the Company's product portfolio. To improve margins, the Company has adjusted its paddy product mix to increase hybrid paddy sales, leading to a 7.43% decline in volume but a lower 1.24% decline in value in FY23. Hybrid paddy is currently a high-value, low-volume product that the Company is focusing on. Despite a potential decline in paddy volume, the revenue and margins from this segment are expected to remain high, with paddy volume growth projected at 15% in FY24. The Company has invested heavily in its hybrid research program and launched new products such as Dhoom, Dhadak, and Dhadak Gold. The Company's key products in this segment are Loknath, Gorkhanath, Super Duper, and Tehelka.

With respect to research and development, the Company is currently working on products that possess the following characteristics:

- Early maturity, fine grain and increased resistance to diseases and pests
- Increased moisture stress tolerance
- Medium-Bold and Long-Bold grain products with medium maturity (125-135 days) that are equipped with resistance to BLB and BPH.

**Vegetables** - The vegetable segment is a significant market with a wide range of product offerings, and its cultivation varies across different regions in India. The Company has a robust presence in this segment, with more than ten products available throughout the country, contributing over 11% of the Company's gross margins. The Company is currently working on launching new products with high disease resistance and excellent virus resistance, particularly in tomato and okra, as well as high-yield and no bitterness features in chilly, bitter gourd, and cucumber. Furthermore, the Company is conducting extensive research and development to expand its product portfolio, including foraying into fruits in addition to vegetables. Vegetable growth is expected to increase by 20%.

The R&D team of the Company has been working on the following:

- Developing newer products
- Diversifying the existing portfolio of products
- Expand into the fruits segment.

**Plant Nutrient Supplement** – Win-Chi-Win is a Plant Nutrient Supplement with a track record of raising crop yields when applied to the crops. The Company noticed a significant increase in the demand for this product for horticultural, agricultural, and vegetable crops. For the exclusive purpose of sourcing and marketing Win-Chi-Win in India, the Company has a partnership with a Chinese Company. The product is distributed throughout the country. In the PNS vertical, the Company introduced two new products. Both are soil conditioners that assist grow healthy crops by enhancing the quality of the soil. For FY24, PNS Growth is anticipated to be above 20%.

**Others** - This category mostly covers wheat, jowar, mustard, bajra, and maize with a larger proportion of maize, mustard, and bajra. 45% of the Company's top line comes from this segment of the business.

### **Financial Overview**

The Company has been able to deliver persistently with respect to cotton sales and has maintained its long-term debt-free status. The Company continued to maintain a net profit margin of around 12% (at adjusted PAT) and a gross contribution margin of about 55%. Field crops, vegetables, and supplements all reported high margins, which contributed to the Company's success in transitioning to a de-risk business model. An impressive 45% of the portfolio was made up of non-cotton and non-paddy. The Company's receivable days have also improved due to better control. The Company declared a dividend of 20% and has given a topline guidance of [15-20%] for FY24.

### **Company Outlook**

The Company's future strategies are aimed at increasing its revenue multiple times through new geographies and newer products. The Company is introducing new items generated by the research channel and expanding into new regions with its acquisition of additional territories. The Company has already started testing its products and receiving licensing approvals in Southeast Asia and Africa, where there is also a sizable market. These would protect the Company from single-country regulatory and environmental risks.

### **Infrastructure**

The Company has been following the policy of least blockage of funds in Infrastructure. Since renting godowns and processing facilities is far more effective, efficient, and economical, the Company has entered into a long-term contractual agreement with one such provider in Southern India, as a result of which, all of the Company's field crop processing requirements are met under one roof.

### **Research and Development**

The Company has redefined its research and development using the best R&D experts in the country. Using the latest technologies, the Company has created high-yielding hybrids with greater endurance to biotic & abiotic stress. The Company's niche collection of superior & world-class Trait Specific Elite Germplasm is what gives it a competitive edge over its peers.

The Company has the following R&D investments:

- 32 breeding and evaluation R&D dedicated stations in different Agro-Climatic conditions
- About 300 acres of land for the purpose of research and development
- Partnerships and collaborations with globally recognized research institutes such as NRCPB, CIMMYT, IRRI, ICRISAT
- Dedicated team of hand-picked plant breeders and biotechnologists based at key R&D centres under the guidance of R&D veterans.

### **Seed Production**

The Company's operations are spread far and wide within the country. The Company is involved in the production of seeds in the states of Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Rajasthan, Odisha, Uttar Pradesh, Madhya Pradesh, and Tamil Nadu having varied agro-climatic regions. The seed production is carried out on 30,000 acres of land by a team of 25,000 dedicated growers and 72 technically qualified organizers. By establishing strict field standards and quality control inspections throughout the seed production process, the Company ensures that only seeds of the highest quality reach its processing facilities. To ensure strict controls, a team of competent production employees and quality personnel monitor farms. The Company looks after its team of produce growers and organizers to establish better ties with them. Acknowledging their hardships, and presenting them with the required guidance, direction, and financial assistance, have produced positive results and helped the Company gain their trust, loyalty, and commitment.

### **Elaborate Seed Processing Facilities**

With three processing plants in Maharashtra, Telangana, and Andhra Pradesh, the Company provides sophisticated seed processing capabilities. The Company also has custom processing arrangements in Gujarat, Karnataka, Tamil Nadu, Madhya Pradesh, and Rajasthan. Each and every plant has been equipped with a pre-cleaner, fine cleaner, grader, gravity separator, de-stoner, indented cylinder, treater, needle separator, and packaging machinery. For the ginning, de-linting, drying, processing, treating, packaging, and storing of seeds, the Company has independent facilities. The farmers' seeds are treated to meet quality criteria that go above and beyond those imposed by the regulatory bodies. By assuring increases in seed viability and extending the shelf life of seeds, the quality of seed processing is raised to a new level. To provide ideal storage conditions for the seed, all of the packaging material has the best environmental barrier qualities.

### **Stringent Quality Assurance**

The Company has testing laboratories located in Maharashtra and Andhra Pradesh which are highly precision-oriented and organized. The crew conducts frequent field inspections throughout the whole manufacturing area. In accordance with the Company's quality policy, top-notch quality requirements are met to give farmers the best yields possible and increase their profitability. Total quality management is also taken into consideration. For frequent monitoring of lot germination, genetic purity tests are carried out. Another test called as ELISA test is conducted on genetically modified crops to determine their gene purity. The Company undertakes rigorous efforts to ensure seeds are

generated under optimal conditions and genetic purity is maintained across all the batches. Another round of quality assurance takes place during the processing and packaging of foundation seeds. According to the International Seed Testing Association (ISTA), more than two lakh quality tests are performed annually along the whole supply chain before seeds are packed and sent to marketing centres. Every seed lot that enters the processing plants is sampled and checked for physical appearance, moisture, other distinguishable varieties present, physical purity, treatment, genetic purity, germination, vigor, and soil emergence. These are then classified and reported accordingly.

### **Diversified Distribution Network**

The Company has 16 business centres in 131 regions in India, collaborating with more than 2,000 distributors across. Over the last 4-5 years, the Company under the guidance of Seed Marketing Veterans has expanded into new locations both within and outside the country. The Company plans on further expanding its Direct Retailer reach in the upcoming years. With a positive foothold in India, the Company has been expanding to newer foreign regions with agronomic circumstances comparable to those in India. The Company is fully prepared to expand its wings in further regions of Asia, Africa, and the Middle East.

### **Risk Mitigation Strategies**

Risk	Impact	Mitigation
Regulatory Risk	Increased domestic as well as foreign competition in the seeds space can result in the tightening of regulatory norms posing a risk to the operations of the Company.	The Company has a dedicated Compliance and R&D team to stay updated on international standards on GM and/or Hybrid seeds. These dedicated teams in collaboration with middle management and technology teams help the Company mitigate any risk arising from policy changes.
Technology Risk	Increased usage of the same technology on the soil can render soil, pathogens, and pests resistant to its beneficial effects.	The Company's R&D infrastructure is focused on innovating and inventing newer technologies to avoid reliance on only one type of technology. The Company aims to produce seeds with high yields and endurance to several pests and viruses.
Unpredictable Weather	Weather plays a key role in the production of food grains, pulses, vegetables, etc. Any adverse climatic conditions can negatively impact the production and maintenance of crops and fields	The Company attempts to minimize the effects of these natural variables by taking proactive and quick action by creating seeds that can be cultivated in particular situations, such as drought, heat waves, etc.
Cotton Business	There are multiple risks associated with the cotton business such as the increased proliferation of illegal seeds which are herbicide tolerant in cotton-growing states to meet the customized product-based demands	The Company has a diversified product portfolio and focuses on 'All season products.' The Company seeks to increase segment growth in the vegetable and plant nutrient markets.

### **Human Resources**

The Company considers human resources as its biggest asset. As the Company is transitioning from its growth phase, it considers human resources to be critical for its operations as well as plays a key role in running the business. The Company has a dedicated team of scientists and researchers who have laid a strong foundation for the Company. The Company undertakes constant training and development of its employees and continues to nurture them via workshops with renowned research institutes globally. In order to create brand awareness for its products, the Company has taken steps to expand its sales and marketing team. The Company has laid down extensive HR policies to recruit personnel with potential and retain its best talents. The Company wants its employees to reach their full potential by striving to create a conducive work for them. As of 31<sup>st</sup> March 2023, the total employee strength of the Company stood at 433.

### **Internal Control Systems**

The Company follows all the local regulatory standards for effective and efficient management of its business. The Company believes that a robust internal control system forms the basis of effective corporate governance. The internal controls of the Company are sufficient according to the size and nature of its operations. These internal and accounting controls are continuously monitored and updated as and when needed to ensure that the assets are protected from loss or unauthorized use. An audit committee is appointed by the Company which considers all internal factors and recommends remedial action as and when necessary.

### **Cautionary Statement**

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, expectations and estimates regarding future performance may be "forward-looking statements" and are based on the currently available information. The management believes these to be true to the best of its knowledge at the time of preparation of this report. However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those, which may be indicated in such statements.



# CORPORATE GOVERNANCE REPORT

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In accordance with Regulation 34(3) read with Section C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Nath Bio-Genes (India) Limited is as under:

## **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE.**

The Company's philosophy on Corporate Governance is the creation of long-term stakeholder value through adoption of best-in class Corporate Governance Framework and adherence thereto in true letter and spirit always. The Company continually strives to enhance governance tools for supporting the framework which ensures accountability, transparency, and fairness in all transactions in the widest sense.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company believes that Corporate Governance is about best practices of business to be imbibed into the culture of the organization and complying with value systems, ethical business practices, laws and regulations to achieve the main objectives of the Company.

The Company is committed to optimizing long-term value for its stakeholders with a strong emphasis on the transparency of its operations and instilling pride of association. The Company follows the best practices of Corporate Governance and reporting systems in accordance with SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

## **2. CORPORATE GOVERNANCE STRUCTURE**

The Company continues to be governed through a multitier Governance Structure, one of the cornerstone pillars of the Framework, with the Shareholders at the apex of the pyramid followed by the Board and its Committees, Management Team led by Chairman & Managing Director and other Stakeholders who ensure governance through a well-defined Governance Directives embedded in the roles and responsibilities of each tier of the structure.





1. Details of Governance Structure as under

a. Shareholders

The Shareholders of the Company, being at the apex, appoint the Board of Directors who are accountable for overall growth and governance of the Company in best interest of all the stakeholders. The shareholders exercise their control, communicate discretion, voice their opinion and provide guidance during interactive sessions with the Company through voting at the General Meetings, Postal Ballots and Post Earning Calls.

b. Board of Directors and Committees

The Board is responsible for ensuring that the Company is managed in a well-balanced manner that fulfills stakeholders' aspirations, attains sustainable growth, and adopts best corporate governance practices. The Board is further supported by Board Committee(s) who diligently and effectively discharge duties assigned by the Board of Directors in their respective 'Terms of Reference' and recommend actions for the consideration of the Board. The Board evaluates and approves the governance directives, systems and processes and provides direction and goals to the Management Team to achieve good Corporate Governance.

c. Management Team

Management Team comprises of the Key Managerial Personnel (KMPs) & Senior Managerial Personnel (SMPs) of the Company which is led by Chairman and Managing Director ("CMD"). KMPs & SMPs, in their managerial role as Business / Function Heads of the Company, are responsible for effectively and efficiently managing day to day operations and achieving business objectives, whilst ensuring compliance with laws and adherence with the governance directives. KMPs and SMPs promulgate transparency in their business dealings and stakeholder management based on principles of sustainable sourcing, delivering safe and sustainable products, resource management and good governance. The Directors, KMPs and SMPs are governed by the Code of Conduct which emphasis compliance without deviations. In addition, as a part of the group governance process, KMPs and SMPs in their role as 'Nominee Directors' of the Company's group entities are responsible for ensuring compliance at a group level.



**d. Human Capital**

The Human Capital of the Company forms the foundation of the pyramid in the Corporate Governance Structure. The Human Capital represents the image of the Company. The Human Capital is instructed to ensure compliance with the Governance Directives and their commitment to promote good Governance in their dealings and interactions with all other stakeholders. The Company has a zero-tolerance policy on Nath Bio-Genes's Code of Conduct.

**e. Other Stakeholders**

With a view to ensure wholistic compliance with the Governance Framework in true letter and spirit, the Company encourages all its stakeholders including suppliers, service providers, vendors, traders, agents, consultants, contractors, dealers, distributors, business associates and joint venture partners to adopt good governances, sustainable business practices, and comply with the Nath Bio-Genes's Code of Conduct / Supplier Code of Conduct which includes Supplier Selection and Management Process. The Stakeholders are further empowered with the redressal / grievance mechanism enumerated in the Whistle-Blower Policy.

**3. Corporate Governance System.**

The Governance Directives are supported by well-defined systems, processes and practices aimed at identification, implementation and monitoring of statutory / regulatory compliances and good governance practices which includes risk management, detection of deviations, trainings to create awareness of the Governance Directives. The Governance System is designed keeping in mind law of the land, external environment, stakeholders' interests and concerns, evaluation of risks and business strategy.

The Governance System enumerates the Company's ability to:

- Identify statutory compliances and associated risk management.
- Develop, approve, implement and amend governance directives together with standard operating procedures and training modules.
- Assign roles and responsibility for focused implementation of directives, monitoring of compliances, detection of deviations, risk assessment and management, guidance on remedial measures / corrective actions.
- Conduct independent assurance, review, internal and external audit and oversight of governance systems.
- Undertake requisite and timely upgradation of the governance system.

The Governance practices are a set of tools used to support the governance system and structure which include, pre-approved meeting calendar, detailed explanatory notes and management proposals, training calendar, systematic dissemination of information disclosures on material information, audits, risk management consultation by renowned firms, utilisation of digital platforms / digitisation for compliance, key performance indicators for cent percent compliance, detailed minutes and action taken reports, escalation matrix, transparent rewards and recognitions, grievance and solution-oriented redressal, compliance mapping and certifications by each function all aimed at achieving excellence in corporate governance in the Company.

#### **4. STRUCTURE OF BOARD OF DIRECTORS.**

As on 31<sup>st</sup> March 2023 the board has optimum Combination of Board of Directors. Presently the Company has Seven Directors comprising of Two Executive Director, One woman director and Four Non-Executive Independent director including one woman Independent Director. The composition of the Board as on 31<sup>st</sup> March 2023 is in conformity with Listing Regulations 2015 having specified combination of Executive and Non-Executive Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 and Section 149(6) of the Companies Act 2013. The maximum tenure of independent directors is in compliance with the Companies Act. All the independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 149(6) of the Companies Act 2013.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable with regard to Corporate Governance as detailed below:

#### **5. NUMBER OF BOARD MEETINGS.**

Four meeting of the Board were held during the year. The dates on which the Board meetings were held are 30<sup>th</sup> May 2022, 13<sup>th</sup> August 2022, 20<sup>th</sup> October 2022, and on 14<sup>th</sup> February 2023, The details of attendance of Board meetings and Committee meetings held during the Financial Year 2022-23 forms part of the Corporate Governance Report.

Sr No	Date of Meeting/ Name of Director / Attended Board Meeting YES/ NO	30/05/2022	13/08/2022	20/10/2022	14/02/2023
1	Mr. Satish Kagliwal	YES	YES	YES	YES
2	Mrs. Sweta Kagliwal	YES	YES	YES	YES
3	Mrs. Jeevanlata Kagliwal	YES	YES	YES	YES
4	Mr. Ashu Jain	YES	YES	YES	YES
5	Mr. Vadla Nagabhushanam	YES	YES	YES	YES
6	Mr. Madhukar Deshpande	YES	YES	YES	YES
7	Mr. Hitesh Purohit	YES	YES	YES	YES

## 6. COPOSITION AND STATUS OF THE BOARD OF DIRECTORS.

- a. The composition of the Board of Directors and also the number of other Board of Directors or Board Committees of which he/she is a Member/Chairman are as under: -

Name of the Director	Category	No of Directorship as on 31-03-2023		Committee Membership/Chairmanship		No of Board Meeting Attended this year	Attendance of Last AGM on 30 <sup>th</sup> June 2022.
		Listed	Other	Membership	Chairmanship		
Mr. Satish Kagliwal	Chairman Managing Director – Executive	Listed	Other	Membership	Chairmanship	4	Yes
		3	11	7	1		
Mrs. Sweta Kagliwal	Promoter, Non-Executive	3	12	0	0	4	Yes
Mrs. Jeevanlata Kagliwal	Executive Director	4	11	3	0	4	Yes
Mr Vadla Nagabhushanam	Independent, Non-Executive	3	0	5	4	4	Yes
Mr. Madhukar Deshpande	Independent, Non-Executive	4	0	3	5	4	Yes
Ms. Ashu Jain	Independent, Non-Executive	1	4	0	0	4	Yes
Mr. Hitesh Purohit	Independent, Non-Executive	4	5	8	4	4	Yes

None of the Directors of the Company is member in more than Ten committees and not having a chairmanship in more than five companies.

The board of directors of the company is meet at regular period of time / intervals to discuss and decide Business strategies and policies of the Company. In any cases special and urgent business need the resolution to be passed by the circulation by the Board of Directors, which resolutions to be confirm in next board meeting of the Companies.

The Chairman and Managing Directors of the Company is assisted by the executive directors and senior managerial in overall business of the Company.

b. Table showing details of Directors Serving Directorship in other Listed Companies As on 31<sup>st</sup> March 2023.

Sr No	Name of Director	Name of Listed Company
1.	Mr. Satish Kagliwal	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited
2.	Mrs. Sweta Kagliwal	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited
3.	Mr. Vadla Nagabhushanam	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited
4.	Mr. Madhukar Deshpande	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited. 4. Nath Industries Limited
5.	Mrs. Jeevanlata Kagliwal	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited 4. Nath Industries Limited
6.	Ms. Ashu Jain	1. Nath Bio-Genes (India) Limited
7.	Mr. Hitesh Purohit	1. Nath Bio-Genes (India) Limited 2. Agri-Tech (India) Limited 3. Techindia Nirman Limited. 4. Nath Industries Limited

c. Details of Equity shares held by the Directors.

Sr No	Name of the Director	Category	No of Shares Held	% of Number of Shares Held
1	Mr. Satish Kagliwal	Managing Director	0	0
2	Mrs. Sweta Kagliwal	Non-Executive Director	0	0
3	Mrs. Jeevanlata Kagliwal	Executive Director	293	0.001
4	Ms Ashu Jain	Independent Director	0	0
5	Mr. Vadla Nagabhushanam	Independent Director	0	0
6	Mr Madhukar Deshpande	Independent Director	0	0
7.	Mr. Hitesh Purohit	Independent Director	0	0

## **7. SEPARATE MEETING OF INDEPENDENT DIRECTOR.**

Independent Directors of the Company met separately in February 11, 2023 without the presence of Non-Independent Directors and Members of Management. In accordance with Schedule IV of Companies Act, 2013, following matters were, inter-alia, reviewed and discussed in the meeting:

- ✚ Performance of Non-Independent Directors and the Board of Directors as a whole.
- ✚ Performance of the Chairman of the Company taking into consideration the views of Executive and Non-Executive Directors.
- ✚ Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **8. CODE OF CONDUCT.**

The company has formulated and adopted a code of business conduct and ethics to guide our transactions with our colleagues, communities, customers, governments, investors, regulators and society. Requisite annual affirmations of compliance with the respective code have been made by the directors and the management of the company; including a declaration signed by the Director of the company regarding Compliance of the Code of Business Conduct.

## **9. COMMITTEE OF THE BOARD.**

The board has Five Committees as on 31<sup>st</sup> March 2023 namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and Risk Management Committee the board constitute additional functional committees, from time to time, depending upon business needs.

### **A. Audit Committee**

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's Financial Statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has entrusted the Audit Committee to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the Company comply with the requirements of Regulation 18 of the SEBI (LODR) Regulations, 2015. and Section 177 of the Companies Act 2013.

#### **1. Role of Audit Committee**

- ✚ Oversight of financial reporting process.
- ✚ Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
- ✚ Evaluation of internal financial controls and risk management Systems
- ✚ Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- ✚ Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.

- ✚ Review, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference.
- ✚ Review and monitor the auditor’s independence and performance, and effectiveness of audit process.

2. Frequency of Meeting held.

Four Audit Committee meeting of the Board were held during the year 2022-23. The dates on which the Board meetings were held are 28<sup>th</sup> May 2022, 12<sup>th</sup> August 2022, 18<sup>th</sup> October 2022, 11<sup>th</sup> February 2023.

3. Composition and Meetings and Attendance of Audit Committee.

Name of Director	Category	Status	No of Meetings	
			Held	attended
Mr. Madhukar Deshpande	Independent Director	Chairman	4	4
Mr. Satish Kaglwal	Managing Director	Member	4	4
Mr. Vadla Nagabhushanam	Independent Director	Member	4	4

**B. Nomination and Remuneration Committee.**

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act 2013.

1. Role of Nomination and Remuneration Committee.

- ✚ Recommend to the board to set up and composition of the Board and its committees.
- ✚ Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- ✚ Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual Directors.
- ✚ Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- ✚ Oversee familiarization programs.

2. Frequency of Meeting held.

One Nomination and Remuneration Committee of the Board were held during the year 2022-23. The dates on which the Board meetings were held on 18<sup>th</sup> October 2022.

3. Composition and Meetings and Attendance of Nomination and Remuneration Committee.

Name of Director	Category	Status	No of Meetings	
			Held	attended
Mr. Hitesh Purohit	Independent Director	Chairman	1	1
Mr. Madhukar Deshpande	Independent Director	Member	1	1
Mr. Vadla Nagabhushanam	Independent Director	Member	1	1

**C. Stakeholders Relationship Committee**

This Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act.

- ✚ Consider and resolve the grievances of security holders.
- ✚ Consider and approve the issue of share certificates, transfer and transmission of Securities, Etc.

1. Role of Stakeholders Relationship Committee.

- ✚ Transfer, transmission, split and consolidation of investors holding
- ✚ Dematerialization/rematerialization of shares
- ✚ Non-receipt of dividends and other corporate benefits
- ✚ Replacement of lost/mutilated/stolen share certificates
- ✚ Non-receipt of Annual Reports and change of addresses, etc.

2. Frequency of Meeting held.

Four Stakeholders Relationship Committee meeting were held during the year 2022-23. The dates on which the Board meetings were held are 28<sup>th</sup> May 2022, 12<sup>th</sup> August 2022, 18<sup>th</sup> October 2022, 11<sup>th</sup> February 2023.

3. Composition and Meetings and Attendance of SR Committee Meeting.

Name of Director	Category	Status	No of Meetings	
			Held	Attended
Mr. Madhukar Deshpande	Independent Director	Chairman	4	4
Mr. Vadla Nagabhushanam	Independent Director	Member	4	4
Mr. Satish Kagliwal	Managing Director	Member	4	4

#### 4. Complaints Received

During the financial year 2022-23, two (02) complaints were received and resolved and there were no complaints outstanding as on 31st March 2023. There were no share transfer requests pending as on 31st March 2023.

#### 5. Name and Designation of Compliance Officer.

Mr. Dhiraj Rathi is Company Secretary and Compliance Officer of the Company.

### D. Corporate Social Responsibility Committee.

This Committee is constituted in line with the provisions of Section 135 of the Act.

#### 1. Role of the Committee.

- ✚ Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- ✚ Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- ✚ Monitor the CSR Policy.

#### 2. Frequency of Meeting held.

Two Corporate Social Responsibility Committee meeting were held during the year 2022-23. The dates on which the Board meetings were held are 12<sup>th</sup> August 2022, and 18<sup>th</sup> October 2022.

#### 3. Composition and Meetings and Attendance of CSR Committee.

Name of Director	Category	Status	No of Meetings	
			Held	Attended
Mr. Vadla Nagabhushanam	Independent Director	Chairman	2	2
Mr. Madhukar Deshpande	Independent Director	Member	2	2
Mr. Satish Kagliwal	Managing Director	Member	2	2

### E. Risk Management Committee.

This Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations.

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity,



security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns / risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the Listing Regulations.

1. Frequency of Meeting held

Two Risk Management Committee meeting were held during the year 2022-23. The dates on which the Board meetings were held are 18<sup>th</sup> October 2022, 11<sup>th</sup> February 2023.

2. Composition and Meetings and Attendance of RM Committee.

Name of Director	Category	Status	No of Meetings	
			Held /	Attended
Mr. Satish Kagliwal	Managing Director	Chairman	2	2
Mr. Vadla Nagabhushanam	Independent Director	Member	2	2
Mr. Hitesh Purohit	Independent Director	Member	2	2

**10. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTOR.**

Independent Directors inducted on the Board are given a formal introduction about the Company and its operations. This is enabled through a meeting with the Managing Director and Whole Time Directors. The objective is to provide them an insight about the industry in which the Company operates and comprehensive information about Company's business and management.

Various familiarization initiative is carried out throughout the year on an on-going basis which include comprehensive update at Board and Committee meetings on Company's performance & industry scenario, and amendments in the laws and regulations applicable to the Company through presentations by Company executives.

The aim of familiarization programs is to give independent directors an update on:

- i. nature of the industry in which the Company operates.
- ii. the business model of the Company.
- iii. the roles, rights, responsibilities of independent directors; and
- iv. other relevant/ significant information pertaining to or affecting the Company to enable them take informed decisions. Independent directors on the Board of the Company have diverse background with rich experience and expertise in their respective domains. They have an aptitude to keep themselves abreast with changes in the industry and applicable regulations. The Company undertakes

following initiatives to apprise them with significant and relevant information which helps in effective discharge of their duties and responsibilities as independent directors of the Company:

#### **11. PERFORMANCE EVALUATION OF DIRECTORS AND FORMULATION OF THE CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD.**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidance Note on Board Evaluation issued by the SEBI on 5th January 2017, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees. The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.,

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc., In a separate meeting of independent directors, performance of non-independent directors, the chairman of the Company and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors. The Board and the nomination and remuneration committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc., In the board meeting that followed the meeting of the independent directors and meeting of nomination and remuneration committee, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

#### **12. DIVIDEND DISTRIBUTION POLICY**

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, requires that the top 1000 listed Companies based on the market capitalization formulate Dividend Distribution Policy. In compliance with the said requirement, the Company has formulated the Dividend Distribution Policy,

The details of which are available on the Company's website and also provided as attachment of Directors Report.



### 13. REMUNARATION OF DIRECTORS.

- a. The details of Remuneration paid to Executive / Independent Directors for the year 2022-23 are as follows: -

Sr No	Name of Director	Designation	Salary (INR In Lakhs)	Perquisites and allowance	Total
1.	Mr. Satish Kagliwal	Managing Director	48.00	NIL	48.00
2.	Mrs. Jeevanlata Kagliwal	Executive Director	NIL	NIL	NIL
3.	Mrs. Sweta Kagliwal	Non-Executive Director	NIL	NIL	NIL

- b. Sitting Fees Paid for Meetings:

Sr No	Name of Director	Designation	Remuneration	Sitting Fees
1.	Mrs. Jeevanlata Kagliwal	Executive Director	NIL	20000
2.	Mrs. Sweta Kagliwal	Non-Executive Director	NIL	20000
3.	Ms. Ashu Jain	Independent Director	NIL	20000
4.	Mr. Vadla Nagabhushanam	Independent Director	NIL	24000
5.	Mr. Madhukar Deshpande	Independent Director	NIL	24000
6.	Mr. Hitesh Purohit	Independent Director	NIL	20000

### 14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

A detailed report on the Management Discussion and analysis is given separately with this report.

### 15. DETAILS OF GENERAL BODY MEETING.

- a. *Annual General Meeting*

The location and time where last three Annual General Meetings of the Company were held as under: -

Financial Year	Place	Date	Time
2021-22	Video Conferencing AGM	30 <sup>th</sup> June 2022	11.00 AM
2020-21	Video Conferencing AGM	27 <sup>th</sup> August 2021	11.00 AM
2019-20	Video Conferencing AGM	24 <sup>th</sup> July 2020	04.00 PM

**b. *Extraordinary General Meeting***

No Extraordinary General Meeting of the Members was held during the year 2022-23.

**c. *Special Resolutions passed by Company During last three AGM.***

1. Appointment of Mr. Hitesh Purohit (DIN-02340858) as Independent Director (2021-22)
2. Appointment of Ms. Ashu Jain (DIN-00243310) as Independent Director. (2020-21)
3. Appointment of Mr. Vadla Nagabhushnam (DIN- 08863512) as Independent Director. (2020-21)
4. Appointment of Mr. Madhukar Deshpande (DIN- 07630081) as Independent Director. (2020-21)

**d. *Details of special resolution passed through Postal Ballot***

No Special Resolution passed through the Postal Ballot.

**16. OTHER DISCLOURE**

**a. Related party transactions-**

No transaction of a material nature has been entered into by the Company with its Directors/management and their relatives, etc. that may have a potential conflict with the interests of the Company. The Register of Contracts containing transactions in which Directors are interested, is placed before the Audit Committee and Board regularly. Transactions with related parties are disclosed in the Notes to Accounts in the Annual Report. In terms of SEBI (LODR) Regulations, 2015, the Audit Committee and Board of Directors of the Company have adopted a policy to determine Related Party Transactions.

**b. Details of Non-Compliance and Penalties**

There were no cases of non-compliance during the last three financial years.

**c. Whistle Blower Policy and Vigil Mechanism.**

The Board of Directors of the Company had adopted the Whistle Blower policy. The Company has established a mechanism for employees to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The employees have been appropriately communicated within the organization about the mechanism and have been provided direct access to the Chairman of the Audit Committee. The mechanism also lays emphasis on making enquiry into whistleblower complaint received by the Company. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No employee has been denied access to the Audit Committee.

**d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has implemented all mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e. Subsidiary Companies

The details of the subsidiaries company as of 31 March 2023 is as under: -  
**Nath Bio-Genes CA, LLC:** A Joint Venture with 90% stake holding as Nath Bio Genes CA LLC was incorporated & registered under the statute of Republic of Uzbekistan.

f. Policy on Determination of Materiality for Disclosures.

The Company has adopted a Policy on the Determination of Materiality for Disclosures.

g. Reconciliation of Share Capital Audit Report

Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D&CC / FITTC/ Cir- 16/2002 dated December 31, 2002

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

h. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Vigil Mechanism	Yes
23	Related Party Transaction	Yes
24	Corporate Governance requirement with respect to subsidiary of Listed entity	Yes
25	Obligation with respect to Independent Director	Yes
26	Obligation with respect to directors and Senior management	Yes
27	Other Corporate Governance requirement	Yes
46	Functional Website	Yes

g. Auditors Fees

Total Fees for all services paid by the Company to the Statutory Auditors and all entities in this network firm/network entity of which the statutory Auditor is part is given Below.

Sr No	Payment to Statutory Auditors	FY 2022-23 (Rs. In Lakhs)
1	Audit Fees	8.50
2	Others	3.50
	<b>Total</b>	<b>12.00</b>

## 17. MEANS OF COMMUNICATION.

The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. The quarterly, half-yearly and annual financial results of the Company are also published in leading newspapers in India which include Business Standard, and Pudhari. The results are also displayed on the Company's website [www.nathbiogenes.com](http://www.nathbiogenes.com) Financial Results, Statutory Notices, Press Releases and Presentations made to the institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) as well as uploaded on the Company's website. In terms of the Listing Regulations, the Company has a designated email ID for dealing with Investors' complaints viz., [investors@nathbiogenes.com](mailto:investors@nathbiogenes.com).

## 18. GENERAL SHAREHOLDERS INFORMATION

### a. Annual General Meeting

Date & Time	Tuesday 11 <sup>th</sup> July 2023.
Time	11.00 AM
Venue	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2023, 2020 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

### b. Book Closure

5<sup>th</sup> July 2023 to 11<sup>th</sup> July 2023.

### c. Record Date

Friday, 30<sup>th</sup> June 2023

### d. Financial Year

1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023

### e. Listing on Stock Exchanges and stock codes / symbol.

Stock Exchange	Trade Symbol	Address
BSE Limited	537291	25 <sup>th</sup> floor, P.J Towers, Dalal Street, Mumbai 400001
National Stock Exchange of (India) Limited	NATHBIOGEN	Exchange plaza, C-1 Blok-G, Bandra Kurla Complex Bandra (East) Mumbai-400001

### f. CIN- L01110MH1993PLC072842

g. Market Price Data

High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2022-23 on BSE and National Stock Exchange of India Limited.

MONTH	BSE		NSE	
	High	Low	High	Low
Apr-22	261.85	214.05	257.90	216.90
May-22	234.30	175.00	222.90	175.70
Jun-22	196.80	151.05	201.00	150.65
Jul-22	211.50	176.25	211.40	176.80
Aug-22	206.60	169.85	205.00	170.00
Sep-22	190.00	155.00	184.90	156.00
Oct-22	175.00	156.90	172.00	156.10
Nov-22	179.00	142.30	175.60	142.00
Dec-22	185.00	151.00	185.15	151.80
Jan-23	165.40	146.00	165.55	144.30
Feb-23	168.70	128.30	162.90	140.90
Mar-23	156.90	136.05	152.90	138.05

h. Performance of the Share Price of the Company in Comparison to the BSE Sensex and Nifty



i. Registry to an issue and Share Transfer Agents.

Name- Bigshare Services Private Limited  
 Address- S-6-2 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri (East) Mumbai-400093  
 Telephone 022-62638200  
 Email- [info@bigshareonline.com](mailto:info@bigshareonline.com) [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
 Website [www.bigshareonline.com](http://www.bigshareonline.com)

*j. Share Transfer System.*

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar and Transfer Agents. The Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the officers of the Company. Such transfers take place on a weekly basis. A summary of all the transfers/ transmissions etc. so approved by officers of the Company is placed at every Committee Meeting. All share transfers are completed within a statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files a copy of the same with the Stock Exchanges.

*k. SEBI Complaints Redressal System*

The investor complaints are processed in a centralized web-based complaints redressal system formulated by SEBI. The salient features of this system are centralized database for all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

The Company has registered itself on the SCORES and every effort is made to resolve investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

*l. Green Initiative*

The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated 21 April 2011 and 29 April 2011, respectively, had allowed companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate Governance.

The Ministry of Corporate Affairs vide its circular dated 08 April 2020, 13 January 2021, 12 December 2021, 14 December 2021, 05 May 2022 and 28 December 2022 has allowed the Company to conduct their AGM through Video Conferencing or other Audio-Visual Means. Hence, in order to ensure the effective participation, the members of the Company are requested to update their email address for receiving the link of e-AGM. Further, in accordance with the said circular, Notice convening the 30<sup>th</sup> Annual General Meeting, Audited Financial Statements, Board's Report, Auditor's Report and other documents are being sent to the email address provided by the shareholders with the relevant depositories. The shareholders are requested to update their email addresses with their depository participants to ensure that the Annual Report and other documents reaches on their registered email id's.

*m. Shareholding as on March 31, 2023.*

*1. Distribution of Share Holding as on 31<sup>st</sup> March 2023.*



Shareholding of Nominal Values (Rs.)		No. of Holders	% of Total Holders	Total Shares Capital	% of Total Share Capital
1	5000	32690	94.92	23090730	12.15
5001	10000	918	2.66	6945600	3.65
10001	20000	414	1.20	6085660	3.20
20001	30000	164	0.47	4207490	2.21
30001	40000	58	0.17	2082480	1.09
40001	50000	46	0.13	2139540	1.12
50001	100000	67	0.19	4619220	2.43
100001	9999999	84	0.24	140869280	74.12
<b>Total</b>		<b>34441</b>	<b>100.00</b>	<b>190040000</b>	<b>100</b>

2. Categories of Shareholding as on 31<sup>st</sup> March 2023.

Category	No. of Shares	% of Capital
Indian Promoters	8664902	45.60
Persons acting in Concert	0	0.00
(A) Sub Total	8664902	45.60
Non-Promoter Holding		
Mutual Funds	877914	4.62
Alternate Investment fund	0	0.00
Banks/Financial Institutions	22	0.00
FII/FBI	25067	0.13
(B) Sub Total	903003	4.75
Others	357858	1.88
Private Corporate Bodies	2810619	14.79
Indian Public	5733449	30.17
NRI/OCB	534169	2.81
( C ) Sub Total	9436095	49.65
Total	19004000	100.00

3. Top 10 Equity Shareholders as on 31<sup>st</sup> March 2023.

Shareholding of top ten Shareholders as on 31<sup>st</sup> March 2023. (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	No of shares	% of Total Shares of the Company
1	Mayo Farms LLP	1087339	5.72
2	Tapovan Farms LLP	984191	5.17
3	Aditya Birla Sun Life Trustee Private Limited	919139	4.83
4	Satpal Khattar	400000	2.10
5	KBS Properties Private Limited	308000	1.62
6	Seetha Kumari	169544	0.89
7	Anita Jaideep Sampat	96487	0.50
8	Arun Kumar	89945	0.47
9	Jaideep Narendra Sampat	74214	0.39
10	Hruday Infra and Resource	71684	0.37

4. Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 98.48 percent of the Company's equity share capital are dematerialized as on March 31, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE448G01010.

5. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

6. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular date November 15, 2018, is not required to be given.

7. Address for Correspondence.

Nath Bio-Genes (India) Limited  
Nath House, Nath Road, Chh. Sambhajinagar -431005  
Email [ID-investor@nathbiogenes.com](mailto:ID-investor@nathbiogenes.com)  
Website-[www.nathbiogenes.com](http://www.nathbiogenes.com)  
Contact No-0240-3502421 to 25

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.**

22<sup>nd</sup> April 2023

The Members,  
Nath Bio-Genes (India) Limited  
Nath House, Nath Road  
Chh. Sambhajinagar-431005

**Subject: Declaration regarding compliance with the Company's code of conduct for its Directors and Employees.**

Ref: Regulation 34 (3) read with Part D of Schedule V to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

I, Satish Kagliwal, Managing Director of the Company, hereby declare that as provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March 2023.

For Nath Bio-Genes (India) Limited

Satish Kagliwal  
Managing Director  
DIN-00119601



**CEO/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT.**

**(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015 for the financial year ended March 31<sup>st</sup> 2023).**

We hereby certify that:

a. We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2023 and that to the best of our knowledge and belief:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee that there are no:

- i. Significant changes in internal control over financial reporting during the year.
- ii. Significant changes in accounting policies during the year and that the same have been disclosing in the notes to the financial statements; and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For an on behalf of the Board of Directors

Place: Chh. Sambhaji Nagar  
Dated: 22<sup>nd</sup> April 2023

Chief Financial Officer  
Devinder Khurana

Managing Director  
Satish Kagliwal  
DIN: 00119601

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To the Members of,

Nath Bio-Genes (India) Limited  
Nath House, Nath Road  
Chh. Sambhajinagar-431005

We have examined the compliance of the conditions of Corporate Governance by Nath Bio-Genes (India) Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Neha P Agrawal  
FCS No. 7350, C P No: 8048

Place: Chh. Sambhaji Nagar  
Date: 22<sup>nd</sup> April 2023



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS.**  
*(Pursuant to clause 10 of Part C of Schedule V of LODR)*

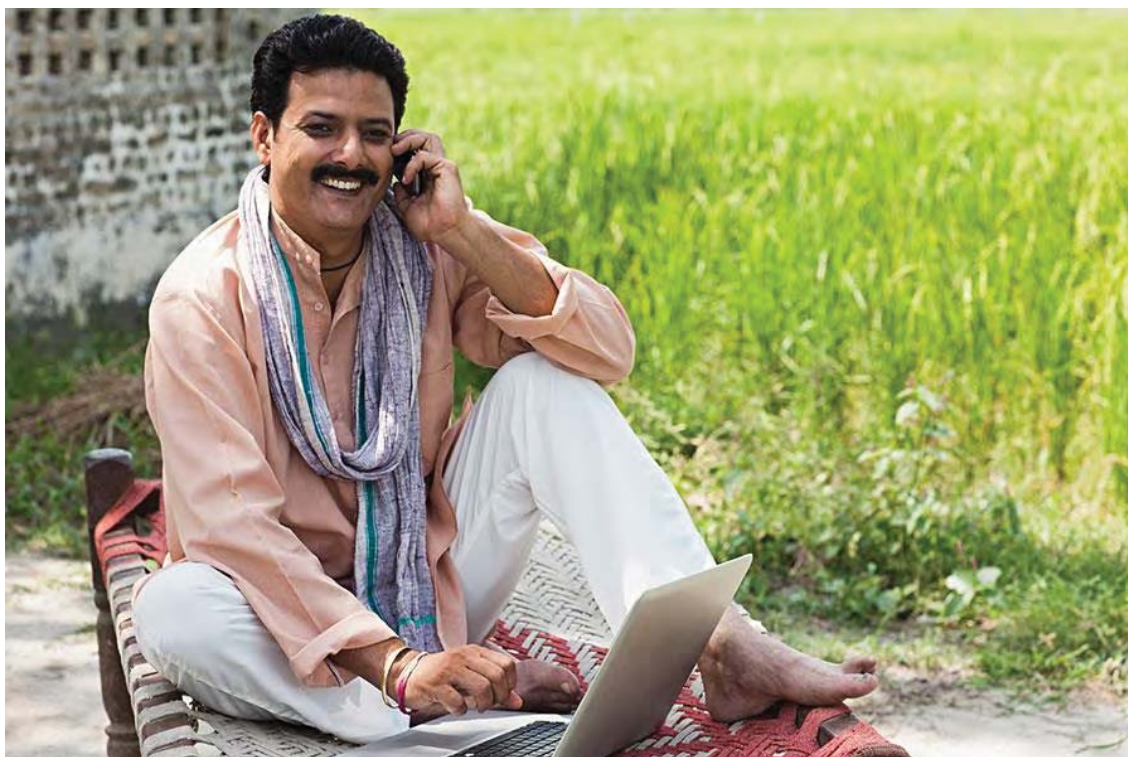
To,  
The Members,  
Nath Bio-Genes (India) Limited  
Nath House, Nath Road,  
Chh. Sambhajinagar-431005

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of The Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) Regulations, 2015; (LODR) in respect of NATH BIO-GENES (INDIA) LIMITED bearing CIN L01110MH1993PLC072842: (Hereinafter called “the Company”), I hereby certify that:

On the basis of the written representation/declaration received from directors and taken on record by the Board of Directors, as on March 31, 2023, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the companies by the Securities Exchange Board of India (SEBI) /Ministry of Corporate Affairs or any such statutory authority.

For Neha P Agrawal  
Practicing Company Secretary  
FCS No. 7350, C P No: 8048

Place: Chh. Sambhaji Nagar  
Date: 22<sup>nd</sup> April 2023



## **Independent Auditors' Report**

**To,  
The Members of  
Nath Bio-genes (I) Limited  
Aurangabad**

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

#### **Opinion**

1. We have audited the accompanying standalone financial statements of Nath Bio-genes (I) Limited having CIN: L01110MH1993PLC072842 ("the Company"), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March 2023, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of Cash Flows and Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022 and its loss (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Audit Procedures
<p><b>Agricultural Activities</b></p> <p>The company is engaged in the production and processing of commercial and vegetable seeds at various pieces of lands taken on lease from various growers/farmers spread over throughout India. The company enters into seed production agreements with these farmers / growers. The company is compensating the farmers/growers for various cultivation expenses based upon the rate agreement entered into. Thus, the company is engaged in the growing of various kinds of seeds based on the programs chalked out by the management depending on the area, climatic conditions, soil conditions, water resources, education of farmers, processing facilities etc.</p>	<p>We have performed the following principal audit procedures in relation to Agricultural Activities: -</p> <ul style="list-style-type: none"> <li>- Evaluation and understanding of Seed production agreements.</li> <li>- Verification and evaluation of the documents for existence of farmers/growers on sample basis of the seeds.</li> <li>- Verification and evaluation of documents on sample basis for the existence of leasehold land.</li> <li>- Evaluation of the control / supervision over the crop.</li> <li>- Evaluating the appropriateness of the adequate disclosures in accordance with the applicable accounting standards.</li> </ul>
<p><b>Adoption of Ind AS 116 Leases</b></p> <p>As described in Note 2(AA) to the standalone financial statements, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year.</p> <p>The Company has leasing arrangements for operating leases for lands and premises (Agricultural lands, office, stores, go-down etc.), which are cancelable and renewable by mutual consent. The aggregate lease rentals are charged as rent in the Statement of Profit and Loss.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>- Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116).</li> <li>- Assessed the company's evaluation on identification of leases based on the contractual agreements and our knowledge of the business.</li> <li>- Assessed the key terms and conditions of each lease with the underlying lease contracts and evaluation of the lease liability.</li> <li>- Assessed and tested the presentation and disclosures relating to Ind AS 116.</li> </ul>

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

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



## **Management's Responsibility for the Standalone Financial Statements**

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a. Identify and assess the risks of material misstatement of the standalone 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.
  - b. Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the

Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- e. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
  14. 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.
  15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 32 to the financial statements;
  - 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.
  - iv. (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign 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; and.  
  
(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - v. In respect of dividend: -
    - a. The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act, as applicable.
    - b. No interim dividend is declared by the Company during the year.
    - c. The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1,

2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Gautam N Associates  
Chartered Accountants  
FRN: 103117W

Gautam Nandawat  
Partner  
M No: 032742  
UDIN: 23032742BGSSKN8086

Place: Chhatrapati Sambhajinagar  
Dated: 22<sup>nd</sup> April 2023

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Nath Bio-genes (I) Limited on the Ind AS standalone financial statements for the year ended 31st March 2023, we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The company has a regular program of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of three years. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its business.
- (c) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the title deeds of the immovable properties are held in the name of the company except in the following cases:

Description of Properties	Gross Carrying Value Rs in Lakh	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
at Village Dhangaon and Shahapur-Wahegaon, Tq. Paithan, Dist. Aurangabad admeasuring 35.97 hectares.	Rs. 2,100.00	Agri-Tech (India) Ltd	Group Company	15 <sup>th</sup> March 2016	Pending approval for stamp duty exemption from State Government
at Wahegaon Tq Paithan Dist Aurangabad admeasuring 16.08 hectare	Rs. 1,350.00	Agri-Tech (India) Ltd	Group Company	15 <sup>th</sup> March 2017	Pending approval for stamp duty exemption from State Government
at Village Isarwadi Tq Paithan Dist Aurangabad admeasuring 5.72 hectares.					
at Gut No 130/4, Village Dhangaon Tq Paithan Dist Aurangabad admeasuring 2.02 hectares	Rs. 2,021.00	Agri-Tech (India) Ltd	Group Company	28 <sup>th</sup> December 2018	Pending approval for stamp duty exemption from State Government
at Gut No 53/1, and 53/5, Village Isarwadi Tq Paithan Dist Aurangabad admeasuring 3.95 hectares					
at Gut No 45, 53/3, 53/4 and 56 Village					

Wahegoan Tq Paithan Dist Aurangabad admeasuring 12.02 hectare					
at Plot No 1 admeasuring 6007.16 Sq Meter and Plot No 2 admeasuring 5183.18 Sq meter at Paithan Mega Food Park Pvt Ltd, Gut No 125, Village Dhangaon, Taluka Paithan, Dist Aurangabad.	Rs. 190.24	Paithan Mega Food Park Pvt Ltd	Group Company	10 <sup>th</sup> March 2020	Pending approval for stamp duty exemption from State Government

- (d) According to the information and explanations given to us, and on the basis of our examination of the record of the company, the company has not revalued any Property, Plant & Equipment (including Right of Use assets) or intangible assets during the year.
- (e) According to the information and explanations given to us, and on the basis of our examination of the record of the company, no proceedings have been initiated or are pending against the company for holding any Benami property under the “Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
2. (a) The inventory has been physically verified during the year by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There is no discrepancy of 10% or more noticed during verification between the physical stocks and book records. The discrepancies were not material, which have been properly dealt with in the books of account. The year-end inventory has been physically verified by the management and the same is incorporated as per inventory records and books of account maintained by the company.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets; the quarterly statements filed by the Company in respect of current assets held by it and offered as security with such banks or financial institutions are largely in agreement with the unaudited books of account of the Company of respective quarters and discrepancies observed have been explained in Note no 57 of the Financial Statements.
3. (a) As per the information and explanations given to us, the Company has granted loans including advances in the nature of loan to seven companies/ firms. The aggregate amount of loan granted is Rs. 3,406.26 Lakhs and the balance outstanding at the year-end is Rs. 2,675.88 Lakhs. The company has provided corporate guarantee to the tune of Rs. 4,360.00. Further, the company has made investments of Rs. 1.52 Lakhs in joint venture abroad. The company has not given any security to any party during the year.
- (b) The terms and conditions for such above mentioned loan and corporate guarantee are not prejudicial to the interest of the Company except non-levy of interest on loans & non – charging of commission on corporate guarantee.
- (c) In respect of loans and advances in the nature of loans the schedule of repayment of principal and payment of interest has not been stipulated; hence we are unable to comment whether the repayments or receipts are regular, overdue, renewed or extended or fresh loan granted to settle the overdue of existing loans given to the same parties;

4. The company has not provided any security to any party covered under section 185 and 186 of the Act, except that of loan, corporate guarantee and investment as mentioned in para 3 above after complying the provisions of section 186 except non-levy of interest and non-charging of commission on corporate guarantee.
5. The Company has not accepted deposits within the meaning of sections 73 to 76, or any other relevant provisions of the Act and the rules framed there under.
6. No maintenance cost records have been specified by the Central Government under section 148(1) of the Act for the products of the company.
7. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.  
  
b) There are no dues of Income tax, Sales tax, Service tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31st March 2023 on account of disputes.
8. According to the information and explanations given to us, there are no transactions recorded in the books of account as have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 196.
9. In our opinion and according to the information and explanations given to us: -
  - (a) the Company has not defaulted in payment of dues to financial institution or bank or debenture holders.
  - (b) The company is not declared willful defaulter by any bank or financial institution or other lender.
  - (c) term loans were applied for the purpose for which the loans were obtained.
  - (d) No funds raised on short term basis have been utilised for long-term purposes.
  - (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence clause (ix) (e) of the Order is not applicable.
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies; hence the clause (ix) (f) of the Order is not applicable.
10. The company has not raised any money by way of initial public offer, further public offer (including debt instruments), preferential allotment or private placement of shares during the year.
11. (a) According to the information and explanations given to us, no fraud by the company or any fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-Section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.  
(c) We have not considered whistle-blower complaints, since there is no complaint received during the year by the Company.
12. The company is not a Nidhi Company as such provisions of the clause (xii) of the Order are not applicable to the company.

13. All transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS standalone financial statements etc., as required by the applicable accounting standards.
14. (a) In our opinion, the internal audit system is commensurate with the size of the company and nature of its business.  
(b) In framing our Independent Audit Reports, we have considered Internal Auditor's Report for the period under audit.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.  
(b) In Our opinion, 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.  
(c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
17. The Company has not incurred cash losses in the Financial Year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report which infers 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.
20. The company does not have any unspent amount which are required to be transferred to a fund specified in schedule VII to the Act. Further, the company does not have any on-going project in hand, hence clause (xx) (b) of the Order is not applicable.
21. The company has a joint venture abroad with 90% share, report on consolidated financial statement has been given separately.

For Gautam N Associates  
Chartered Accountants  
FRN: 103117W

Gautam Nandawat  
Partner  
M No: 032742  
UDIN: 23032742BGSSKN8086

Place: Chhatrapati Sambhajinagar  
Dated: 22<sup>nd</sup> April 2023



## **ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

1. We have audited the internal financial controls over financial reporting of **Nath Bio-genes (I) Limited** ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the Ind AS standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS standalone 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 Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Gautam N Associates  
Chartered Accountants  
FRN: 103117W

Gautam Nandawat  
Partner  
M No: 032742  
UDIN: 23032742BGSSKN8086

Place: Chhatrapati Sambhajnagar  
Dated: 22<sup>nd</sup> April 2023

**Nath Bio-Genes (India) Limited**  
**Balance Sheet as at March 31, 2023**

	Note	As at March 31, 2023 Rupees in Lakhs	As at March 31, 2022 Rupees in Lakhs
<b>Assets</b>			
<b>I) Non-Current Assets</b>			
a) Property, plant and Equipment	3	23,395.95	23,286.25
b) Intangible assets	3	1,041.74	1,202.62
<b>c) Financial Assets</b>			
(i) Non-current Investment	4	506.35	506.33
(ii) Other Non-current financial assets		-	-
d) Deferred Tax Assets (Net)		-	-
e) Other Non-current Assets	5	2,254.01	2,178.59
		<u>27,198.05</u>	<u>27,173.79</u>
<b>II) Current Assets</b>			
a) Inventories	6	20,784.66	22,034.28
<b>b) Financial Assets</b>			
(i) Trade Receivables	7	9,731.35	8,554.78
(ii) Cash and cash equivalents	8	3,798.45	416.80
(iii) Other current financial assets	9	17,110.08	15,019.23
c) Current Tax Assets (Net)	10	604.90	688.67
d) Other current assets	11	69.86	66.01
		<u>52,099.30</u>	<u>46,779.77</u>
<b>Total Assets</b>		<u><b>79,297.35</b></u>	<u><b>73,953.57</b></u>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
a) Equity Share Capital	12	1,900.40	1,900.40
b) Other Equity	13	55,435.02	52,296.54
		<u>57,335.42</u>	<u>54,196.94</u>
<b>Liabilities</b>			
<b>I) Non-Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
(i) Borrowings	14	40.32	66.48
(ii) Trade Payables		-	-
b) Provisions	15	278.68	261.06
		<u>319.00</u>	<u>327.54</u>
<b>II) Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
(i) Borrowings	16	10,480.91	9,229.38
(ii) Trade Payables to MSME	17	46.70	51.05
(iii) Trade Payables other than MSME	17	2,726.86	4,227.12
b) Other current liabilities	18	8,301.35	5,724.47
c) Provisions	19	59.06	108.33
d) Current Tax Liabilities (Net)	20	28.05	88.74
		<u>21,642.93</u>	<u>19,429.09</u>
<b>Total Equity and Liabilities</b>		<u><b>79,297.35</b></u>	<u><b>73,953.57</b></u>

The accompanying Notes are an integral part of these Financial Statements.

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKN8086

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajanagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary

**Nath Bio-Genes (India) Limited**  
**Statement of Profit and Loss for the year ended March 31, 2023**

	Note	Year Ended March 31, 2023 Rupees in Lakhs	Year Ended March 31, 2022 Rupees in Lakhs
<b>Income</b>			
Revenue from Operations	21	30,129.15	27,836.23
Other Income	22	56.04	185.47
<b>Total Income</b>		<b>30,185.19</b>	<b>28,021.70</b>
<b>Expenses</b>			
Purchase of stock in trade		530.84	355.92
Production Expenses	23	7,048.86	9,352.61
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	24	1,198.25	498.64
Employee Benefits Expense	25	2,322.95	2,478.38
Finance Costs	26	1,012.08	1,061.10
Depreciation Expense	27	301.23	308.41
Other Expenses	28	14,139.19	11,427.10
<b>Total Expenses</b>		<b>26,553.39</b>	<b>25,482.15</b>
<b>Profit before exceptional item</b>		<b>3,631.80</b>	<b>2,539.55</b>
Less: Exceptional Items	29	-	8,878.19
<b>Profit after exceptional item before tax</b>		<b>3,631.80</b>	<b>(6,338.65)</b>
<b>Tax Expense</b>			
<b>Income Tax</b>			
- Current Year		118.64	234.06
- Earlier Years written back		(3.35)	161.10
Deferred Tax Charge		-	-
<b>Total Tax Expenses</b>		<b>115.29</b>	<b>395.16</b>
<b>Profit for the Year</b>		<b>3,516.51</b>	<b>(6,733.80)</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to Profit and Loss		(2.06)	17.06
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		-	-
B. (i) Items that will be reclassified to Profit and Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit and Loss		-	-
		<b>(2.06)</b>	<b>17.06</b>
<b>Total Comprehensive Income</b>		<b>3,518.56</b>	<b>(6,750.86)</b>
<b>Earnings Per Equity Share [Nominal Value Per Share: Rs. 10 (Previous Year: Rs. 10)]</b>			
Basic and Diluted		18.51	-35.52

The accompanying Notes are an integral part of these Financial Statements.

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKN8086

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajinagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary<sup>96</sup>

**Nath Bio-Genes (India) Limited**

**Statement of Changes in Equity**

**A. Equity**

A. Equity Share Capital					Rs in Lakhs
(1) Current reporting period					
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	
1,900	0	0	0	1,900	
(2) Previous reporting period					
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	
1,900	0	0	0	1,900	

**B. Other Equity**

**Statement of Changes in Other Equity for financial year ended on March 31, 2023**

Rupees in Lakhs

Particular	Reserves and Surplus							Total
	Capital Reserve	Security Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Other Comprehensive Income related to employees benefit	Retained Earning	
<b>Balances at the beginning of the year 01.04.2022</b>	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,447.35	52,296.54
Changes in the accounting policies or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,447.35	52,296.54
Additions during the Year	-	-	-	-	-	2.06	3,516.51	3,518.56
Total Comprehensive Income for the year	1,171.76	13,350.00	62.50	29.75	297.00	(59.75)	40,963.85	55,815.10
Dividends	-	-	-	-	-	-	380.08	380.08
<b>Balance at the end of the reporting period 31.03.2023</b>	1,171.76	13,350.00	62.50	29.75	297.00	(59.75)	40,583.77	55,435.02

**Statement of Changes in Other Equity for financial year ended on March 31, 2022**

Rupees in Lakhs

Particular	Reserves and Surplus							Total
	Capital Reserve	Security Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Other Comprehensive Income related to employees benefit	Retained Earning	
<b>Balances at the beginning of the year 01.04.2021</b>	1,171.76	13,350.00	62.50	29.75	297.00	(44.75)	44,561.23	59,427.48
Changes in the accounting policies or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,171.76	13,350.00	62.50	29.75	297.00	(44.75)	44,561.23	59,427.48
Additions during the Year	-	-	-	-	-	(17.06)	-6,733.80	-6,750.86
Total Comprehensive Income for the year	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,827.43	52,676.62
Dividends	-	-	-	-	-	-	380.08	380.08
<b>Balance at the end of the reporting period 31.03.2022</b>	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,447.35	52,296.54

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
Chartered Accountants

**For and on behalf of the Board of Directors**

Gautam Nandawat  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKN8086

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajnagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary

**Nath Bio-Genes (India) Limited**  
**Cash Flow Statement for the year ended March 31, 2023**

	Year ended March 31, 2023 Rupees in Lakhs	Year ended March 31, 2022 Rupees in Lakhs
<b>A. Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>3,631.80</b>	<b>-6,338.65</b>
<b>Adjustments for:</b>		
Depreciation expense	301.23	308.41
Provision for Gratuity	0.80	30.06
Provision for Compensated Absences	(32.44)	32.53
Interest Expenses / Financial Charge	1,012.08	1,061.10
Provision/(Reversal of Provision) for Bad Debts	11.72	44.98
Provision/(Reversal of Provision) for Advance	-	8,878.19
Profit on sale/ disposal of fixed assets	(0.08)	(0.41)
Loss on sale of fixed assets	0.20	0.05
Expenses under Other Comprehensive Income	2.06	(17.06)
Interest income	(2.07)	(109.26)
	1,293.48	10,228.58
<b>Operating profit before working capital changes</b>	<b>4,925.28</b>	<b>3,889.93</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/ Decrease in Trade Receivables	(1,188.29)	2,102.26
(Increase)/ Decrease in Inventories	1,249.62	595.71
(Increase)/ Decrease in Loans and Advances	(2,090.85)	(7,823.31)
(Increase)/ Decrease in Other Current / Non- Current Assets	(39.26)	(26.39)
Increase/ (Decrease) in Trade Payables	(1,504.61)	1,999.22
Increase/ (Decrease) in Liabilities and Provisions	2,576.89	1,255.35
	(996.51)	(1,897.16)
<b>Operating profit after working capital changes</b>	<b>3,928.78</b>	<b>-</b>
Income Tax paid	-92.21	-287.74
<b>Net cash from operating activities (A)</b>	<b>3,836.56</b>	<b>1,705.03</b>
<b>B. Cash flow from investing activities</b>		
Payment for purchase of fixed assets	(248.13)	(110.36)
Payment for purchase of Intangible Assets	(6.75)	(1.30)
Payment for purchase of Non-Current Investments	(0.02)	(1.55)
Proceeds from sale of tangible assets	4.71	7.31
Payment for capital advances	(40.00)	(1,990.00)
Interest income	2.07	109.26
	(288.12)	109.26
<b>Net cash used in investing activities (B)</b>	<b>-288.12</b>	<b>-1,986.64</b>
<b>C. Cash flow from financing activities</b>		
Interest Expenses	(1,012.08)	(1,061.10)
Dividend Paid	(380.08)	(380.08)
Increase / (Decrease) in long term secured loan	(26.16)	1.20
Increase / (Decrease) in Short term secured loan	1,336.65	243.12
Increase / (Decrease) in Short term Unsecured loan	(85.12)	(1,026.34)
	(166.79)	(1,026.34)
<b>Net cash used in financing activities (C)</b>	<b>(166.79)</b>	<b>(2,223.20)</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>3,381.65</b>	<b>(2,504.81)</b>
Cash and cash equivalents at the beginning of the year	416.80	2,921.61
Cash and cash equivalents at the end of the year	3,798.45	416.80
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>3,381.65</b>	<b>(2,504.81)</b>

**Nath Bio-Genes (India) Limited**  
**Cash Flow Statement for the year ended March 31, 2023**

	<u>March 31, 2023</u> <u>Rupees</u>	<u>March 31, 2022</u> <u>Rupees</u>
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	3.64	4.75
Bank Balances:		
- In Current Accounts	394.31	411.55
- In term deposit	3,400.50	0.50
<b>Cash and cash equivalents at the end of the year</b>	<b><u>3,798.45</u></b>	<b><u>416.80</u></b>

**Notes:**

- 1 The above Cash Flow Statement has been prepared under "Indirect Method" set out in Indian Accounting Standard - 7 on "Cash Flow Statements".
- 2 Figures in brackets indicate cash outgo.
- 3 Previous year's figures have been regrouped/ rearranged wherever necessary.

As per our report of even date.  
**For Gautam N Associates**  
Firm Registration No.: 103117W  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
**Partner**  
Membership No.:032742  
UDIN: 23032742BGSSKN8086

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajnagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary

**1 General Information**

Nath Bio-Genes (India) Limited (CIN L01110MH1993PLC072842) is incorporated under the Companies Act, 1956 with its registered office at Nath House, Nath Road, Chhatrapati Sambhajnagar MS. The company is engaged in the business of Production, Processing, and Marketing of Hybrid and GM Seeds. The Company has a product range of Field crops, Vegetable crops and Plant Nutrient Supplements. The major Processing Plants are situated at Chhatrapati Sambhajnagar (MS), and Munipalli, Nizamabad (TG). The company has a Pan India presence for sales through an extensive network of distributors.

**2 SIGNIFICANT ACCOUNTING POLICIES:**

**A Basis of Preparation and Presentation**

i) The financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except fixed assets which are measured at fair values. These financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

**B REVENUE RECOGNITION**

i) Revenue is measured at the transaction valued considered as fair value of the consideration received or receivable where the ownership and significant risk has been transferred to the buyer.

ii) Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty.

iii) Sales return are accounted for / provided for in the year in which they pertain to, as ascertained till finalization of the books of account.

iv) Compensation on account of crop quality discounts are accounted for as and when settled.

**C PROPERTY, PLANT AND EQUIPMENTS**

i) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.

ii) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

iii) Furniture and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iv) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised to the standalone statement of profit and loss.

v) Seed Development know how and software acquired by the company are capitalised at the cost of acquisition. Expenses incurred on brands are capitalised.

vi) Live stock is stated at cost without any depreciation/ impairment

**D BIOLOGICAL ASSETS**

**Recognition and measurement**

The company recognises the biological asset (agricultural produce) when:

- (a) the company controls the asset as a result of past events;
- (b) it is probable that future economic benefits associated with the asset will flow to the company; and
- (c) the fair value or cost of the asset can be measured reliably

The biological asset are measured at the end of each reporting period at its fair value less costs to sell.



## **E CAPITAL WORK-IN-PROGRESS**

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

## **F DEPRECIATION / AMORTIZATION**

i) Depreciation on tangible Fixed Assets is provided for on the basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Gene/Seed Development Know-How are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

<b>Assets</b>	<b>Useful life year</b>
i) Factory Building	30
ii) Plant & Machineries	15
iii) Laboratory Equipment	10
iv) Agricultural Equipment's	15
v) Office Equipment's	15
vi) EDP Equipment's	3
vii) Furniture & Fixture	10
viii) Motor Car & Light Vehicle	8

## **G IMPAIRMENT**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

## **H RESEARCH AND DEVELOPMENT EXPENDITURE:**

The research expenditure incurred is charged off to the Statement of Profit & Loss.

## **I INVENTORIES:**

i) Inventories comprise of Unprocessed seeds, Under- Processed Seeds, Processed Seeds, Packing Material and traded goods. Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition and receiving charges.

ii) The cost of Under-Processed Seeds and Processed Seeds comprises of lease rental, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## **J FOREIGN CURRENCY TRANSACTIONS:**

i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

## **K GOVERNMENT GRANTS**

i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

iii) Others are credited to Statement of Profit and Loss.

## **L EMPLOYEES BENEFITS:**

Liability as at the year end in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

### **i) Provident Fund / Family Pensions:**

At a percentage of salary/wages for eligible employees.

## ii) Retirement benefit costs and termination benefit

The Company determines the present value of the defined benefit obligation and recognizes the liability or asset in the balance sheet.

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year

Defined benefit costs are composed of:

(a) service cost – recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.

(b) remeasurements of the liability or asset - recognized in other comprehensive income.

(d) remeasurements of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

**Short-term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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

## iii) Bonus

The company recognises a liability and expense for bonus. The company recognises a provision where contractually obliged or where there is past practice that has created a constructive obligation.

## M BORROWING COST

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset

## N AGRICULTURAL ACTIVITIES

i) Income from the agricultural activities is accounted for up to the stage of dispatch of goods by the Company to the customer after processing.

ii) Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the head "Production Expenses". Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

## O EARNING PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year attributable to equity share holders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## P TAXATION

### INCOME TAX

Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

## **DEFERRED TAX**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) 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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Current and deferred tax for the period**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company recognises interest levied and penalties related to Income Tax assessments in the tax expense.

## **Q USE OF ESTIMATES**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of Financial Statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known/ materialised.

## **R PROVISION AND CONTINGENT LIABILITIES**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **S CASH AND CASH EQUIVALENTS**

In the Cash Flow Statement, cash and cash equivalents includes cash on hand, demand and short term deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

## **T FINANCIAL ASSETS AT AMORTISED COST**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

## **U FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and a contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payment of the principal and interest on the principal amount outstanding.

## **V FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

## **W FINANCIAL LIABILITIES**

Financial liabilities are measured at amortised cost using the effective interest method, if tenure of repayment of such liability exceeds one year.

## **X EQUITY INSTRUMENTS**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. The Company recognises equity instruments at proceeds received net off direct issue cost.

## **Y RECLASSIFICATION OF FINANCIAL ASSETS**

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

## **Z OFFSETTING OF FINANCIAL INSTRUMENTS**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is on intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## **AA LEASES :**

Leases which are short term and cancellable at the option of lessor / lessee are treated as operating leases and lease rent payable on such leases is charged to the Statement of Profit and Loss Account.

**Nath Bio-Genes (India) Limited**

**NOTE No 3**

**PROPERTY, PLANT & EQUIPMENT**

SR. NO.	PARTICULARS	Rupees in Lakhs													
		GROSS BLOCK		DEPRECIATION / AMORTISATION				NET BLOCK							
		AS AT 01.04.2022	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2023	AS AT 01.04.2022	FOR THE YEAR	DEDUCTION	AS AT 31.03.2023	AS AT 31.03.2023	AS AT 01.04.2022				
<b>(A) TANGIBLE ASSETS</b>															
1	Freehold Land	22,210.73	-	-	22,210.73	-	-	-	-	-	-	22,210.73	-	-	22,210.73
2	Factory Building	312.83	25.00	-	337.83	196.02	6.44	-	202.46	-	-	135.37	-	-	116.81
3	Live Stock	1.08	0.55	0.55	1.08	-	-	-	-	-	-	1.08	-	-	1.08
4	Plant & Machineries	1,117.95	78.53	-	1,196.48	725.75	42.46	-	768.22	-	-	428.26	-	-	392.20
5	Laboratory Equipment	191.80	10.95	-	202.75	147.08	3.67	-	150.75	-	-	52.00	-	-	44.72
6	Agricultural Equipment's	103.63	28.78	-	132.41	18.99	7.12	-	26.11	-	-	106.30	-	-	84.64
7	Office Equipment's	63.57	5.20	-	68.77	30.29	3.26	-	33.56	-	-	35.22	-	-	33.27
8	EDP Equipment's	323.88	17.47	-	341.35	296.27	14.10	-	310.37	-	-	30.97	-	-	27.61
9	Furniture	86.66	35.01	-	121.67	27.83	8.00	-	35.83	-	-	85.84	-	-	58.83
10	Motor Car & Light Vehicle	714.47	46.62	14.69	746.40	398.10	52.08	13.95	436.23	-	-	310.18	-	-	316.37
	<b>TOTAL (A)</b>	<b>25,126.59</b>	<b>248.13</b>	<b>15.24</b>	<b>25,369.48</b>	<b>1,840.34</b>	<b>137.14</b>	<b>13.95</b>	<b>1,963.52</b>	-	-	<b>23,395.95</b>	-	-	<b>23,286.25</b>
<b>(B) INTANGIBLE ASSETS</b>															
	Seed Development Know How	1,595.90	-	-	1,595.90	399.18	159.59	-	558.77	-	-	1,037.13	-	-	1,196.72
	Brands	0.67	-	-	0.67	0.20	0.07	-	0.20	-	-	0.40	-	-	0.47
	Software	6.46	6.75	6.75	6.46	1.02	4.43	3.20	2.25	3.20	2.25	4.21	-	-	5.44
	<b>TOTAL (B)</b>	<b>1,603.03</b>	<b>6.75</b>	<b>6.75</b>	<b>1,603.03</b>	<b>400.40</b>	<b>164.09</b>	<b>3.20</b>	<b>561.29</b>	<b>3.20</b>	<b>3.20</b>	<b>1,041.74</b>	<b>3.55</b>	<b>3.55</b>	<b>1,202.82</b>
	<b>TOTAL (A) + (B)</b>	<b>26,729.62</b>	<b>254.88</b>	<b>21.99</b>	<b>26,982.51</b>	<b>2,240.74</b>	<b>301.23</b>	<b>17.15</b>	<b>2,524.82</b>	<b>17.15</b>	<b>109.58</b>	<b>24,437.69</b>	<b>24,437.69</b>	<b>24,437.69</b>	<b>24,488.88</b>
	<b>Previous Year</b>	<b>26,728.48</b>	<b>111.66</b>	<b>110.52</b>	<b>26,729.62</b>	<b>2,035.91</b>	<b>308.41</b>	<b>109.58</b>	<b>2,240.74</b>	<b>109.58</b>	<b>2,240.74</b>	<b>24,488.88</b>	<b>24,488.88</b>	<b>24,488.88</b>	<b>24,488.88</b>

Notes:

3.1. Freehold land purchased from Agritech India Limited, related party, admeasuring 75.76 Hectares (Previous year : 75.76 Hectares) is yet to be registered in the name of Company with the Sub-Registrar of the land registry.

3.2 The company has purchased 2 industrial plots aggregating to 11190.34 Sq. meter from Palithan Mega Food Park Pvt Ltd, a related party, at Tal. Palithan, Dist. Chhatrapati Sambhajnagar for future expansion of the processing plant for which the registry in the name of Company with the Sub-Registrar is pending.

3.3 The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or its intangible assets during the year.

3.4 There is no capital work in progress at the year end.

	As at March 31, 2023	As at March 31, 2022
Rupees in Lakhs		
<b>4 NON CURRENT INVESTMENTS</b>		
<b>UNQUOTED; AT COST; NON-TRADE</b>		
Nath Seeds Pvt Ltd Karmachari Sahakari Pat Sanstha (42,400 (Previous year : 40,000) equity shares of Rs. 10 each )	0.42	0.40
Equity Shares of Jankalyan Co-Op Bank (50,000 equity shares of Rs. 10 each)	5.00	5.00
<b>UNQUOTED; AT COST; TRADE</b>		
Equity shares in Paithan Mega Food Parks Pvt Ltd (49,94,000 Equity shares of Rs. 10 each)	499.40	499.40
Investment in foreign Joint Venture LLC (Refer note 4.1)	1.52	1.52
	<b>506.35</b>	<b>506.33</b>
4.1 The joint venture company in the name of Nath Bio-Genes (Central Asia) LLC with 90% shareholding is setup at NMTP Hududi, Qurbon, Rajabov, Paxtachi District Samarkand reigion, Uzbekistan with a view to carry out research & development, production, processing of agricultural seeds activities.		
<b>5 OTHER NON-CURRENT ASSETS</b> [Unsecured, Considered Good]		
Security Deposits	104.01	68.59
Capital Advances	2,150.00	2,110.00
	<b>2,254.01</b>	<b>2,178.59</b>



	As at March 31, 2023	As at March 31, 2022
	Rupees in Lakhs	
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand (includes \$1242 (Previous year \$ 806 and S'OM 12,64,000))	3.64	4.75
Bank Balances in Current Account	394.31	411.55
	<b>397.95</b>	<b>416.30</b>
<b>Other Bank Balances</b>		
- Fixed Deposits with original maturity more than 3 months but less than 12 months (Lien Marked in favour of APMC, Armoor)	0.50	0.50
- Fixed Deposits with original maturity less than 3 months	3,400.00	-
	<b>3,400.50</b>	<b>0.50</b>
	<b>3,798.45</b>	<b>416.80</b>
<b>9 OTHER CURRENT FINANCIAL ASSETS</b> [Unsecured, Considered Good]		
Advances against seed production	22,951.68	22,122.15
Less: Provision for doubtful advances	(8,878.19)	(8,878.19)
Advances to related parties	2,675.88	1,221.85
Advances against purchase (Refer Note no 9.1)	182.73	376.56
Advances to Staff	177.99	176.86
	<b>17,110.08</b>	<b>15,019.23</b>
9.1 Include Rs.126.95 Lakhs (Previous year Rs.4.94 Lakhs) given to Joint Venture Company.		
<b>10 CURRENT TAX ASSETS (NET)</b>		
Income tax MAT Entitlement	602.90	686.67
Balances with Income Tax department	2.00	2.00
	<b>604.90</b>	<b>688.67</b>
<b>11 OTHER CURRENT ASSETS</b> [Unsecured, Considered Good]		
GST Receivable	388.85	258.44
Less: Provision for ITC on exempt goods / services	(356.27)	(231.91)
Prepaid Expenses	35.96	34.80
Interest and other receivable	1.31	4.67
	<b>69.86</b>	<b>66.01</b>



## 12 SHARE CAPITAL

Authorised Share Capital	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs in Lakhs	No. of Shares	Rs in Lakhs
Equity Shares of Rs.10 each	2,05,00,000	2,050	2,05,00,000	2,050
Cumulative Redeemable Preference Shares of Rs.100 each	50,000	50	50,000	50
	<b>2,05,50,000</b>	<b>2,100</b>	<b>2,05,50,000</b>	<b>2,100</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of Rs.10 each	1,90,04,000	1,900	1,90,04,000	1,900
	<b>1,90,04,000</b>	<b>1,900</b>	<b>1,90,04,000</b>	<b>1,900</b>

### (a) Reconciliation of Number of Shares

Equity Shares:	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs in Lakhs	No. of Shares	Rs in Lakhs
Balance as at the beginning of the year	1,90,04,000	1,900.40	1,90,04,000	1,900.40
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	<b>1,90,04,000</b>	<b>1,900.40</b>	<b>1,90,04,000</b>	<b>1,900.40</b>

### (b) Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

### (c) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
a) Akash Farms LLP	15,10,452	7.95	15,10,452	7.95
b) Ashu Farms LLP	20,88,449	10.99	20,88,449	10.99
c) Agri-Tech India Ltd	14,95,131	7.87	13,22,012	6.96
e) Mayo Farms LLP	10,87,339	5.72	-	-
f) Tapovan Farms LLP	9,84,191	5.18	-	-
e) Authum Investment and Infrastructure Limited	-	0.00	27,15,855	14.29

### d) Promoters shareholding

Shares held by promoters at the end of the year				
Sr No	Promoter Name	No of Shares	% of total shares	% change during the year
1	Nandkishor Laxminarayan Kagliwal	146	0.00	0.00
2	Jeevanlata Nandkishor Kagliwal	293	0.00	0.00
3	Ferry Fax Farms Private Limited	3,07,644	1.62	0.00
4	Nath Biotechnologies Ltd	1,01,200	0.53	0.00
5	Barkha Farms Private Limited	3,54,030	1.86	0.00
6	Nath Royal Ltd	4,94,692	2.60	0.00
7	Tingli Finest Pvt Ltd	5,62,360	2.96	0.00
8	Prabha Farms Private Limited	75,271	0.40	0.00
9	Paresh Farms Private Limited	374	0.00	0.00
10	Pithambar Farms Private Limited	2,50,000	1.32	0.00
11	Ashu Farms LLP	20,88,449	10.99	0.00
12	Akash Farms LLP	15,10,452	7.95	0.00
13	Arati Farms Private Limited	2,02,641	1.07	0.00
14	Agri Tech India Limited	14,95,131	7.87	0.91
15	Jeevan Investment & Finance Pvt Ltd	219	0.00	0.00
16	Nath Industries Limited	5,32,000	2.80	0.00
17	Emerald Seeds Private Limited	6,90,000	3.63	0.00
	<b>Total</b>	<b>86,64,902</b>	<b>45.60</b>	<b>0.91</b>

	<b>Year Ended March 31, 2023</b>	<b>Year Ended March 31, 2022</b>
	<b>Rs in Lakhs</b>	
<b>13 OTHER EQUITY</b>		
Capital Reserve	1,171.76	1,171.76
Securities Premium Reserve	13,350.00	13,350.00
Capital Redemption Reserve	62.50	62.50
Debenture Redemption Reserve	29.75	29.75
General Reserve	297.00	297.00
OCI - Employee Benefit	(59.75)	(61.81)
Retained Earnings	40,583.77	37,447.35
	<u>55,435.02</u>	<u>52,296.54</u>

**14 NON- CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**SECURED LOANS**

Term Loan against Vehicles	40.32	66.48
	<u>40.32</u>	<u>66.48</u>

14.1 Secured by hypothecation of vehicles purchased in the name of company.

14.2 The loan is repayable within a period ranging from one to five years

**15 NON-CURRENT PROVISIONS**

**PROVISIONS FOR EMPLOYEE BENEFITS**

Gratuity	223.48	183.92
Compensated Absence	55.20	77.14
	<u>278.68</u>	<u>261.06</u>

**16 CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**SECURED**

From Consortium of Banks (Refer note no 16.1 below)	10,304.63	8,970.08
Current maturities of long term debts : Vehicle Loan	73.00	70.91

**UNSECURED**

Loans from Others	103.27	188.39
	<u>10,480.91</u>	<u>9,229.38</u>

16.1 Secured by way of hypothecation of stock and trade receivables; collaterally secured by way of mortgage of land admeasuring 20503.544 Sq. meter and building thereupon situated at Gut No 64/2 (part) Ittkheda, Chhatrapati Sambhajinagar. The charge is duly registered with Registrar of Companies. Also personally guaranteed by two promoters of the Company.

As at March 31, 2023	As at March 31, 2022
Rs in Lakhs	

**17 TRADE PAYABLE**

Sundry Creditors - SME Sector	46.70	51.05
Sundry Creditors for Seeds/Supplies	2,726.86	4,227.12
	2,773.56	4,278.17

**17.1 Trade Payables ageing schedule as on 31st March 2023**

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME		46.70				46.70
ii) Others	1,565.61	1,106.72	54.53	-	-	2,726.86
iii) Disputed dues- MSME						-
iv) Disputed dues - Others						-
<b>Total</b>	<b>1,565.61</b>	<b>1,153.42</b>	<b>54.53</b>	<b>-</b>	<b>-</b>	<b>2,773.56</b>

**17.2 Trade Payables ageing schedule as on 31st March 2022**

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	51.05	-	-	-	51.05
ii) Others	2,210.84	1,862.10	34.05	97.28	22.87	4,227.12
iii) Disputed dues- MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>2,210.84</b>	<b>1,913.14</b>	<b>34.05</b>	<b>97.28</b>	<b>22.87</b>	<b>4,278.17</b>

**18 OTHER CURRENT LIABILITIES**

Deposits from Dealers	721.44	636.44
Credit Balance in Debtors accounts	1,480.56	1,580.82
Statutory Liabilities	151.59	130.16
Advance against Sales	5,132.27	2,383.73
Payables to Employees	769.26	931.49
Others Payables	46.22	61.82
	8,301.35	5,724.47

**19 PROVISIONS**

**Provisions for Employee Benefits**

Gratuity	45.27	84.04
Compensated Absences	13.78	24.29
	59.06	108.33

**20 CURRENT TAX LIABILITIES (NET)**

Income tax payable	28.05	88.74
	28.05	88.74

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>21 REVENUE FROM OPERATIONS:</b>		
<b>Sale of Agriculture Produce</b>		
Commercial Seeds	27,175.45	25,430.41
	<u>27,175.45</u>	<u>25,430.41</u>
<b>Sale of Traded Goods</b>		
Plant Nutrient Supplements	2,275.05	1,536.95
Vegetable Seeds	553.91	747.18
	<u>2,828.96</u>	<u>2,284.13</u>
<b>Other Operating Revenue:</b>		
Remnant	116.66	107.23
Farm Produce Sale	8.08	14.28
Export incentives	-	0.18
	<u>124.73</u>	<u>121.69</u>
	<b><u>30,129.15</u></b>	<b><u>27,836.23</u></b>
<b>Crop Wise sale:-</b>	<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>
Paddy	7,786.34	7,884.29
Cotton	8,529.72	8,472.66
Maize	996.51	973.13
Bajra	3,175.94	1,913.34
Mustard	1,882.36	2,259.78
Vegetables	3,349.49	2,878.91
Plant Nutrient Supplement	2,275.05	1,536.95
Others	2,009.01	1,795.48
	<b><u>30,004.42</u></b>	<b><u>27,714.54</u></b>
<b>22 OTHER INCOME</b>		
Interest Received	2.07	109.26
Dividend Received	0.03	0.06
Profit on Sale of Fixed Assets	0.08	0.41
Insurance claim received	0.61	13.68
Foreign Exchange gain	43.37	5.91
Excess Provision W/back	-	46.42
Other Miscellaneous Income	9.89	9.73
	<b><u>56.04</u></b>	<b><u>185.47</u></b>
<b>23 PRODUCTION EXPENSES</b>		
Seed Production Expenses	6,412.17	8,511.89
Lease Rent for agricultural land (Also refer note no 43)	636.69	840.72
	<b><u>7,048.86</u></b>	<b><u>9,352.61</u></b>

**Nath Bio-Genes (India) Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>24 CHANGES IN INVENTORIES</b>		
<b>Closing Stock</b>		
Processed Seeds	19,080.29	18,972.41
Unprocessed Seeds	825.05	1,622.34
Seed (Traded)	259.71	400.63
Plant Nutrient Supplement	59.14	427.06
	<b>20,224.19</b>	<b>21,422.44</b>
<b>Opening Stock</b>		
Processed Seeds	18,972.41	20,303.37
Unprocessed Seeds	1,622.34	557.43
Seed (Traded)	400.63	177.15
Plant Nutrient Supplement	427.06	883.13
	<b>21,422.44</b>	<b>21,921.08</b>
	<b>(1,198.25)</b>	<b>(498.64)</b>
<b>25 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	2,037.75	2,142.18
Contribution to Provident and Other Funds	111.38	108.39
Staff Welfare Expenses	57.54	28.69
Staff Incentives	116.28	199.13
	<b>2,322.95</b>	<b>2,478.38</b>
<b>26 FINANCE COSTS</b>		
Interest Expenses		
- On Cash Credit	791.60	790.96
- On Vehicle Loan	9.22	15.13
- On Unsecured Loan	76.00	153.14
On Security Deposits	32.22	33.96
- Others	33.80	19.34
Processing Charges	69.24	48.57
	<b>1,012.08</b>	<b>1,061.10</b>
<b>27 DEPRECIATION EXPENSE</b>		
Depreciation on Tangible Assets	137.14	147.86
Amortisation of Intangible Assets	164.09	160.55
	<b>301.23</b>	<b>308.41</b>

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>28 OTHER EXPENSES</b>		
<b>A. Seed Conditioning Expenses</b>		
Freight Inward	182.78	147.61
Labour Wages	238.07	248.20
Stores and Processing Materials consumed	1,632.46	1,204.85
Power and Fuel	139.08	106.99
Repairs and Maintenance (Machinery)	32.77	27.01
Repairs and Maintenance (Factory Building)	6.84	9.59
Hamali & Cartage - Processing Plant	80.52	88.28
Processing Expenses	330.32	282.57
Other Seed Conditioning Expenses	38.36	74.57
	<b>2,681.21</b>	<b>2,189.67</b>
<b>B. Administrative Expenses</b>		
Rent	308.29	303.44
Rates and Taxes	4.32	23.96
Insurance	43.61	47.44
Legal & Professional Expenses	275.28	371.00
Repairs and Maintenance - Office Building and Godown	42.15	17.85
Running and maintenance - Vehicle	439.16	420.18
Repairs and Maintenance - Others	49.54	33.34
Communication	38.45	35.12
Printing & Stationery	20.04	20.93
Auditors' Remuneration:	-	-
Statutory Audit Fee	8.50	7.00
Tax Audit Fee	3.00	-
Other services	0.55	1.10
Directors' remuneration	48.00	48.00
Loss on sale of fixed assets	0.20	0.05
Miscellaneous Expenses	34.38	30.70
Donation	0.11	13.00
Director Sitting Fees	1.28	1.20
Bank Charges	9.22	3.28
Security Charges	26.79	34.35
Corporate Social Responsibility Expenditure (Refer Note No 49)	90.22	99.45
	<b>1,443.08</b>	<b>1,511.39</b>
<b>C. Selling Expenses</b>		
Travelling and Conveyance	476.90	352.26
Advertisement and Sales Promotion	370.44	163.39
Field Days, Visits & Campaigns	566.15	549.47
Freight Outward	839.40	814.55
Commission	-	5.56
Other selling expenses	82.34	96.26
Provisions for Bad Debts	11.72	44.98
Sundry debit balances written off	5.80	0.75
	<b>2,352.73</b>	<b>2,027.22</b>
<b>D. Discount, Schemes and Incentives</b>		
Cash Discounts	558.80	399.63
Quantity Discounts	3,953.65	2,991.63
Additional Discount	2,212.60	1,419.04
	<b>6,725.04</b>	<b>4,810.30</b>
<b>E. Research and Development Expenses</b>		
Fieldwork Expenses	47.38	13.65
Laboratory Expenses	21.16	2.29
Salary, Wages and Other Expenses	630.03	560.72
Travel and Vehicle maintenance	51.32	44.97
Farm Lease Rent	26.96	35.16
Farming Expenses & Consumables	122.01	174.05
Membership and Meetings	38.27	57.67
	<b>937.13</b>	<b>888.52</b>
<b>Total (A+B+C+D+E)</b>	<b>14,139.19</b>	<b>11,427.10</b>
<b>29 Exceptional Item</b>		
Provision for farmer/ grower advances	-	8,878.19
	-	8,878.19

### 30 Fair Value Measurement

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale

The Company determines fair values of long term financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all finance assets and liabilities (other than investment in mutual funds) is at amortized cost, using the effective interest method.

#### Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

#### Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the *fair* value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

##### Level -1

Quoted (unadjusted) price is active market for identical assets or liabilities

##### Level 2:

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

##### Level 3

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement is not based on observable market data.

### 31 Financial Instruments and Risk Review

#### i) Capital Management

The Company's capital management objectives are:-

The Board policy is to maintain a strong capital base so as to maintain investor, creditors and market confidence and to support future development of the business. The Board of Directors monitors return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

Particular	March 31, 2023	March 31, 2022
Net Debts (A) *	6,216	8,373
Equity (B) **	57,335	54,197
Debt Ratio % (A/B)	10.84	15.45

\* Net Debts includes Non-Current borrowings, Current borrowings, Current Maturities of non current borrowing net off Current Investment and cash and cash equivalent

\*\* Equity Include Paid up Share Capital and Other Equity.

#### ii) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analysing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivable investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables and advances for seed production

As on	Amount in Lakh
31st March, 2023	32,683
31st March, 2022	30,677

**Trade receivables**

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

Before acceding any new customer, the Company uses an external/internal credit scoring system to assess potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed on periodic basis.

**iii) Liquidity Risk****a) Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**b) Maturities of financial liabilities**

The following table details the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the table has been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particular	31st March 2023		31st March 2022	
	Less than 1 year	More than 1 year	More than 1 year	Less than 1 year
<b>Financial Liabilities</b>				
Trade Payables	2,719.04	54.53	5,354.55	154.19
Working capital demand Loan	10,304.63	-	8,970.08	-
Loan/Term Loan (at variable rate)	176.27	40.32	259.30	66.48
<b>Total</b>	<b>13,199.94</b>	<b>94.84</b>	<b>14,583.93</b>	<b>220.67</b>

**c) Maturities of financial assets**

The expected maturity for financial assets of the company are all current.

**iv) Market Risk**

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.



**NATH BIO-GENES (INDIA) LIMITED**

32	<b>Contingent liabilities not provided for in respect of:-</b>	Current Year Rs. In Lakhs	Previous Year Rs. In Lakhs
a)	Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	145.08	166.80
b)	Corporate Guarantee given in favour of IDBI Bank and Jankalyan Sahakari Bank towards term loan taken by Paithan Mega Food Park Pvt Ltd, (PMFPPL) a related company. The liability of the PMFPPL is Rs. 2,695.76 Lakhs as on the year end. Further, promoters of PMFPPL have pledged their equity shares in favour of the company securing the above corporate guarantee.	4,360.00	4,360.00
c)	Demand of Income tax for disallowing agricultural income for the assessment year 2017-18, 2018-19 and 2020-21 against which the company has preferred appeals before the Commissioner of Income tax (Appeal), Chhatrapati Sambhajnagar MH).	2,679.70	1,532.07
33	Estimated value of contract remaining to be executed on capital account and not provided for (Net of advances of Rs. 2,150.00; Previous year Rs. 2,110.00)	725.00	765.00
34	In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.		
35	Certain accounts of Trade Receivable, Trade Payable, Unsecured Loans, Employees, Loans and Advances (including advances given to growers and inter party transfer & balances) are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.		
36	In view of agriculture income earned by the company, which is exempt from Income Tax, provisioning of sundry advance and trade receivables, the company has not recognised deferred tax assets, as a matter of prudence.		
37	<b>Managerial Remuneration paid during the year:</b>  Mr. Satish Kagliwal, Managing Director :- Mr. Devinder Khurana, Chief Financial Officer Mr. Dhiraj Rathi, Company Secretary	Current Year Rs. In Lakhs	Previous year Rs. In Lakhs
		48.00	48.00
		69.76	65.20
		6.85	5.54
38	The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows		
	Income tax recognised in profit or loss	<b>Year Ended March 31, 2023</b>	<b>Year Ended March 31, 2022</b>
	Statutory Income tax rate	25.17%	25.17%
	<b>Differences due to:</b>		
	- Income Exempt from Tax	21.20%	15.22%
	- Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.74%	1.38%
	Taxable Income at Different Rates	0%	0%
	Others	0%	0%
	Effective tax rate	3.23%	8.57%
39	<b>Capital Management</b> Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain or if necessary adjust its capital structure.		
40	Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:-		
	<b>Particulars</b>	<b>Amount (In Lakhs) Year Ended March 31, 2023</b>	<b>Amount (In Lakhs) Year Ended March 31, 2022</b>
	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	46.70	51.05
	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.08	1.86
	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	25.57	107.78
	The amount of interest due and payable for the period of making delay payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	1.86	1.82
	Interest due and payable towards suppliers registered under MSMED Act, for payment already made	2.08	1.86
	Further interest remaining due and payable for earlier years	-	-
	Note:- This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.		
41	The information related to Segmental Reporting as required to be disclosed in accordance with the Indian accounting standard: '108-operating Segment' are as under:- (A) Broadly the activity of the company falls within Two segments		
	<b>Criteria</b>	<b>Segments</b>	
	Product Base	1. Agricultural Activities (Seed Production)	
		2. Trading Activities	

**(B) The financial data of both segments are as follows**

Sr No	Particulars		Rs in Lakhs		
			Agriculture Activities	Trading Activity	Total
a	Segment Revenue				
	Turnover	CY	27,175.45	2,953.70	30,129.15
		PY	25,552.10	2,284.13	27,836.23
	Less: Schemes and Discounts	CY	6,168.90	556.14	6,725.04
		PY	4,369.55	440.75	4,810.30
i	External Sales/income	CY	21,006.55	2,397.56	23,404.10
		PY	21,182.55	1,843.38	23,025.93
ii	Inter-segment Sale	CY	-	-	-
		PY	-	-	-
iii	Other Income	CY	-	56.04	56.04
		PY	-	185.47	185.47
	Change in inventory	CY	689.41	508.85	1,198.25
		PY	266.05	232.59	498.64
iv	Total Revenue	CY	20,317.14	1,944.75	22,261.89
		PY	20,916.50	1,796.26	22,712.76
b	Total Revenue of each segment as a percentage of total revenue of all segment	CY	91.26	8.74	100.00
		PY	92.09	7.91	100.00
	Less: Production Expenses /Purchases	CY	8,383.47	828.68	9,212.15
		PY	10,350.38	562.99	10,913.38
	Less: Other Expenses	CY	8,453.16	964.79	9,417.95
		PY	8,518.53	741.31	9,259.84
c	Segment Result [Profit/(loss)]	CY	3,480.51	151.28	3,631.80
		PY	2,047.59	491.96	2,539.55
d	Segment Result as a percentage of segmental result to the Profit	CY	95.83	4.17	100.00
		PY	80.63	19.37	100.00

(c) CY denotes current year and PY denotes previous year.

(d) The allocation of other expenses as mentioned in (B) (b) above, which are not directly relating to specific activity of production or trading, have been made by the management in the ratio of turnover and relied upon by the auditors.

**Geographical Segment:****(Rs in Lakhs)**

Particulars	Year Ended March 31, 2023			Year Ended March 31, 2022		
	India	Outside India	Total	India	Outside India	Total
<b>Revenue</b>						
External Segment Revenue	30,129.14	0.01	30,129.15	27,836.23	0.00	27,836.23
<b>Total Segment Revenue</b>	<b>30,129.14</b>	<b>0.01</b>	<b>30,129.15</b>	<b>27,836.23</b>	<b>0.00</b>	<b>27,836.23</b>
<b>Other Information</b>						
Carrying Amount of Segment Assets	79,297.34	0.01	79,297.35	73,953.57	0.00	73,953.57
Carrying Amount of Segment Liabilities	21,961.92	-	21,961.92	19,756.63	0.00	19,756.63

42 In the opinion of the Board, Property, Plant and Equipments have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of assets.

43 i The company is engaged in agricultural activities of production of seeds on lease hold land situated at various part of India.  
ii The company has entered into agreements with various farmers/growers for cultivation and production of agricultural produce in view of the fact that the company itself is unable to carry on such activities which are spread over various parts of India. The company has compensated the production expenses (Refer Note No .23) based upon the agreements entered into with the farmers/ growers.

**44 Employee Benefits**

The company has classified the various benefits provided to employees as under

**Defined Contribution Plans :**

During the year, the Company has recognized the following amounts in the Profit & Loss Account

	Current Year	Previous Year
- Employers Contribution to Provident Fund	109.34	102.60
- Employers Contribution to ESI	2.03	2.89
- Employers Contribution to Labour Welfare Fund	0.01	0.01

**Defined Benefit Plans**

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year	Previous Year
Discount Rate	6.84%	6.95%
Salary escalation rate	6%	6%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2023

**a) Change in Present Value of Defined Benefit Obligation**

Particulars	Current Year	Previous Year
Present value of obligations at the beginning of the year	267.96	237.90
Current Service Cost	27.69	30.87
Liability Transferred in / acquisition	-	-
Past Current Service Cost	-	-
Interest Cost	17.74	16.53
Actuarial (Gain) / Loss due to Change in Demographic Assumptions	-	3.54
Actuarial (Gain) / Loss due to change in financial assumption	-6.64	1.19
Actuarial (Gain) / Loss due to experience	4.58	12.33
Benefit paid	-42.57	-34.40
<b>Present value of obligations at the end of the year</b>	<b>268.75</b>	<b>267.96</b>

**b) Change in Fair value of plan assets**

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	0	0
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	0	0
<b>Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

**c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2023**

Particulars	Current Year	Previous Year
Obligation on the part of the Company	100%	100%

**d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets**

Particulars	Current Year	Previous Year
Present value of funded obligations as at the end of the year	268.75	267.96
Fair value of plan assets as at the end of the year	-	-
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	268.75	267.96
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
<b>Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year</b>	<b>268.75</b>	<b>267.96</b>

**e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2023**

Particulars	Current Year	Previous Year
Current Service Cost	27.69	30.87
Interest Cost	17.74	16.53
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-2.06	13.52
Past Service cost	-	-
<b>Net Gratuity (Income) / expense</b>	<b>43.36</b>	<b>60.93</b>

**f) Detail of Present value of obligation, Plan Assets and Experience Adjustments**

Particulars	Current Year	Previous Year
Present value of obligation	268.75	267.96
Fair value of plan assets	-	-
(Surplus) / Deficit	268.75	267.96
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

**g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)****h) The liability for leave encashment and compensated absences as at year end is Rs. 68.99 Lakhs (Previous year liability Rs. 1,01.43 Lakhs)****45 List of related parties  
Related parties disclosure**

## List of related parties

**a) Related parties were common control exists:  
(Companies with whom transactions have taken place during the year.)**

- i) Global Transgenes Ltd.
- ii) Agri Tech (India) Ltd.
- iii) Paithan Mega Food Parks Pvt Ltd
- v) Arati Farms Pvt Ltd

**b) Key Management Personnel:-**

- i) Mr. Satish Kagiwal (Managing Director)
- ii) Mr. Devinder Khurana (Chief Financial Officer)
- iii) Mr Dhiraj Rathi (Company Secretary)

**c) Joint Venture**

Nath Bio-Genes (Central Asia) LLC, Uzbekistan

d) Transactions carried out with related parties as referred to in (a) to (c) above, in the ordinary course of the business:

Amount in Rupees				
Sr no	Name of party	Nature of transactions	Current year	Previous year
1	Nath Bio-Genes (Central Asia) LLC	Investment made in Capital	-	1.52
		Interest Received	0.27	-
		Advance given against purchase	12.01	-
		Reimbursement of expenses paid	-	4.67
		Loan recovered	334.40	992.96
2	Agri Tech (India) Ltd.	Transfer (credit to account)	-	499.28
		Loan given	788.79	720.96
		Transfer (debit to account)	8.80	35.59
		Loan taken	-	879.73
		Interest paid	-	121.91
		Advance given against purchase of land	-	1,950.00
		Loan recovered	554.79	782.01
4	Arati Farms Pvt Ltd	Loan given	788.80	1,334.86
		Transfer (debit to account)	-	12.18
		Transfer (credit to account)	8.46	51.01
		Warehouse Rent	114.28	114.28
5	Paithan Mega Food Park Pvt Ltd	Advance given against purchase of land	40.00	40.00
		Advance given	100.00	-
		Reimbursement of expenses paid	1.01	27.84
		Loan given	1,698.49	-
6	Techindia Nirman Ltd	Loan recovered	1,063.40	-
		Remuneration	48.00	48.00
7	Satish Kagliwal	Remuneration	69.76	65.20
8	Devinder Khurana	Remuneration	6.85	5.54
9	Dhiraj Rathi	Remuneration	-	-

e) Out standing balances at the year end

	as on 31.03.2023 Rs. In Lakhs	as on 31.03.2022 Rs. In Lakhs
1 Global Transgenes Ltd.	0	136.13 Cr
2 Agri Tech (India) Ltd. (Loan granted)	846.99 Dr	353.60 Dr
3 Agri Tech (India) Ltd. (Advance against land purchase)	1,950.00 Dr	1,950.00 Dr
4 Arati Farm Pvt Ltd	1,093.79 Dr	868.24 Dr
5 Paithan Mega Food Parks Pvt Ltd (advance for purchase of land)	200.00 Dr	160.00 Dr
6 Paithan Mega Food Parks Pvt Ltd (advance)	100.00 Dr	0
7 Paithan Mega Food Parks Pvt Ltd (for expenses)	0	0.42 Cr
8 Nath Bio-Genes (Central Asia) LLC (against expenses)	4.95 Dr	4.67 Dr
9 Nath Bio-Genes (Central Asia) LLC (against import of goods)	12.01 Dr	0
10 Techindia Nirman Ltd	635.09 Dr	0

Notes:

- 1 Related party relationship is as identified by the Company and relied upon by the Auditors.
- 2 No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

**46 FOREIGN CURRENCY TRANSACTIONS**

	Current Year Rs In Lakhs	Previous Year Rs In Lakhs
CIF value of Imports: Purchase of Win Chi Win & Vegetable Seeds	97.86	-
Expenditure in Foreign Currency: -		
Travelling Expenses	29.44	12.86
Software License Fee	3.95	7.56
Professional Charges	0.32	-
Membership Fee	39.40	39.37
Earning in Foreign Currency: F O B value of Exports	807.80	192.30

**47 Details related to Investments made, Loans and Advances given and security provided as per section 186 of the Companies Act 2013.**

Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Investment made (Rs In Lakhs)	Amount outstanding as on 31st March, 2022 (Rs In Lakhs)
<b>Investment</b>	08.08.2016	25,000.00		
Paithan Mega Food Park Pvt. Ltd.			499.40	499.40
Nath Bio-Genes (Central Asia) LLC			1.52	1.52

Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Loan granted during the year (Rs In Lakhs)	Amount outstanding as on 31st March, 2023 (Rs In Lakhs)	Maximum outstanding during the year (Rs In Lakhs)																		
<b>Loans and Advances</b>																							
	08.08.2016	25,000.00																					
Arati Farms Pvt Ltd			788.80	1,093.79	1,093.79																		
Agritech (India) Ltd.			818.98	846.99	846.99																		
Paithan Megha Food Parks Private Limited			100.00	100.00	100.00																		
Techindia Nirman Ltd			1,698.49	635.09	1,527.02																		
			<b>3,406.26</b>	<b>2,675.86</b>	<b>3,567.81</b>																		
(i) In respect of above parties, rate of interest is Nil.																							
Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Additional Guarantee granted during the year	Amount outstanding as on 31st March, 2023 (Rs In Lakhs)	Maximum outstanding during the year (Rs In Lakhs)																		
<b>Guarantee Given</b>																							
	08.08.2016	25,000.00																					
IDBI Bank (in favour of Paithan Mega Food Parks Limited)			-	3,000.00	3,000.00																		
Jankalyan Sahakari Bank (in favour of Paithan Mega Food Parks Limited)			-	1,360.00	1,360.00																		
				<b>4,360.00</b>	<b>4,360.00</b>																		
<b>48 OPERATING LEASE</b>																							
The Company's significant leasing arrangements are in respect of operating leases for lands and premises (Agricultural lands, office, stores, godown etc.). These leasing arrangements which are in cancellable range and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.																							
<b>49 Expenditure on Corporate Social Responsibility Activities</b>																							
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount in Rs</th> </tr> </thead> <tbody> <tr> <td>(a) amount required to be spent by the company during the year,</td> <td>88.88</td> </tr> <tr> <td>(b) amount of expenditure incurred,</td> <td>90.22</td> </tr> <tr> <td>(c) shortfall at the end of the year,</td> <td>-</td> </tr> <tr> <td>(d) total of previous years shortfall,</td> <td>0</td> </tr> <tr> <td>(e) reason for shortfall,</td> <td>None</td> </tr> <tr> <td>(f) nature of CSR activities,</td> <td>Rural Transformation</td> </tr> <tr> <td>(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,</td> <td>None</td> </tr> <tr> <td>(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately</td> <td>None</td> </tr> </tbody> </table>						Particulars	Amount in Rs	(a) amount required to be spent by the company during the year,	88.88	(b) amount of expenditure incurred,	90.22	(c) shortfall at the end of the year,	-	(d) total of previous years shortfall,	0	(e) reason for shortfall,	None	(f) nature of CSR activities,	Rural Transformation	(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	None	(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	None
Particulars	Amount in Rs																						
(a) amount required to be spent by the company during the year,	88.88																						
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(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	None																						
The company has been engaged in farmers education for imparting farming training in technology, use of upgraded seeds and methodology of seed production etc. In view of this some of such programme undertaken by the Company are classified as CSR activities.																							
<b>50</b>																							
The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Indian Accounting Standard - 33 on Earnings Per Share has been calculated as under:																							
				<b>Current Year Rs In Lakhs</b>	<b>Previous Year Rs. In Lakhs</b>																		
Net Profit (loss) as per Profit & Loss Account				3,519	-6,751																		
Numerator: Profit Available for equity share holders				3,519	-6,751																		
Denominator: Weighted Average Number of Equity shares outstanding (no's)				1,90,04,000	1,90,04,000																		
Denominator for Diluted equity share holder				1,90,04,000	1,90,04,000																		
Basic Earnings per share is arrived at by dividing Numerator by Denominator				18.51	-35.52																		
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator				18.51	-35.52																		
The nominal value per equity shares is Rupees				10	10																		
<b>51 Disclosure of Derivatives:</b>																							
Particulars	Foreign Currency Denomination	Foreign Currency Amount	Amount (In Rupees)	Foreign Currency Amount	Amount (In Rupees)																		
			March 31, 2023	March 31, 2022																			
Assets (Trade Receivables)	USD	8.57	702.41	2.04	155.21																		
Assets (Advance for purchase)	USD	0.68	57.20	0.06	4.33																		
Liabilities (Trade Payable)	USD	-	-	-	-																		
Liabilities (Advance against sales)	USD	-	-	1.10	83.52																		
The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date in accordance with Indian Accounting Standard 21 - "The Effects of Changes in Foreign Exchange".																							
<b>52</b>																							
The company has used the borrowings from banks and financial institutions for the purpose for which it was taken at the balance sheet date.																							
<b>53</b>																							
The Company does not have any investment property, hence related disclosure is not required.																							

54	Details of Benami Property held - No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.					
55	Wilful Defaulter - The company is not declared wilful defaulter by any bank or financial Institution or other lender during the year.					
56	The Company has made borrowings from banks on the basis of security of current assets. At times, there are certain differences in the statement of security filed with bank and books of account of the company. The reason being timing difference on accounting of sales return and thereby resulting in more assets in the books of account than what has been given to bank. Further, the company maintained adequately drawing power.					
57	<b>Registration of charges or satisfaction with Registrar of Companies</b> - During the year, the company has registered charges on the assets of the Company with the Registrar of Companies, where applicable and also satisfied the charges within the time specified under the Companies Act, 2013.					
58	<b>Relationship with Struck off Companies</b> - During the year, the company has not carried out any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.					
59	<b>Various Ratios</b>					
	Name of Ratio	Numerator	Denominator	Current Year Ratio	Previous Year Ratio	Variation in % Reasons for variation
	Current Ratio (Times)	Current Assets	Current Liabilities	2.41	2.41	- No explanation required
	Debt-Equity Ratio (Times)	Debts (Long and Short Term)	Equity and Others Equity	0.18	0.17	6.99 No explanation required
	Debts Service Ratio (Times)	Profit before Interest and Tax	Term Liabilities	115.19	54.16	112.67 Due to increase in profitability and consequential cash inflow.
	Return on Equity Ratio (%)	Profit After Exceptional Item and Tax	Equity Capital	191%	134%	43.01 Due to increase turnover resulting into increased profit
	Inventory Turnover Ratio (Days)	Inventories	Turnover	251.80	288.92	-12.85 No explanation required
	Trade Receivables Turnover Ratio, (Days)	Trade Receivable	Turnover	118	112	5.10 No explanation required
	Trade Payables Turnover Ratio, (Days)	Trade Payable	Turnover	34	56	-40.10 Better cash inflow enabling the company pay its creditors timely.
	Net Capital Turnover Ratio (times)	Net Working Capital	Turnover	101.09%	98.26%	2.88 No explanation required
	Net Profit Ratio (%)	Net Profit after tax	Turnover	12.05%	9.12%	32.13 Due to increase turnover resulting into increased profit
	Return on Capital Employed (%)	Net Profit after tax	Capital Employed	6.33%	4.69%	35.18 Due to increase turnover resulting into increased profit
	Return on Investment (%)	Net Profit after tax	Investment	6.33%	4.69%	35.18 Due to increase turnover resulting into increased profit
60	<b>Utilisation of Borrowed funds and share premium:</b> 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(is), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries					
61	<b>Undisclosed income</b> - There is no case of search or survey of any other cases related to income surrendered or disclosed in any tax assessments under the Income Tax Act, 1961.					
62	The company has not invested in Crypto Currency or Virtual Currency, hence related details are not provided					
63	Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.					
	Jeevanlata Kagiwal Director DIN No.: 02057459	Satish Kagiwal Managing Director DIN: 00119601	Devinder Khurana Chief Finance Officer	Dhiraj Rathi Company Secretary	Place: Chhatrapati Sambhajnagar Date: 22nd April 2023	

## Independent Auditors' Report

To,  
The Members of  
Nath Bio-genes (I) Limited  
Aurangabad

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

1. We have audited the accompanying Consolidated financial statements of Nath Bio-genes (I) Limited having CIN: L01110MH1993PLC072842 ("the Holding Company"), and its joint venture company ("the Holding Company and its joint venture company together referred to as 'the Group'"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and the other accounting principles generally accepted in India, of the consolidated financial position of the Group as at 31st March, 2023 and their consolidated profit including other comprehensive income, consolidated the changes in equity and their consolidated cash flows for the year ended on that date.

#### Basis for Opinion

2. We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Consolidated financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current year. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Audit Procedures
<b>Agricultural Activities</b>	
<p>The company is engaged in the production and processing of commercial and vegetable seeds at various pieces of lands taken on lease from various growers/farmers spread over throughout India. The company enters into seed production agreements with these farmers / growers. The company is compensating the farmers/growers for various cultivation expenses based upon the rate agreement entered into. Thus, the company is engaged in the growing of various kinds of seeds based on the programs chalked out by the management depending on the area, climatic conditions, soil conditions, water resources, education of farmers, processing facilities etc.</p>	<p>We have performed the following principal audit procedures in relation to Agricultural Activities: -</p> <ul style="list-style-type: none"> <li>- Evaluation and understanding of Seed production agreements.</li> <li>- Verification and evaluation of the documents for existence of farmers/growers on sample basis of the seeds.</li> <li>- Verification and evaluation of documents on sample basis for the existence of leasehold land.</li> <li>- Evaluation of the control / supervision over the crop.</li> <li>- Evaluating the appropriateness of the adequate disclosures in accordance with the applicable accounting standards.</li> </ul>
<b>Adoption of Ind AS 116 Leases</b>	
<p>As described in Note 2(AA) to the Consolidated financial statements, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year.</p> <p>The Company has leasing arrangements for operating leases for lands and premises (Agricultural lands, office, stores, go-down etc.), which are cancelable and renewable by mutual consent. The aggregate lease rentals are charged as rent in the Statement of Profit and Loss.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>- Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116);</li> <li>- Assessed the company's evaluation on identification of leases based on the contractual agreements and our knowledge of the business;</li> <li>- Assessed the key terms and conditions of each lease with the underlying lease contracts and evaluation of the lease liability.</li> <li>- Assessed and tested the presentation and disclosures relating to Ind AS 116.</li> </ul>

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

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we



conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the 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 Group 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors/ Management is also responsible for overseeing the Company's financial reporting process of the group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standard on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a. Identify and assess the risks of material misstatement of the Consolidated 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.
  - b. Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - e. Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

15. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the consolidated financial statements.
16. As required by Section 143(3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of company, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors of the group is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements – Refer Note 32 to the financial statements.
  - ii. The Group 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.
  - iv. (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the group from any person or entity, 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; and  
  
(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - v. In respect of dividend:-
    - a. The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act, as applicable.

- b. No interim dividend is declared by the Company during the year.
- c. The Board of Directors of the Company has proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Gautam N Associates  
Chartered Accountants  
FRN: 103117W

Gautam Nandawat  
Partner  
M No: 032742  
UDIN: 23032742BGSSKP7183

Place: Chhatrapati Sambhajnagar  
Dated: 22<sup>nd</sup> April 2023

## **ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

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

1. We have audited the internal financial controls over financial reporting of **Nath Bio-genes (I) Limited** ("the Company") ("the Holding Company") and its joint venture, (the Holding Company and its joint venture together referred to as "the Group"), as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Ind AS Consolidated financial statements of the Company for the year ended on that date.

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

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

#### **Auditors Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.
5. We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions

are recorded as necessary to permit preparation of Ind AS Consolidated 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 Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Gautam N Associates  
Chartered Accountants  
FRN: 103117W

Gautam Nandawat  
Partner  
M No: 032742  
UDIN: 23032742BGSSKP7183

Place: Chhatrapati Sambhajnagar  
Dated: 22<sup>nd</sup> April 2023

**Nath Bio-Genes (India) Limited**  
**Consolidated Balance Sheet as at March 31, 2023**

	Note	As at March 31, 2023 Rupees in Lakhs	As at March 31, 2022 Rupees in Lakhs
<b>Assets</b>			
<b>I) Non-Current Assets</b>			
a) Property, plant and Equipment	3	23,395.95	23,286.25
b) Intangible assets	3	1,041.74	1,202.62
<b>c) Financial Assets</b>			
(i) Non-current Investment	4	504.82	504.80
(ii) Other Non-current financial assets		-	-
d) Deferred Tax Assets (Net)		-	-
e) Other Non-current Assets	5	2,254.01	2,178.59
		<u>27,196.52</u>	<u>27,172.27</u>
<b>II) Current Assets</b>			
a) Inventories	6	20,784.66	22,034.28
<b>b) Financial Assets</b>			
(i) Trade Receivables	7	9,731.35	8,554.78
(ii) Cash and cash equivalents	8	3,799.52	418.06
(iii) Other current financial assets	9	17,092.87	15,014.78
c) Current Tax Assets (Net)	10	604.90	688.67
d) Other current assets	11	69.86	66.01
		<u>52,083.16</u>	<u>46,776.58</u>
<b>Total Assets</b>		<b><u>79,279.69</u></b>	<b><u>73,948.85</u></b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
a) Equity Share Capital	12	1,900.40	1,900.40
b) Other Equity	13	55,416.93	52,292.28
		<u>57,317.33</u>	<u>54,192.68</u>
Minority Interest		-1.97	-0.46
<b>Liabilities</b>			
<b>I) Non-Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
(i) Borrowings	14	40.32	66.48
(ii) Trade Payables		-	-
b) Provisions	15	278.68	261.06
		<u>319.00</u>	<u>327.54</u>
<b>II) Current Liabilities</b>			
<b>a) Financial Liabilities</b>			
(i) Borrowings	16	10,480.91	9,229.38
(ii) Trade Payables to MSME	17	46.70	51.05
(iii) Trade Payables other than MSME	17	2,726.86	4,227.12
b) Other current liabilities	18	8,303.76	5,724.47
c) Provisions	19	59.06	108.33
d) Current Tax Liabilities (Net)	20	28.05	88.74
		<u>21,645.33</u>	<u>19,429.09</u>
<b>Total Equity and Liabilities</b>		<b><u>79,279.69</u></b>	<b><u>73,948.85</u></b>
		<u>0.00</u>	<u>0.00</u>

The accompanying Notes are an integral part of these Financial Statements.

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKP7183

**Satish Kagliwal**      **Jeevanlata Kagliwal**  
Managing Director      Director  
DIN No.: 00119601      DIN No.: 02057459

Place: Chhatrapati Sambhajnagar  
Date:22nd April 2023

**Devinder Khurana**      **Dhiraj Rathi**  
Chief Financial Officer      Company Secretary

**Nath Bio-Genes (India) Limited**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**

	Note	Year Ended March 31, 2023 Rupees in Lakhs	Year Ended March 31, 2022 Rupees in Lakhs
<b>Income</b>			
Revenue from Operations	21	30,136.37	27,836.23
Other Income	22	55.35	185.42
<b>Total Income</b>		<b>30,191.71</b>	<b>28,021.65</b>
<b>Expenses</b>			
Purchase of stock in trade		530.84	355.92
Production Expenses	23	7,050.94	9,352.61
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	24	1,198.25	498.64
Employee Benefits Expense	25	2,331.51	2,478.38
Finance Costs	26	1,012.08	1,061.10
Depreciation Expense	27	301.23	308.41
Other Expenses	28	14,150.44	11,431.77
<b>Total Expenses</b>		<b>26,575.29</b>	<b>25,486.83</b>
<b>Profit before exceptional item</b>		<b>3,616.43</b>	<b>2,534.82</b>
Less: Exceptional Items	29	-	8,878.19
<b>Profit after exceptional item before tax</b>		<b>3,616.43</b>	<b>(6,343.37)</b>
<b>Tax Expense</b>			
Income Tax			
- Current Year		118.64	234.06
- Earlier Years written back		(3.35)	161.10
Deferred Tax Charge		-	-
<b>Total Tax Expenses</b>		<b>115.29</b>	<b>395.16</b>
<b>Profit for the Year</b>		<b>3,501.14</b>	<b>(6,738.53)</b>
<b>Other Comprehensive Income</b>			
A. (i) Items that will not be reclassified to Profit and Loss		(2.06)	17.06
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		-	-
B. (i) Items that will be reclassified to Profit and Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit and Loss		-	-
		<b>(2.06)</b>	<b>17.06</b>
<b>Total Comprehensive Income</b>		<b>3,503.19</b>	<b>(6,755.59)</b>
Share in Profit/(Loss) of Minority shareholder		(1.53)	(0.47)
Profit related to Holding Company		<b>3,504.72</b>	<b>(6,755.12)</b>
<b>Earnings Per Equity Share [Nominal Value Per Share: Rs. 10 (Previous Year: Rs. 10)]</b>			
Basic and Diluted		18.43	-35.55

The accompanying Notes are an integral part of these Financial Statements.

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKP7183

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajanagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary



**Nath Bio-Genes (India) Limited**

**Statement of Changes in Equity**

**A. Equity**

A. Equity Share Capital					Rs in Lakhs
(1) Current reporting period					
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	
1,900	0	0	0	1,900	
(2) Previous reporting period					
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	
1,900	0	0	0	1,900	

**B. Other Equity**

**Statement of Changes in Other Equity for financial year ended on March 31, 2023**

Rupees in Lakhs

Particular	Reserves and Surplus							Total
	Capital Reserve	Security Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Other Comprehensive Income related to employees benefit	Retained Earning	
<b>Balances at the beginning of the year 01.04.2022</b>	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,443.09	52,292.28
Changes in the accounting policies or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,443.09	52,292.28
Additions during the Year	-	-	-	-	-	2.06	3,502.67	3,504.72
Total Comprehensive Income for the year	1,171.76	13,350.00	62.50	29.75	297.00	(59.75)	40,945.76	55,797.01
Dividends	-	-	-	-	-	-	380.08	380.08
<b>Balance at the end of the reporting period 31.03.2023</b>	1,171.76	13,350.00	62.50	29.75	297.00	(59.75)	40,565.68	55,416.93

**Statement of Changes in Other Equity for financial year ended on March 31, 2022**

Rupees in Lakhs

Particular	Reserves and Surplus							Total
	Capital Reserve	Security Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Other Comprehensive Income related to employees benefit	Retained Earning	
<b>Balances at the beginning of the year 01.04.2021</b>	1,171.76	13,350.00	62.50	29.75	297.00	(44.75)	44,561.23	59,427.48
Changes in the accounting policies or prior period errors	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	1,171.76	13,350.00	62.50	29.75	297.00	(44.75)	44,561.23	59,427.48
Additions during the Year	-	-	-	-	-	(17.06)	-6,738.06	-6,755.12
Total Comprehensive Income for the year	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,823.17	52,672.36
Dividends	-	-	-	-	-	-	380.08	380.08
<b>Balance at the end of the reporting period 31.03.2022</b>	1,171.76	13,350.00	62.50	29.75	297.00	(61.81)	37,443.09	52,292.28

In terms of our report of even date.

**For Gautam N Associates**  
Firm Registration No.: 103117W  
Chartered Accountants

**For and on behalf of the Board of Directors**

Gautam Nandawat  
Partner  
Membership No.:032742  
UDIN: 23032742BGSSKP7183

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajnagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary

**Nath Bio-Genes (India) Limited**  
**Consolidated Cash Flow Statement for the year ended March 31, 2023**

	Year ended March 31, 2023 Rupees in Lakhs	Year ended March 31, 2022 Rupees in Lakhs
<b>A. Cash flow from operating activities</b>		
<b>Net profit before tax</b>	<b>3,616.43</b>	<b>-6,343.37</b>
<b>Adjustments for:</b>		
Depreciation expense	301.23	308.41
Provision for Gratuity	0.80	30.06
Provision for Compensated Absences	(32.44)	32.53
Interest Expenses / Financial Charge	1,012.08	1,061.10
Provision/(Reversal of Provision) for Bad Debts	11.72	44.98
Provision/(Reversal of Provision) for Advance	-	8,878.19
Profit on sale/ disposal of fixed assets	(0.08)	(0.41)
Loss on sale of fixed assets	0.20	0.05
Expenses under Other Comprehensive Income	2.06	(17.06)
Interest income	(1.79)	(109.26)
	<b>1,293.76</b>	<b>10,228.58</b>
<b>Operating profit before working capital changes</b>	<b>4,910.19</b>	<b>3,885.21</b>
<b>Adjustments for changes in working capital:</b>		
(Increase)/ Decrease in Trade Receivables	(1,188.29)	2,102.26
(Increase)/ Decrease in Inventories	1,249.62	595.71
(Increase)/ Decrease in Loans and Advances	(2,078.07)	(7,823.31)
(Increase)/ Decrease in Other Current / Non- Current Assets	(39.26)	(21.93)
Increase/ (Decrease) in Trade Payables	(1,504.61)	1,999.22
Increase/ (Decrease) in Liabilities and Provisions	2,579.29	1,255.35
	<b>(981.32)</b>	<b>(1,892.70)</b>
<b>Operating profit after working capital changes</b>	<b>3,928.87</b>	<b>-</b>
Income Tax paid	-92.21	-287.74
<b>Net cash from operating activities (A)</b>	<b>3,836.66</b>	<b>1,704.77</b>
<b>B. Cash flow from investing activities</b>		
Payment for purchase of fixed assets	(248.13)	(110.36)
Payment for purchase of Intangible Assets	(6.75)	(1.30)
Payment for purchase of Non-Current Investments	(0.02)	(0.03)
Proceeds from sale of tangible assets	4.71	7.31
Payment for capital advances	(40.00)	(1,990.00)
Interest income	1.79	109.26
	<b>(288.40)</b>	<b>109.26</b>
<b>Net cash used in investing activities (B)</b>	<b>-288.40</b>	<b>-1,985.12</b>
<b>C. Cash flow from financing activities</b>		
Interest Expenses	(1,012.08)	(1,061.10)
Dividend Paid	(380.08)	(380.08)
Increase / (Decrease) in long term secured loan	(26.16)	1.20
Increase / (Decrease) in Short term secured loan	1,336.65	243.12
Increase / (Decrease) in Short term Unsecured loan	(85.12)	(1,026.34)
	<b>(166.79)</b>	<b>(2,223.20)</b>
<b>Net cash used in financing activities (C)</b>	<b>(166.79)</b>	<b>(2,223.20)</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>3,381.46</b>	<b>(2,503.55)</b>
Cash and cash equivalents at the beginning of the year	418.06	2,921.61
Cash and cash equivalents at the end of the year	<b>3,799.52</b>	<b>418.06</b>
<b>Net Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>3,381.46</b>	<b>(2,503.55)</b>

**Nath Bio-Genes (India) Limited**  
**Cash Flow Statement for the year ended March 31, 2023**

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on Hand	3.95	4.75
Bank Balances:		
- In Current Accounts	395.08	412.81
- In term deposit	3,400.50	0.50
<b>Cash and cash equivalents at the end of the year</b>	<b><u>3,799.52</u></b>	<b><u>418.06</u></b>

**Notes:**

- 1 The above Cash Flow Statement has been prepared under "Indirect Method" set out in Indian Accounting Standard - 7 on "Cash Flow Statements".
- 2 Figures in brackets indicate cash outgo.
- 3 Previous year's figures have been regrouped/ rearranged wherever necessary.

As per our report of even date.  
**For Gautam N Associates**  
Firm Registration No.: 103117W  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Gautam Nandawat**  
**Partner**  
Membership No.:032742  
UDIN: 23032742BGSSKP7183

**Satish Kagliwal**  
Managing Director  
DIN No.: 00119601

**Jeevanlata Kagliwal**  
Director  
DIN No.: 02057459

Place: Chhatrapati Sambhajnagar  
Date:22nd April 2023

**Devinder Khurana**  
Chief Financial Officer

**Dhiraj Rathi**  
Company Secretary

**1 A General Information**

Nath Bio-Genes (India) Limited (CIN L01110MH1993PLC072842) is incorporated under the Companies Act, 1956 with its registered office at Nath House, Nath Road, Chhatrapati Sambhajnagar MS. The company is engaged in the business of Production, Processing, and Marketing of Hybrid and GM Seeds. The Company has a product range of Field crops, Vegetable crops and Plant Nutrient Supplements. The major Processing Plants are situated at Chhatrapati Sambhajnagar (MS), and Munipalli, Nizamabad (TG). The company has a Pan India presence for sales through an extensive network of distributors.

**B Principles of Consolidation:**

The 'Consolidated financial statements relates to Nath Bio-Genes (India) Ltd (the Company) and its joint venture company (collectively called "the Group"). Joint Venture company's consolidated financial statements have been consolidated as per Indian Accounting Standard on Accounting for consolidated financial statements (Ind AS-110). The consolidated financial statements have been prepared on the following basis:

The consolidated financial statements of the Parent Company ("Nath Bio-Genes (India) Ltd") and its joint venture have been consolidated on a line by line basis by adding together the like items of assets, liabilities, income and expenses after eliminating intra group balances, intra group transactions and unrealised profits/ losses from the intra group transactions.

Minorities interest in the net asstes of the joint venture consists of;

- i) The amount of equity attributable to minorities as at the date on which the investment in joint venture is made and,
- ii) The share of movements in equity since the date the parent-joint venture relationship came into existence.

The consolidated financial statements of the Parent Company and its joint venture have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances as mentioned in the policies.

The following Company has been considered in the Consolidated Financial Statement:

Name of the Company	Country of Incorporation	% of voting power held as at 31st March 2023
<b>Joint Venture</b>		
i) Nath Bio-Genes (Central Asia) LLC, (incorporated on 14th July 2021)	Uzbekistan	90%

**2 SIGNIFICANT ACCOUNTING POLICIES:****A Basis of Preparation and Presentation**

i) The consolidated financial statements are prepared on historical cost basis in accordance with applicable Indian Accounting Standards (Ind AS) and on accounting principles of going concern except fixed assets which are measured at fair values. These consolidated financial statements have been prepared to comply with all material aspects with the Indian accounting standards notified under section 133 of the Act, (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014, and the other relevant provisions of the Act.

ii) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto in use.

iii) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current classification of assets and liabilities.

**B REVENUE RECONGNITION**

i) Revenue is measured at the transaction valued considered as fair value of the consideration received or receivable where the ownership and significant risk has been transferred to the buyer.

ii) Interest on overdue debtors is accounted for as and when received, as the collection cannot be ascertained with reasonable certainty.

iii) Sales return are accounted for / provided for in the year in which they pertain to, as ascertained till finalization of the books of account.

iv) Compensation on account of crop quality discounts are accounted for as and when settled.

**C PROPERTY, PLANT AND EQUIPMENTS**

i) Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at deemed cost less and accumulated depreciation. Freehold land is not depreciated.

ii) Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

iii) Furniture and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

iv) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised to the consolidated statement of profit and loss.

v) Seed Development know how and software acquired by the company are capitalised at the cost of

vi) Live stock is stated at cost without any depreciation/ impairment

#### **D BIOLOGICAL ASSETS**

##### **Recognition and measurement**

The company recognises the biological asset (agricultural produce) when:

- (a) the company controls the asset as a result of past events;
- (b) it is probable that future economic benefits associated with the asset will flow to the company; and
- (c) the fair value or cost of the asset can be measured reliably

The biological asset are measured at the end of each reporting period at its fair value less costs to sell.

## **E CAPITAL WORK-IN-PROGRESS**

Expenditure related to and incurred during the implementation of the projects is included under Capital Work-in-Progress and the same are capitalized under the appropriate heads on completion of the projects.

## **F DEPRECIATION / AMORTIZATION**

i) Depreciation on tangible Fixed Assets is provided for on the basis of useful life specified in Schedule II to the Act.

ii) Intangible assets such as Gene/Seed Development Know-How are amortized in ten equal yearly instalments commencing from the year in which the tangible benefits start accruing to the Company from such assets.

iii) Depreciation is charged as per the provisions of Schedule II to the Act based upon useful life of assets. The useful life is adopted for the purpose of depreciation is as under.

<b>Assets</b>	<b>Useful life year</b>
i) Factory Building	30
ii) Plant & Machineries	15
iii) Laboratory Equipment	10
iv) Agricultural Equipment's	15
v) Office Equipment's	15
vi) EDP Equipment's	3
vii) Furniture & Fixture	10
viii) Motor Car & Light Vehicle	8

## **G IMPAIRMENT**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

## **H RESEARCH AND DEVELOPMENT EXPENDITURE:**

The research expenditure incurred is charged off to the Statement of Profit & Loss.

## **I INVENTORIES:**

i) Inventories comprise of Unprocessed seeds, Under- Processed Seeds, Processed Seeds, Packing Material and traded goods. Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Weighted Average basis. Cost includes all charges in bringing the goods to their present location and condition and receiving charges.

ii) The cost of Under-Processed Seeds and Processed Seeds comprises of lease rental, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

## **J FOREIGN CURRENCY TRANSACTIONS:**

i) Transactions in foreign currency are recorded at the rate prevailing on the date of the transaction.

ii) Current Assets and Current Liabilities in foreign currency outstanding as at the year-end are stated at the rates of exchange prevailing at the close of the year. The resultant gains/losses of the year are recognized in the Statement of Profit and Loss.

## **K GOVERNMENT GRANTS**

i) Grants are accounted for where it is reasonably certain that the ultimate collection will be made.

ii) Grants relating to Fixed Assets in the nature of Project Capital Subsidy are credited to Capital Reserve.

iii) Others are credited to Statement of Profit and Loss.

## **L EMPLOYEES BENEFITS:**

Liability as at the year end in respect of retirement benefits is provided for and/ or funded and charged to Statement of Profit and Loss as follows:

### **i) Provident Fund / Family Pensions:**

At a percentage of salary/wages for eligible employees.

### **ii) Retirement benefit costs and termination benefit**

The Company determines the present value of the defined benefit obligation and recognizes the liability or asset in the balance sheet.

The present value of the obligation is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each year

Defined benefit costs are composed of:

(a) service cost – recognized in profit or loss; service cost comprises (i) current cost which is the increase in the present value of defined benefit obligations resulting from employee service in the current period, (ii) past service cost which is the increase in the present value of defined benefit obligations resulting from employee service in the prior periods resulting from a plan amendment, and (iii) gain or loss on settlement.

(b) remeasurements of the liability or asset - recognized in other comprehensive income.

(d) remeasurements of the liability or asset essentially comprise of actuarial gains and losses (i.e. changes in the present value of defined benefit obligations resulting from experience adjustments and effects of changes in actuarial assumptions).

**Short-term benefits:** A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave and other short term benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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

### **iii) Bonus**

The company recognises a liability and expense for bonus. The company recognises a provision where contractually obliged or where there is past practice that has created a constructive obligation.

## **M BORROWING COST**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset. The Company suspends capitalisation of borrowing costs during extended periods in which it suspends active development of a qualifying asset

## **N AGRICULTURAL ACTIVITIES**

i) Income from the agricultural activities is accounted for up to the stage of dispatch of goods by the Company to the customer after processing.

ii) Expenses which are directly related to the agricultural activities have been accounted for in the books of account under the head "Production Expenses". Expenses which are not related to the specific activities are allocated on the basis of turnover (net of return and Schemes & Discounts) of Agricultural activities and Trading activities.

## **O EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year attributable to equity share holders. The weighted average number of equity shares outstanding during the year and for all years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, 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 year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.



## **P TAXATION**

### **INCOME TAX**

Provision for Current Tax is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of Income Tax Act 1961.

### **DEFERRED TAX**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) 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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Current and deferred tax for the period**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company recognises interest levied and penalties related to Income Tax assessments in the tax expense.

## **Q USE OF ESTIMATES**

The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known/ materialised.

## **R PROVISION AND CONTINGENT LIABILITIES**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## **S CASH AND CASH EQUIVALENTS**

In the Cash Flow Statement, cash and cash equivalents includes cash on hand, demand and short term deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

## **T FINANCIAL ASSETS AT AMORTISED COST**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

## **U FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and a contractual terms of the financial assets give rise on the specified dates to cash flows that are solely payment of the principal and interest on the principal amount outstanding.

## **V FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of assets and liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

## **W FINANCIAL LIABILITIES**

Financial liabilities are measured at amortised cost using the effective interest method, if tenure of repayment of such liability exceeds one year.

## **X EQUITY INSTRUMENTS**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. The Company recognises equity instruments at proceeds received net off direct issue cost.

## **Y RECLASSIFICATION OF FINANCIAL ASSETS**

The Company determines classification of the financial assets and liabilities on initial recognitions. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

## **Z OFFSETTING OF FINANCIAL INSTRUMENTS**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## **AA LEASES :**

Leases which are short term and cancelable at the option of lessor / lessee are treated as operating leases and lease rent payable on such leases is charged to the Statement of Profit and Loss Account.

Nath Bio-Genes (India) Limited

NOTE No 3

PROPERTY, PLANT & EQUIPMENT

SR. NO.	PARTICULARS	GROSS BLOCK			AS AT 31.03.2023	DEPRECIATION / AMORTISATION			NET BLOCK				
		AS AT 01.04.2022	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR		AS AT 01.04.2022	FOR THE YEAR	DEDUCTION	AS AT 31.03.2023	AS AT 31.03.2023	AS AT 01.04.2022		
(A)	<b>TANGIBLE ASSETS</b>												
1	Freehold Land	22,210.73	-	-	22,210.73	-	-	-	-	-	-	22,210.73	22,210.73
2	Factory Building	312.83	25.00	-	337.83	196.02	6.44	-	202.46	-	-	135.37	116.81
3	Live Stock	1.08	0.55	0.55	1.08	-	-	-	-	-	-	1.08	1.08
4	Plant & Machineries	1,117.95	78.53	-	1,196.48	725.75	42.46	-	768.22	-	-	428.26	392.20
5	Laboratory Equipment	191.80	10.95	-	202.75	147.08	3.67	-	150.75	-	-	52.00	44.72
6	Agricultural Equipment's	103.63	28.78	-	132.41	18.99	7.12	-	26.11	-	-	106.30	84.64
7	Office Equipment's	63.57	5.20	-	68.77	30.29	3.26	-	33.56	-	-	35.22	33.27
8	EDP Equipment's	323.88	17.47	-	341.35	296.27	14.10	-	310.37	-	-	30.97	27.61
9	Furniture	86.66	35.01	-	121.67	27.83	8.00	-	35.83	-	-	85.84	58.83
10	Motor Car & Light Vehicle	714.47	46.62	14.69	746.40	398.10	52.08	-	436.23	13.95	-	310.18	316.37
	<b>TOTAL (A)</b>	<b>25,126.59</b>	<b>248.13</b>	<b>15.24</b>	<b>25,359.48</b>	<b>1,840.34</b>	<b>137.14</b>	<b>13.95</b>	<b>1,963.52</b>	<b>13.95</b>	<b>13.95</b>	<b>23,395.95</b>	<b>23,286.25</b>
(B)	<b>INTANGIBLE ASSETS</b>												
	Seed Development Know How	1,595.90	-	-	1,595.90	399.18	159.59	-	558.77	-	-	1,037.13	1,196.72
	Brands	0.67	-	-	0.67	0.20	0.07	-	0.27	-	-	0.40	0.47
	Software	6.46	6.75	6.75	6.46	1.02	4.43	3.20	2.25	4.21	4.21	4.21	5.44
	<b>TOTAL (B)</b>	<b>1,603.03</b>	<b>6.75</b>	<b>6.75</b>	<b>1,603.03</b>	<b>400.40</b>	<b>164.09</b>	<b>3.20</b>	<b>561.29</b>	<b>3.20</b>	<b>3.20</b>	<b>1,041.74</b>	<b>1,202.82</b>
	<b>TOTAL (A) + (B)</b>	<b>26,728.62</b>	<b>254.88</b>	<b>21.99</b>	<b>26,962.51</b>	<b>2,240.74</b>	<b>301.23</b>	<b>17.15</b>	<b>2,524.82</b>	<b>17.15</b>	<b>17.15</b>	<b>24,437.69</b>	<b>24,488.88</b>
	<b>Previous Year</b>	<b>26,728.48</b>	<b>111.66</b>	<b>110.52</b>	<b>26,729.62</b>	<b>2,095.91</b>	<b>308.41</b>	<b>103.58</b>	<b>2,240.74</b>	<b>103.58</b>	<b>103.58</b>	<b>24,488.88</b>	<b>24,488.88</b>

Notes:

3.1. Freehold land purchased from Agritech India Limited, related party, admeasuring 75.76 Hectares (Previous year : 75.76 Hectares) is yet to be registered in the name of Company with the Sub-Registrar of the land registry.

3.2 The company has purchased 2 industrial plots aggregating to 11190.34 Sq meter in Paithan Mega Food Park Pvt Ltd, a related party, Tal. Paithan, Dist. Chhatrapati Sambhajnagar for future expansion of the processing plant for which the registry in the name of Company with the Sub-Registrar is pending.

3.3 The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or its intangible assets during the year.

3.4 There is no capital work in progress at the year end.

	As at March 31, 2023	As at March 31, 2022
	Rupees in Lakhs	
<b>4 NON CURRENT INVESTMENTS</b>		
<b>UNQUOTED; AT COST; NON-TRADE</b>		
Nath Seeds Pvt Ltd Karmachari Sahakari Pat Sanstha (42,400 (Previous year : 40,000) equity shares of Rs. 10 each )	0.42	0.40
Equity Shares of Jankalyan Co-Op Bank (50,000 equity shares of Rs. 10 each)	5.00	5.00
<b>UNQUOTED; AT COST; TRADE</b>		
Equity shares in Paithan Mega Food Parks Pvt Ltd (49,94,000 Equity shares of Rs. 10 each)	499.40	499.40
	<b>504.82</b>	<b>504.80</b>
<b>5 OTHER NON-CURRENT ASSETS</b> [Unsecured, Considered Good]		
Security Deposits	104.01	68.59
Capital Advances	2,150.00	2,110.00
	<b>2,254.01</b>	<b>2,178.59</b>



	As at March 31, 2023	As at March 31, 2022
	Rupees in Lakhs	
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand (includes \$1242 (Previous year \$ 806 and S'OM 12,64,000))	3.95	4.75
Bank Balances in Current Account	395.08	412.81
	<b>399.02</b>	<b>417.56</b>
<b>Other Bank Balances</b>		
- Fixed Deposits with original maturity more than 3 months but less than 12 months (Lien Marked in favour of APMC, Armoor)	0.50	0.50
- Fixed Deposits with original maturity less than 3 months	3,400.00	-
	<b>3,400.50</b>	<b>0.50</b>
	<b>3,799.52</b>	<b>418.06</b>
<b>9 OTHER CURRENT FINANCIAL ASSETS</b> [Unsecured, Considered Good]		
Advances against seed production	22,951.68	22,122.15
Less: Provision for doubtful advances	(8,878.19)	(8,878.19)
Advances to related parties	2,675.88	1,221.85
Advances against purchase	165.52	372.12
Advances to Staff	177.99	176.86
	<b>17,092.87</b>	<b>15,014.78</b>
<b>10 CURRENT TAX ASSETS (NET)</b>		
Income tax MAT Entitlement	602.90	686.67
Balances with Income Tax department	2.00	2.00
	<b>604.90</b>	<b>688.67</b>
<b>11 OTHER CURRENT ASSETS</b> [Unsecured, Considered Good]		
GST Receivable	388.85	258.44
Less: Provision for ITC on exempt goods / services	(356.27)	(231.91)
Prepaid Expenses	35.96	34.80
Interest and other receivable	1.31	4.67
	<b>69.86</b>	<b>66.01</b>

## 12 SHARE CAPITAL

Authorised Share Capital	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs in Lakhs	No. of Shares	Rs in Lakhs
Equity Shares of Rs.10 each	2,05,00,000	2,050.00	2,05,00,000	2,050.00
Cumulative Redeemable Preference Shares of Rs.100 each	50,000	50.00	50,000	50.00
	<b>2,05,50,000</b>	<b>2,100.00</b>	<b>2,05,50,000</b>	<b>2,100.00</b>
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of Rs.10 each	1,90,04,000	1,900.40	1,90,04,000	1,900.40
	<b>1,90,04,000</b>	<b>1,900.40</b>	<b>1,90,04,000</b>	<b>1,900.40</b>

### (a) Reconciliation of Number of Shares

Equity Shares:	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Rs in Lakhs	No. of Shares	Rs in Lakhs
Balance as at the beginning of the year	1,90,04,000	1,900.40	1,90,04,000	1,900.40
Add: Shares issued during the year	-	-	-	-
Balance as at the end of the year	<b>1,90,04,000</b>	<b>1,900.40</b>	<b>1,90,04,000</b>	<b>1,900.40</b>

### (b) Rights, Preferences and Restrictions attached to Shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Equity shareholder is eligible for one vote per share held. They are eligible for dividend on the basis of their shareholding. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

### (c) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% holding	No. of Shares	% holding
a) Akash Farms LLP	15,10,452	7.95	15,10,452	7.95
b) Ashu Farms LLP	20,88,449	10.99	20,88,449	10.99
c) Agri-Tech India Ltd	14,95,131	7.87	13,22,012	6.96
e) Mayo Farms LLP	10,87,339	5.72	-	-
f) Tapovan Farms LLP	9,84,191	5.18	-	-
e) Authum Investment and Infrastructure Limited	-	-	27,15,855	14

### d) Promoters shareholding

Shares held by promoters at the end of the year				
Sr No	Promoter Name	No of Shares	% of total shares	% change during the year
1	Nandkishor Laxminarayan Kagliwal	146	0.00	0.00
2	Jeevanlata Nandkishor Kagliwal	293	0.00	0.00
3	Ferry Fax Farms Private Limited	3,07,644	1.62	0.00
4	Nath Biotechnologies Ltd	1,01,200	0.53	0.00
5	Barkha Farms Private Limited	3,54,030	1.86	0.00
6	Nath Royal Ltd	4,94,692	2.60	0.00
7	Tingli Finvest Pvt Ltd	5,62,360	2.96	0.00
8	Prabha Farms Private Limited	75,271	0.40	0.00
9	Paresh Farms Private Limited	374	0.00	0.00
10	Pithambar Farms Private Limited	2,50,000	1.32	0.00
11	Ashu Farms LLP	20,88,449	10.99	0.00
12	Akash Farms LLP	15,10,452	7.95	0.00
13	Arati Farms Private Limited	2,02,641	1.07	0.00
14	Agri Tech India Limited	14,95,131	7.87	0.91
15	Jeevan Investment & Finance Pvt Ltd	219	0.00	0.00
16	Nath Industries Limited	5,32,000	2.80	0.00
17	Emerald Seeds Private Limited	6,90,000	3.63	0.00
	<b>Total</b>	<b>86,64,902</b>	<b>45.60</b>	<b>0.91</b>

	<b>Year Ended March 31, 2023</b>	<b>Year Ended March 31, 2022</b>
	<b>Rs in Lakhs</b>	
<b>13 OTHER EQUITY</b>		
Capital Reserve	1,171.76	1,171.76
Securities Premium Reserve	13,350.00	13,350.00
Capital Redemption Reserve	62.50	62.50
Debenture Redemption Reserve	29.75	29.75
General Reserve	297.00	297.00
OCI - Employee Benefit	(59.75)	(61.81)
Retained Earnings	40,565.68	37,443.09
	<u>55,416.93</u>	<u>52,292.28</u>

**14 NON- CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**SECURED LOANS**

Term Loan against Vehicles	40.32	66.48
	<u>40.32</u>	<u>66.48</u>

14.1 Secured by hypothecation of vehicles purchased in the name of company.

14.2 The loan is repayable within a period ranging from one to five years

**15 NON-CURRENT PROVISIONS**

**PROVISIONS FOR EMPLOYEE BENEFITS**

Gratuity	223.48	183.92
Compensated Absence	55.20	77.14
	<u>278.68</u>	<u>261.06</u>

**16 CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**SECURED**

From Consortium of Banks (Refer note no 16.1 below)	10,304.63	8,970.08
Current maturities of long term debts : Vehicle Loan	73.00	70.91

**UNSECURED**

Loans from Others	103.27	188.39
	<u>10,480.91</u>	<u>9,229.38</u>

16.1 Secured by way of hypothecation of stock and trade receivables; collaterally secured by way of mortgage of land admeasuring 20503.544 Sq. meter and building thereupon situated at Gut No 64/2 (part) Ittkheda, Chhatrapati Sambhajanagar. The charge is duly registered with Registrar of Companies. Also personally guaranteed by two promoters of the Company.



As at March 31, 2023	As at March 31, 2022
Rs in Lakhs	

**17 TRADE PAYABLE**

Sundry Creditors - SME Sector	46.70	51.05
Sundry Creditors for Seeds/Supplies	2,726.86	4,227.12
	<u>2,773.56</u>	<u>4,278.17</u>

**17.1 Trade Payables ageing schedule as on 31st March 2023**

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME		46.70				46.70
ii) Others	1,565.61	1,106.72	54.53	-	-	2,726.86
iii) Disputed dues- MSME						-
iv) Disputed dues - Others						-
Total	1,565.61	1,153.42	54.53	-	-	2,773.56

**17.2 Trade Payables ageing schedule as on 31st March 2022**

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) MSME	-	51.05	-	-	-	51.05
ii) Others	2,210.84	1,862.10	34.05	97.28	22.87	4,227.12
iii) Disputed dues- MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-
Total	2,210.84	1,913.14	34.05	97.28	22.87	4,278.17

**18 OTHER CURRENT LIABILITIES**

Deposits from Dealers	721.44	636.44
Credit Balance in Debtors accounts	1,480.56	1,580.82
Statutory Liabilities	151.59	130.16
Advance against Sales	5,132.27	2,383.73
Payables to Employees	769.26	931.49
Others Payables	48.63	61.82
	<u>8,303.76</u>	<u>5,724.47</u>

**19 PROVISIONS**

<b>Provisions for Employee Benefits</b>		
Gratuity	45.27	84.04
Compensated Absences	13.78	24.29
	<u>59.06</u>	<u>108.33</u>

**20 CURRENT TAX LIABILITIES (NET)**

Income tax payable	28.05	88.74
	<u>28.05</u>	<u>88.74</u>

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>21 REVENUE FROM OPERATIONS:</b>		
<b>Sale of Agriculture Produce</b>		
Commercial Seeds	27,182.67	25,430.41
	<u>27,182.67</u>	<u>25,430.41</u>
<b>Sale of Traded Goods</b>		
Plant Nutrient Supplements	2,275.05	1,536.95
Vegetable Seeds	553.91	747.18
	<u>2,828.96</u>	<u>2,284.13</u>
<b>Other Operating Revenue:</b>		
Remnant	116.66	107.23
Farm Produce Sale	8.08	14.28
Export incentives	-	0.18
	<u>124.73</u>	<u>121.69</u>
	<b><u>30,136.37</u></b>	<b><u>27,836.23</u></b>
<b>Crop Wise sale:-</b>	<b>Rs in Lakhs</b>	<b>Rs in Lakhs</b>
Paddy	7,786.34	7,884.29
Cotton	8,529.72	8,472.66
Maize	996.51	973.13
Bajra	3,175.94	1,913.34
Mustard	1,882.36	2,259.78
Vegetables	3,349.49	2,878.91
Plant Nutrient Supplement	2,275.05	1,536.95
Others	2,009.01	1,795.48
	<b><u>30,004.42</u></b>	<b><u>27,714.54</u></b>
<b>22 OTHER INCOME</b>		
Interest Received	1.79	109.26
Dividend Received	0.03	0.06
Profit on Sale of Fixed Assets	0.08	0.41
Insurance claim received	0.61	13.68
Foreign Exchange gain	42.95	5.86
Excess Provision W/back	-	46.42
Other Miscellaneous Income	9.89	9.73
	<b><u>55.35</u></b>	<b><u>185.42</u></b>
<b>23 PRODUCTION EXPENSES</b>		
Seed Production Expenses	6,414.25	8,511.89
Lease Rent for agricultural land (Also refer note no 43)	636.69	840.72
	<b><u>7,050.94</u></b>	<b><u>9,352.61</u></b>

**Nath Bio-Genes (India) Limited**  
**Notes to Financial Statements for the year ended March 31, 2023**

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>24 CHANGES IN INVENTORIES</b>		
<b>Closing Stock</b>		
Processed Seeds	19,080.29	18,972.41
Unprocessed Seeds	825.05	1,622.34
Seed (Traded)	259.71	400.63
Plant Nutrient Supplement	59.14	427.06
	<b>20,224.19</b>	<b>21,422.44</b>
<b>Opening Stock</b>		
Processed Seeds	18,972.41	20,303.37
Unprocessed Seeds	1,622.34	557.43
Seed (Traded)	400.63	177.15
Plant Nutrient Supplement	427.06	883.13
	<b>21,422.44</b>	<b>21,921.08</b>
	<b>(1,198.25)</b>	<b>(498.64)</b>
<b>25 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages and Bonus	2,046.30	2,142.18
Contribution to Provident and Other Funds	111.38	108.39
Staff Welfare Expenses	57.55	28.69
Staff Incentives	116.28	199.13
	<b>2,331.51</b>	<b>2,478.38</b>
<b>26 FINANCE COSTS</b>		
Interest Expenses		
- On Cash Credit	791.60	790.96
- On Vehicle Loan	9.22	15.13
- On Unsecured Loan	76.00	153.14
On Security Deposits	32.22	33.96
- Others	33.80	19.34
Processing Charges	69.24	48.57
	<b>1,012.08</b>	<b>1,061.10</b>
<b>27 DEPRECIATION EXPENSE</b>		
Depreciation on Tangible Assets	137.14	147.86
Amortisation of Intangible Assets	164.09	160.55
	<b>301.23</b>	<b>308.41</b>

	Year Ended March 31, 2023	Year Ended March 31, 2022
	Rs in Lakhs	
<b>28 OTHER EXPENSES</b>		
<b>A. Seed Conditioning Expenses</b>		
Freight Inward	182.78	147.61
Labour Wages	238.07	248.20
Stores and Processing Materials consumed	1,632.46	1,204.85
Power and Fuel	139.08	106.99
Repairs and Maintenance (Machinery)	32.77	27.01
Repairs and Maintenance (Factory Building)	6.84	9.59
Hamali & Cartage - Processing Plant	80.52	88.28
Processing Expenses	330.32	282.57
Other Seed Conditioning Expenses	38.36	74.57
	<b>2,681.21</b>	<b>2,189.67</b>
<b>B. Administrative Expenses</b>		
Rent	309.88	303.44
Rates and Taxes	7.71	24.18
Insurance	43.61	47.44
Legal & Professional Expenses	275.28	375.45
Repairs and Maintenance - Office Building and Godown	42.15	17.85
Running and maintenance - Vehicle	439.16	420.18
Repairs and Maintenance - Others	49.54	33.34
Communication	38.45	35.12
Printing & Stationery	20.05	20.93
Auditors' Remuneration:	-	-
Statutory Audit Fee	8.50	7.00
Tax Audit Fee	3.00	-
Other services	0.55	1.10
Directors' remuneration	48.00	48.00
Loss on sale of fixed assets	0.20	0.05
Miscellaneous Expenses	35.06	30.70
Donation	0.11	13.00
Director Sitting Fees	1.28	1.20
Bank Charges	9.30	3.28
Security Charges	26.79	34.35
Corporate Social Responsibility Expenditure (Refer Note No 49)	90.22	99.45
	<b>1,448.84</b>	<b>1,516.06</b>
<b>C. Selling Expenses</b>		
Travelling and Conveyance	481.06	352.26
Advertisement and Sales Promotion	370.44	163.39
Field Days, Visits & Campaigns	566.15	549.47
Freight Outward	840.73	814.55
Commission	-	5.56
Other selling expenses	82.34	96.26
Provisions for Bad Debts	11.72	44.98
Sundry debit balances written off	5.80	0.75
	<b>2,358.22</b>	<b>2,027.22</b>
<b>D. Discount, Schemes and Incentives</b>		
Cash Discounts	558.80	399.63
Quantity Discounts	3,953.65	2,991.63
Additional Discount	2,212.60	1,419.04
	<b>6,725.04</b>	<b>4,810.30</b>
<b>E. Research and Development Expenses</b>		
Fieldwork Expenses	47.38	13.65
Laboratory Expenses	21.16	2.29
Salary, Wages and Other Expenses	630.03	560.72
Travel and Vehicle maintenance	51.32	44.97
Farm Lease Rent	26.96	35.16
Farming Expenses & Consumables	122.01	174.05
Membership and Meetings	38.27	57.67
	<b>937.13</b>	<b>888.52</b>
<b>Total (A+B+C+D+E)</b>	<b>14,150.44</b>	<b>11,431.77</b>
<b>29 Exceptional Item</b>		
Provision for farmer/ grower advances	-	8,878.19
	-	8,878.19

### 30 Fair Value Measurement

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction among willing parties, other than in a forced or liquidation sale

The Company determines fair values of long term financial assets and financial liabilities by discounting contractual cash inflows/ outflows using prevailing interest rates of financial instruments with similar terms. The fair value of investment is determined using quoted net assets value from the fund. Further, the subsequent measurement of all finance assets and liabilities (other than investment in mutual funds) is at amortized cost, using the effective interest method.

#### Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credits rated instrument.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

#### Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorized within the *fair* value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

##### Level -1

Quoted (unadjusted) price is active market for identical assets or liabilities

##### Level 2:

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

##### Level 3

Valuation technique for which the lowest level input that has a significant effect on the fair value measurement is not based on observable market data.

### 31 Financial Instruments and Risk Review

#### i) Capital Management

The Company's capital management objectives are:-

The Board policy is to maintain a strong capital base so as to maintain investor, creditors and market confidence and to support future development of the business. The Board of Directors monitors return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Debt-to-equity ratio is as follows

Particular	Rupees in Lakhs	
	March 31, 2023	March 31, 2022
Net Debts (A) *	6,216.87	8,373.00
Equity (B) **	57,317.33	54,192.68
Debt Ratio % (A/B)	10.85	15.45

\* Net Debts includes Non-Current borrowings, Current borrowings, Current Maturities of non current borrowing net off Current Investment and cash and cash equivalent

\*\* Equity Include Paid up Share Capital and Other Equity.

#### ii) Credit Risk

Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to contractual terms or obligations. Credit risk encompasses both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks. Credit risk is controlled by analysing credit limit and creditworthiness of customers on a continuous basis to whom the credit has been granted.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivable investments, derivative financial instruments and other financial assets. None of the financial instruments of the Company results in material concentration of credit risk

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is as under, being the total of the carrying amount of balances with trade receivables and advances for seed production

As on	Rupees in Lakhs
31st March, 2023	32,683.03
31st March, 2022	30,676.93

**Trade receivables**

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

Before acceding any new customer, the Company uses an external/internal credit scoring system to assess potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customer are reviewed on periodic basis.

**iii) Liquidity Risk****a) Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**b) Maturities of financial liabilities**

The following table details the remaining contractual maturities for its financial liabilities with agreed repayment period. The amount disclosed in the table has been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particular	Rupees in Lakhs			
	31st March 2023		31st March 2022	
	Less than 1 year	More than 1 year	More than 1 year	Less than 1 year
<b>Financial Liabilities</b>				
Trade Payables	2,719.04	54.53	5,354.55	154.19
Working capital demand Loan	10,304.63	-	8,970.08	-
Loan/Term Loan (at variable rate)	176.27	40.32	259.30	66.48
<b>Total</b>	<b>13,199.94</b>	<b>94.84</b>	<b>14,583.93</b>	<b>220.67</b>

**c) Maturities of financial assets**

The expected maturity for financial assets of the company are all current.

**iv) Market Risk**

Market risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices. Such changes in the value of financial instruments may result from changes in the foreign currency exchange rate, interest rate, credit, liquidity and other market changes.

**NATH BIO-GENES (INDIA) LIMITED**

32	<b>Contingent liabilities not provided for in respect of:-</b>	Current Year Rs. In Lakhs	Previous Year Rs. In Lakhs
a)	Claims against the Company not acknowledged as debts in respect of legal cases including consumer cases.	145.08	166.80
b)	Corporate Guarantee given in favour of IDBI Bank and Janakalyan Sahakari Bank towards term loan taken by Paithan Mega Food Park Pvt Ltd, (PMFPPL) a related company. The liability of the PMFPPL is Rs. 2,695.76 Lakhs as on the year end. Further, promoters of PMFPPL have pledged their equity shares in favour of the company securing the above corporate guarantee.	4,360.00	4,360.00
c)	Demand of Income tax for disallowing agricultural income for the assessment year 2017-18, 2018-19 and 2020-21 against which the company has preferred appeals before the Commissioner of Income tax (Appeal), Chhatrapati Sambhajnagar MH).	2,679.70	1,532.07
33	Estimated value of contract remaining to be executed on capital account and not provided for (Net of advances of Rs. 2,150.00; Previous year Rs. 2,110.00)	725.00	765.00
34	In the opinion of the Board, Current and Non-current Assets, Loans and Advances are approximately of the value stated, if realized in the ordinary course of the business.		
35	Certain accounts of Trade Receivable, Trade Payable, Unsecured Loans, Employees, Loans and Advances (including advances given to growers and inter party transfer & balances) are subject to confirmations and reconciliations, if any. The difference as may be noticed on reconciliation will be duly accounted for on completion thereof. In the opinion of the management, the ultimate difference will not be material.		
36	In view of agriculture income earned by the company, which is exempt from Income Tax, provisioning of sundry advance and trade receivables, the company has not recognised deferred tax assets, as a matter of prudence.		
37	<b>Managerial Remuneration paid during the year:</b>  Mr. Satish Kagliwal, Managing Director :- Mr. Devinder Khurana, Chief Financial Officer Mr. Dhiraj Rathi, Company Secretary	Current Year Rs. In Lakhs	Previous year Rs. In Lakhs
		48.00	48.00
		69.76	65.20
		6.85	5.54
38	The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows		
	Income tax recognised in profit or loss	<b>Year Ended March 31, 2023</b>	<b>Year Ended March 31, 2022</b>
	Statutory Income tax rate	25.17%	25.17%
	<b>Differences due to:</b>		
	- Income Exempt from Tax	21.20%	15.22%
	- Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.74%	1.38%
	Taxable Income at Different Rates	0%	0%
	Others	0%	0%
	Effective tax rate	3.23%	8.57%
39	<b>Capital Management</b> Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain or if necessary adjust its capital structure.		
40	Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:-		
	<b>Particulars</b>	<b>Amount (In Lakhs) Year Ended March 31, 2023</b>	<b>Amount (In Lakhs) Year Ended March 31, 2022</b>
	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	46.70	51.05
	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.08	1.86
	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	25.57	107.78
	The amount of interest due and payable for the period of making delay payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	1.86	1.82
	Interest due and payable towards suppliers registered under MSMED Act, for payment already made	2.08	1.86
	Further interest remaining due and payable for earlier years	-	-
	Note:- This information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the Company.		
41	The Information related to Segmental Reporting as required to be disclosed in accordance with the Indian accounting standard: '108-operating Segment' are as under:- (A) Broadly the activity of the company falls within Two segments		
	<b>Criteria</b>	<b>Segments</b>	
	Product Base	1. Agricultural Activities (Seed Production)	
		2. Trading Activities	

**(B) The financial data of both segments are as follows**

Sr No	Particulars		Rs in Lakhs		
			Agriculture Activities	Trading Activity	Total
a	Segment Revenue				
	Turnover	CY	27,182.67	2,953.70	30,136.37
		PY	25,552.10	2,284.13	27,836.23
	Less: Schemes and Discounts	CY	6,168.90	556.14	6,725.04
		PY	4,369.55	440.75	4,810.30
i	External Sales/income	CY	21,013.77	2,397.56	23,411.32
		PY	21,182.55	1,843.38	23,025.93
ii	Inter-segment Sale	CY	-	-	-
		PY	-	-	-
iii	Other Income	CY	-	55.35	55.35
		PY	-	185.47	185.47
	Change in inventory	CY	689.41	508.85	1,198.25
		PY	266.05	232.59	498.64
iv	Total Revenue	CY	20,324.36	1,944.06	22,268.42
		PY	20,916.50	1,796.26	22,712.76
b	Total Revenue of each segment as a percentage of total revenue of all segment	CY	91.27	8.73	100.00
		PY	92.09	7.91	100.00
	Less: Production Expenses /Purchases	CY	8,385.55	828.68	9,214.23
		PY	10,350.38	562.99	10,913.38
	Less: Other Expenses	CY	8,471.24	966.52	9,437.76
		PY	8,518.53	741.31	9,259.84
c	Segment Result [Profit/(loss)]	CY	3,467.57	148.86	3,616.43
		PY	2,047.59	491.96	2,539.55
d	Segment Result as a percentage of segmental result to the Profit	CY	95.88	4.12	100.00
		PY	80.63	19.37	100.00

(c) CY denotes current year and PY denotes previous year.

(d) The allocation of other expenses as mentioned in (B) (b) above, which are not directly relating to specific activity of production or trading, have been made by the management in the ratio of turnover and relied upon by the auditors.

**Geographical Segment:**

Particulars	Year Ended March 31, 2023			Year Ended March 31, 2022		
	India	Outside India	Total	India	Outside India	Total
<b>Revenue</b>						
External Segment Revenue	30,136.36	0.01	30,136.37	27,836.23	0.00	27,836.23
<b>Total Segment Revenue</b>	<b>30,136.36</b>	<b>0.01</b>	<b>30,136.37</b>	<b>27,836.23</b>	<b>0.00</b>	<b>27,836.23</b>
<b>Other Information</b>						
Carrying Amount of Segment Assets	79,279.68	0.01	79,279.69	73,948.85	0.00	73,948.85
Carrying Amount of Segment Liabilities	21,962.36	-	21,962.36	19,756.17	0.00	19,756.17

42 In the opinion of the Board, Property, Plant and Equipments have been stated at cost, which is at least equal to or less than the realizable value if sold in the ordinary course of business. Consequently, the management is of the opinion that there is no impairment of assets.

43 i The company is engaged in agricultural activities of production of seeds on lease hold land situated at various part of India.  
ii The company has entered into agreements with various farmers/growers for cultivation and production of agricultural produce in view of the fact that the company itself is unable to carry on such activities which are spread over various parts of India. The company has compensated the production expenses (Refer Note No .23) based upon the agreements entered into with the farmers/ growers.

**44 Employee Benefits**

The company has classified the various benefits provided to employees as under

**Defined Contribution Plans :**

During the year, the Company has recognized the following amounts in the Profit &amp; Loss Account

	Current Year	Previous Year
- Employers Contribution to Provident Fund	109.34	102.60
- Employers Contribution to ESI	2.03	2.89
- Employers Contribution to Labour Welfare Fund	0.01	0.01

**Defined Benefit Plans**

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with Indian Accounting Standard 19, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

Particulars	Current Year	Previous Year
Discount Rate	6.84%	6.95%
Salary escalation rate	6%	6%
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	-	-

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2023



**a) Change in Present Value of Defined Benefit Obligation**

Particulars	Current Year	Previous Year
Present value of obligations at the beginning of the year	267.96	237.90
Current Service Cost	27.69	30.87
Liability Transferred in / acquisition	-	-
Past Current Service Cost	-	-
Interest Cost	17.74	16.53
Actuarial (Gain) / Loss due to Change in Demographic Assumptions	-	3.54
Actuarial (Gain) / Loss due to change in financial assumption	-6.64	1.19
Actuarial (Gain) / Loss due to experience	4.58	12.33
Benefit paid	-42.57	-34.40
<b>Present value of obligations at the end of the year</b>	<b>268.75</b>	<b>267.96</b>

**b) Change in Fair value of plan assets**

Particular	Current Year	Previous Year
Fair Value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer's contributions	0	0
Actuarial gain / (loss) on plan assets	-	-
Benefit paid	0	0
<b>Fair value of plan assets at the end of the year</b>	<b>-</b>	<b>-</b>

**c) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2023**

Particulars	Current Year	Previous Year
Obligation on the part of the Company	100%	100%

**d) Reconciliation of the present value of defined benefit obligations and the fair value of plan assets**

Particulars	Current Year	Previous Year
Present value of funded obligations as at the end of the year	268.75	267.96
Fair value of plan assets as at the end of the year	-	-
Funded (Assets)/liability recognized in the Balance Sheet as at the end of the year	-	-
Present value of unfunded (assets) / obligations as at the end of the year	268.75	267.96
Unrecognized past service cost	-	-
Unrecognized actuarial (gain)/loss	-	-
<b>Unfunded net (Assets)/liability recognized in the Balance Sheet as at the end of the year</b>	<b>268.75</b>	<b>267.96</b>

**e) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2023**

Particulars	Current Year	Previous Year
Current Service Cost	27.69	30.87
Interest Cost	17.74	16.53
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-2.06	13.52
Past Service cost	-	-
<b>Net Gratuity (Income) / expense</b>	<b>43.36</b>	<b>60.93</b>

**f) Detail of Present value of obligation, Plan Assets and Experience Adjustments**

Particulars	Current Year	Previous Year
Present value of obligation	268.75	267.96
Fair value of plan assets	-	-
(Surplus) / Deficit	268.75	267.96
Experience Adjustment	-	-
(Gain)/ Loss on plan liabilities	-	-
(Gain)/ Loss on plan assets	-	-

**g) Expected contributions to Gratuity Fund next year Rs. NIL (Previous Year Rs. NIL)****h) The liability for leave encashment and compensated absences as at year end is Rs. 68.99 Lakhs (Previous year liability Rs. 1,01.43 Lakhs)****45 List of related parties  
Related parties disclosure**

## List of related parties

**a) Related parties were common control exists:  
(Companies with whom transactions have taken place during the year.)**

- i) Global Transgenes Ltd.
- ii) Agri Tech (India) Ltd.
- iii) Paithan Mega Food Parks Pvt Ltd
- v) Arati Farms Pvt Ltd

**b) Key Management Personnel:-**

- i) Mr. Satish Kagiwal (Managing Director)
- ii) Mr. Devinder Khurana (Chief Financial Officer)
- iii) Mr Dhiraj Rathi (Company Secretary)

d) Transactions carried out with related parties as referred to in (a) to (b) above, in the ordinary course of the business:

					Amount in Rupees	
Sr no	Name of party	Nature of transactions	Current year	Previous year		
1	Agri Tech (India) Ltd.	Loan recovered	334.40	992.96		
		Transfer (credit to account)	-	499.28		
		Loan given	788.79	720.96		
		Transfer (debit to account)	8.80	35.59		
		Loan taken	-	879.73		
		Interest paid	-	121.91		
		Advance given against purchase of land	-	1,950.00		
2	Arati Farms Pvt Ltd	Loan recovered	554.79	782.01		
		Loan given	788.80	1,334.86		
		Transfer (debit to account)	-	12.18		
		Transfer (credit to account)	8.46	51.01		
3	Paithan Mega Food Park Pvt Ltd	Warehouse Rent	114.28	114.28		
		Advance given against purchase of land	40.00	40.00		
		Advance given	100.00	-		
		Reimbursement of expenses paid	1.01	27.84		
4	TechIndia Nirman Ltd	Loan given	1,698.49	-		
		Loan recovered	1,063.40	-		
5	Satish Kagiwal	Remuneration	48.00	48.00		
6	Devinder Khurana	Remuneration	69.76	65.20		
7	Dhiraj Rathi	Remuneration	6.85	5.54		

e) Out standing balances at the year end

	as on 31.03.2023 Rs. In Lakhs	as on 31.03.2022 Rs. In Lakhs
1 Global Transgenes Ltd.	0	136.13 Cr
2 Agri Tech (India) Ltd. (Loan granted)	846.99 Dr	353.60 Dr
3 Agri Tech (India) Ltd. (Advance against land purchase)	1,950.00 Dr	1,950.00 Dr
4 Arati Farm Pvt Ltd	1,093.79 Dr	868.24 Dr
5 Paithan Mega Food Parks Pvt Ltd (advance for purchase of land)	200.00 Dr	160.00 Dr
6 Paithan Mega Food Parks Pvt Ltd (advance)	100.00 Dr	0
7 Paithan Mega Food Parks Pvt Ltd (for expenses)	0	0.42 Cr
8 TechIndia Nirman Ltd	635.09 Dr	0

Notes:

- 1 Related party relationship is as identified by the Company and relied upon by the Auditors.
- 2 No amounts in respect of related parties have been written off/back during the year, nor have been provided for as doubtful debts.

**46 FOREIGN CURRENCY TRANSACTIONS**

	Current Year Rs In Lakhs	Previous Year Rs In Lakhs
CIF value of Imports: Purchase of Win Chi Win & Vegetable Seeds	97.86	-
Expenditure in Foreign Currency: -		
Travelling Expenses	29.44	12.86
Software License Fee	3.95	7.56
Professional Charges	0.32	-
Membership Fee	39.40	39.37
		-
Earning in Foreign Currency: F O B value of Exports	807.80	192.30

**47** Details related to Investments made, Loans and Advances given and security provided as per section 186 of the Companies Act 2013.

Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Investment made (Rs In Lakhs)	Amount outstanding as on 31st March, 2022 (Rs In Lakhs)
Investment Paithan Mega Food Park Pvt. Ltd.	08.08.2016	25,000.00	499.40	499.40

Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Loan granted during the year (Rs In Lakhs)	Amount outstanding as on 31st March, 2023 (Rs In Lakhs)	Maximum outstanding during the year (Rs In Lakhs)																		
<b>Loans and Advances</b>																							
	08.08.2016	25,000.00																					
Arati Farms Pvt Ltd			788.80	1,093.79	1,093.79																		
Agritech (India) Ltd.			818.98	846.99	846.99																		
Paithan Megha Food Parks Private Limited			100.00	100.00	100.00																		
TechIndia Nirman Ltd			1,698.49	635.09	1,527.02																		
			<b>3,406.26</b>	<b>2,675.88</b>	<b>3,567.81</b>																		
(i) In respect of above parties, rate of interest is Nil.																							
Name of the Party	Resolution Passed on	Aggregate limit prescribed in resolution for investments, loans & advances and guarantees (Rs In Lakhs)	Additional Guarantee granted during the year	Amount outstanding as on 31st March, 2023 (Rs In Lakhs)	Maximum outstanding during the year (Rs In Lakhs)																		
<b>Guarantee Given</b>																							
	08.08.2016	25,000.00																					
IDBI Bank (in favour of Paithan Mega Food Parks Limited)			-	3,000.00	3,000.00																		
Janakalyan Sahakari Bank (in favour of Paithan Mega Food Parks Limited)			-	1,360.00	1,360.00																		
				<b>4,360.00</b>	<b>4,360.00</b>																		
<b>48 OPERATING LEASE</b>																							
The Company's significant leasing arrangements are in respect of operating leases for lands and premises (Agricultural lands, office, stores, godown etc.). These leasing arrangements which are in cancellable range and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.																							
<b>49 Expenditure on Corporate Social Responsibility Activities</b>																							
<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount in Rs</th> </tr> </thead> <tbody> <tr> <td>(a) amount required to be spent by the company during the year,</td> <td>88.88</td> </tr> <tr> <td>(b) amount of expenditure incurred,</td> <td>90.22</td> </tr> <tr> <td>(c) shortfall at the end of the year,</td> <td>-</td> </tr> <tr> <td>(d) total of previous years shortfall,</td> <td>0</td> </tr> <tr> <td>(e) reason for shortfall,</td> <td>None</td> </tr> <tr> <td>(f) nature of CSR activities,</td> <td>Rural Transformation</td> </tr> <tr> <td>(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,</td> <td>None</td> </tr> <tr> <td>(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately</td> <td>None</td> </tr> </tbody> </table>						Particulars	Amount in Rs	(a) amount required to be spent by the company during the year,	88.88	(b) amount of expenditure incurred,	90.22	(c) shortfall at the end of the year,	-	(d) total of previous years shortfall,	0	(e) reason for shortfall,	None	(f) nature of CSR activities,	Rural Transformation	(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	None	(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	None
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(e) reason for shortfall,	None																						
(f) nature of CSR activities,	Rural Transformation																						
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	None																						
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	None																						
The company has been engaged in farmers education for imparting farming training in technology, use of upgraded seeds and methodology of seed production etc. In view of this some of such programme undertaken by the Company are classified as CSR activities.																							
<b>50</b>																							
The net profit (loss) for the purpose of measurement of basic and diluted earnings per share in terms of Indian Accounting Standard - 33 on Earnings Per Share has been calculated as under:																							
				<b>Current Year Rs In Lakhs</b>	<b>Previous Year Rs. In Lakhs</b>																		
Net Profit (loss) as per Profit & Loss Account				3,503	-6,756																		
Numerator: Profit Available for equity share holders				3,503	-6,756																		
Denominator: Weighted Average Number of Equity shares outstanding (no's)				1,90,04,000	1,90,04,000																		
Denominator for Diluted equity share holder				1,90,04,000	1,90,04,000																		
Basic Earnings per share is arrived at by dividing Numerator by Denominator				18.43	-35.55																		
Diluted Earnings per share is arrived at by dividing Numerator for diluted equity share holder by Denominator				18.43	-35.55																		
The nominal value per equity shares is Rupees				10	10																		
<b>51 Disclosure of Derivatives:</b>																							
Particulars	Foreign Currency Denomination	Foreign Currency Amount		Amount (In Rupees)																			
		Foreign Currency Amount	Amount (In Rupees)	Foreign Currency Amount	Amount (In Rupees)																		
				<b>March 31, 2023</b>	<b>March 31, 2022</b>																		
Assets (Trade Receivables)	USD	8.57	702.41	2.04	155.21																		
Assets (Advance for purchase)	USD	0.68	57.20	0.06	4.33																		
Liabilities (Trade Payable)	USD	-	-	-	-																		
Liabilities (Advance against sales)	USD	-	-	1.10	83.52																		
The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date in accordance with Indian Accounting Standard 21 - "The Effects of Changes in Foreign Exchange".																							
<b>52</b>																							
The company has used the borrowings from banks and financial institutions for the purpose for which it was taken at the balance sheet date.																							
<b>53</b>																							
The Company does not have any investment property, hence related disclosure is not required.																							
<b>54</b>																							
Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:																							
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Loan Given	Percentage to the total Loans and Advances in the nature of loans																				
<b>Related Parties: -</b>																							
Arati Farms Pvt Ltd	Repayable on demand	1,094	40.88																				
Agritech (India) Ltd.	Repayable on demand	847	31.65																				
Paithan Mega Food Parks Pvt Ltd	Repayable on demand	100	3.74																				
TechIndia Nirman Ltd	Repayable on demand	635	23.73																				

55	Details of Benami Property held - No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.								
56	Willful Defaulter - The company is not declared willful defaulter by any bank or financial Institution or other lender during the year.								
57	The Company has made borrowings from banks on the basis of security of current assets. At times, there are certain differences in the statement of security filed with bank and books of account of the company. The reason being timing difference on accounting of sales return and thereby resulting in more assets in the books of account than what has been given to bank. Further, the company maintained adequately drawing power.								
58	<b>Registration of charges or satisfaction with Registrar of Companies</b> - During the year, the company has registered charges on the assets of the Company with the Registrar of Companies, where applicable and also satisfied the charges within the time specified under the Companies Act, 2013.								
59	<b>Relationship with Struck off Companies</b> - During the year, the company has not carried out any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.								
60	<b>Various Ratios</b>								
	Name of Ratio	Numerator	Denominator	Current Year Ratio	Previous Year Ratio	Variation in %	Reasons for variation		
	Current Ratio (Times)	Current Assets	Current Liabilities	2.41	2.41	-	No explanation required		
	Debt-Equity Ratio (Times)	Debts (Long and Short Term)	Equity and Others Equity	0.18	0.17	7.01	No explanation required		
	Debts Service Ratio (Times)	Profit before Interest and Tax	Term Liabilities	114.80	54.09	112.25	Due to increase in profitability and consequential cash inflow.		
	Return on Equity Ratio (%)	Profit After Exceptional Item and Tax	Equity Capital	190%	133%	42.67	Due to increase turnover resulting into increased profit		
	Inventory Turnover Ratio (Days)	Inventories	Turnover	251.74	288.92	-12.87	No explanation required		
	Trade Receivables Turnover Ratio, (Days)	Trade Receivable	Turnover	118	112	5.07	No explanation required		
	Trade Payables Turnover Ratio, (Days)	Trade Payable	Turnover	34	56	-40.12	Better cash inflow enabling the company pay its creditors timely.		
	Net Capital Turnover Ratio (times)	Net Working Capital	Turnover	101.00%	98.24%	2.81	No explanation required		
	Net Profit Ratio (%)	Net Profit after tax	Turnover	12.00%	9.11%	31.78	Due to increase turnover resulting into increased profit		
	Return on Capital Employed (%)	Net Profit after tax	Capital Employed	6.31%	4.68%	34.89	Due to increase turnover resulting into increased profit		
	Return on Investment (%)	Net Profit after tax	Investment	6.31%	4.68%	34.89	Due to increase turnover resulting into increased profit		
61	<b>Utilisation of Borrowed funds and share premium:</b> 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 (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries								
62	<b>Undisclosed income</b> - There is no case of search or survey of any other cases related to income surrendered or disclosed in any tax assessments under the Income Tax Act, 1961.								
63	The company has not invested in Crypto Currency or Virtual Currency, hence related details are not provided								
64	Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.								
	Name of the Enterprise	2022-23				2021-22			
		Net Assets i.e Total Assets - Total Liabilities		Share in Profit/ (Loss)		Net Assets i.e Total Assets - Total Liabilities		Share in Profit/ (Loss)	
		As % of Consolidated Net Assets	Amount (Rs. In Lakhs)	As % of Consolidated Profit	Amount (Rs. In Lakhs)	As % of Consolidated Net Assets	Amount (Rs. In Lakhs)	As % of Consolidated Profit	Amount (Rs. In Lakhs)
	<b>Parent:</b>								
	Nath Bio-genes (India) Ltd	100.02%	79,295.82	100.04%	3,504.72	100.00%	73,952.04	99.99%	-6,755.12
	<b>Joint Venture:</b>								
	Nath Bio-Genes (Central Asia) LLC,	-0.02%	-16.13	-0.04%	-1.53	0.00%	-3.19	0.01%	-0.47
65	The consolidated financial statements have been prepared based upon the unaudited financial statements as approved by the Board of Directors of the Joint Venture Company. In the opinion of the management, there will not be material difference in the audited and un-audited financial statements.								
66	Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year's presentation.								
	Jeevanlata Kagliwal Director DIN No.: 02057459	Satish Kagliwal Managing Director DIN: 00119601	Devinder Khurana Chief Finance Officer	Dhiraj Rathi Company Secretary					
	Place: Chhatrapati Sambhajnagar Date: 22nd April 2023								



## **Nath Bio-Genes (I) Ltd.**

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[www.nathbiogenes.com](http://www.nathbiogenes.com)