

**ADVANCED BIO-AGRO TECH LIMITED**

**AUDITED FINANCIAL STATEMENTS**

**YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**M. M. NISSIM & CO.**

CHARTERED ACCOUNTANTS

Barodawala Mansion, B Wing, 3rd Floor,

81, Dr. Annie Besant Road,

Worli, Mumbai - 400018

Tel - +912224969900 Fax - +912224969995

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ADVANCED BIO-AGRO TECH LIMITED

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **ADVANCED BIO-AGRO TECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected



depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit and its cash flows for the year ended on that date.

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

9. As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 Cash Flow Statement 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 Accounting Standards 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) 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 no pending litigations.
  - 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. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

**For M. M. NISSIM & CO**  
Chartered Accountants  
(Firm Regn. No. 107122W)



(N. Kashinath)  
Partner  
Mem. No.: 036490  
Mumbai,



**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADVANCED BIO-AGRO TECH LIMITED**

- i) In respect of its Fixed Assets:
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;
  - b) As explained to us, the Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no discrepancies have been noticed on such physical verification;
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the company the title deeds of immovable properties are held in the name of the Company.
- ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification;
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the clauses 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv) The Company has not granted any loan, neither made any investments, nor given any guarantee or security, during the year, covered by the provisions of Sections 185 and 186 of the Act.
- v) The Company has not accepted any deposits during the year from public.
- vi) According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act.
- vii) a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with appropriate authorities, where applicable. According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
  - b) According to the records of the company, there are no dues outstanding of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute.
- viii) The company has not defaulted in repayment of its loans or borrowings to banks. The company does not have any borrowings by way of debentures.
- ix) The Company has not raised any moneys by way of Initial public offer or further Public offer (Including debt instruments). Moneys raised by way of Term Loan were applied for the purpose for which those are raised.



- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report no fraud by the Company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) The managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) The company is not a nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.
- xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Financial statements in Note No. 24 as required by the applicable accounting standards.
- xiv) The company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year and accordingly provisions of clause (xiv) of Para 3 of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly provisions of clause (xv) of Para 3 of the Order are not applicable to the company.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions clause (xvi) of Para 3 of the Order are not applicable to the Company.

For **M. M. NISSIM & CO**  
Chartered Accountants  
(Firm Regn. No. 107122W)



(N. Kashinath)

Partner

Mem. No.: 036490

Mumbai,



**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ADVANCED BIO-AGRO TECH LIMITED**

**Report on the Internal Financial Controls 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 **ADVANCED BIO-AGRO TECH LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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") and the Standards on Auditing, issued by Institute of Chartered accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

#### **Inherent Limitations of Internal Financial Controls 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, 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 issued by the Institute of Chartered Accountants of India.

**For M. M. NISSIM & CO**  
Chartered Accountants  
(Firm Regn. No. 107122W)

*TS. Kashinath*  


(N. Kashinath)  
Partner  
Mem. No.: 036490  
Mumbai,

**CA**

**ADVANCED BIO-AGRO TECH LIMITED**  
**(CIN: U24100MH2004PLC149464)**  
**Balance Sheet as at March 31, 2017**

	Note	In Rupees	
		March 31, 2017	March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
1 Shareholders' funds			
(a) Share capital	2	1,000,000	1,000,000
(b) Reserves and surplus	3	129,434,681	132,772,724
2 Non-current liabilities			
(a) Long-term borrowings	4	1,075,001	2,062,700
3 Current liabilities			
(a) Short-term borrowings	4	2,285,244	1,818,014
(b) Trade payables	5		
Total outstanding dues to micro and small enterprises		63,000	53,750
Total outstanding dues to others		4,319,950	16,778,927
(c) Other current liabilities	6	20,422,871	16,774,204
(d) Short-term provisions	7	4,325,419	27,867,538
<b>TOTAL</b>		<b>162,926,165</b>	<b>199,127,857</b>
<b>II. ASSETS</b>			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	8	25,758,794	28,801,426
(b) Deferred tax assets (net)	9	7,057,431	1,690,188
(c) Long-term loans and advances	10	370,000	370,000
2 Current assets			
(a) Current investments	11	35,000	
(b) Inventories	12	3,410,665	4,675,735
(c) Trade receivables	13	120,178,346	143,010,592
(d) Cash and cash equivalents	14	3,251,165	17,060,802
(e) Short-term loans and advances	15	2,836,967	3,506,193
(f) Other current assets	16	27,797	12,920
<b>TOTAL</b>		<b>162,926,165</b>	<b>199,127,857</b>
Statement of Significant Accounting Policies	1		
Explanatory Information on Financial Statements	24-33		

This is the Balance Sheet referred to in our report of even date.

For **M. M. NISSIM & CO.**  
Chartered Accountants  
Firm Registration no. 107122W

N Kashinath  
Partner  
M. No.: 36490  
Place : Mumbai  
Date : May 15, 2017



For and on behalf of the Board

O. P. Singh  
Managing Director  
DIN: 00015162  
Place : Thane  
Date : May 15, 2017

P. C. Rathi  
Director  
DIN: 00366347

**ADVANCED BIO-AGRO TECH LIMITED****(CIN: U24100MH2004PLC149464)****Statement of Profit and Loss for the year ended March 31, 2017**

		In Rupees		
	Note	Year ended March 31, 2017	Year ended March 31, 2016	
I	Revenue from operations	17	398,677,180	402,255,696
II	Other income	18	616,502	1,836,091
III.	<b>Total Revenue (I + II)</b>		<b>399,293,682</b>	<b>404,091,787</b>
	Expenses:			
	Purchases of Stock-in-Trade	19	235,459,885	258,420,604
	Changes in inventories of Stock-in-Trade	20	1,265,070	2,158,922
	Employee benefits expense	21	34,901,465	32,251,678
	Finance costs	22	456,186	1,121,244
	Depreciation and amortization expense	8	3,234,328	4,344,671
	Other expenses	23	63,640,535	36,573,439
IV.	<b>Total expenses</b>		<b>338,957,469</b>	<b>334,870,558</b>
V.	<b>Profit before tax (III- IV)</b>		<b>60,336,212</b>	<b>69,221,229</b>
VI.	<b>Tax expense:</b>			
	(1) Current tax		27,010,000	23,536,000
	(2) Deferred tax		(5,367,244)	(764,961)
	(3) Income tax for earlier years		(93,677)	-
			<b>21,549,079</b>	<b>22,771,039</b>
VII.	<b>Profit for the year (V - VI)</b>		<b>38,787,133</b>	<b>46,450,190</b>
	<b>Earnings per equity share (Face value Rs. 10/-) :-</b>			
	<b>Basic</b>		<b>387.87</b>	<b>464.50</b>
	<b>Diluted</b>		<b>387.87</b>	<b>464.50</b>
	Statement of Significant Accounting Policies	1		
	Explanatory Information on Financial Statements	24-33		

This is the Statement of Profit and Loss referred to in our report of even date.

For **M. M. NISSIM & CO.**  
Chartered Accountants  
Firm Registration no. 107122W



N Kashinath  
Partner  
M. No.: 36490  
Place : Mumbai  
Date : May 15, 2017



For and on behalf of the Board



O. P. Singh  
Managing Director  
DIN: 00015162  
Place : Thane  
Date : May 15, 2017



P. C. Rathi  
Director  
DIN: 00366347

**ADVANCED BIO-AGRO TECH LIMITED**

(CIN: U24100MH2004PLC149464)

**Cash Flow Statement for the year ended March 31, 2017**

In Rupees

	Year ended March 31, 2017	Year ended March 31, 2016
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**A. CASH FLOW FROM OPERATING ACTIVITIES :**

<b>NET PROFIT BEFORE TAX</b>	<b>60,336,212</b>	<b>69,221,229</b>
<b>Adjustment for :</b>		
Depreciation	3,234,328	4,344,671
Interest	410,138	1,092,256
Excess provision written back	-	(1,606,797)
Allowances for bad and doubtful trade receivables	19,909,225	-
Bad and doubtful trade receivables written off	2,866,931	-
Unrealised foreign exchange loss	(196,415)	-
	<u>26,224,207</u>	<u>3,830,130</u>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>86,560,420</b>	<b>73,051,359</b>
Increase / (decrease) in other current liabilities and provisions	(20,881,152)	24,205,235
Increase / (decrease) in trade payables	(12,449,727)	983,520
(Increase) in Inventories	1,265,070	2,158,922
(Increase) / decrease in trade receivables	252,505	(37,830,170)
(Increase) / decrease in short-term loans and advances	(193,899)	476,134
(Increase) / decrease in other current assets	(14,877)	408,981
	<u>(32,022,079)</u>	<u>(9,597,378)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>54,538,340</b>	<b>63,453,981</b>
Direct Taxes paid	(26,053,198)	(24,520,491)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>28,485,142</b>	<b>38,933,490</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of current investments	(35,000)	-
Purchase of Fixed Assets	(191,695)	(140,185)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(226,695)</b>	<b>(140,185)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Repayments) / proceeds from Borrowings (Net)	467,230	(325,600)
Interest paid	(410,138)	(1,092,256)
Dividends paid (including dividend tax)	(42,125,176)	(24,071,529)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(42,068,084)</b>	<b>(26,397,748)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(13,809,637)</b>	<b>12,395,556</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31.03.2016</b>	<b>17,060,802</b>	<b>4,665,246</b>
<b>CASH AND CASH EQUIVALENTS AS AT 31.03.2017</b>	<b>3,251,165</b>	<b>17,060,802</b>

As per our attached Report of even date

**For M. M. NISSIM & CO.**

Chartered Accountants

Firm Registration no. 107122W

N Kashinath

Partner

M. No.: 36490

Place : Mumbai

Date : May 15, 2017

**For Advanced Bio-Agro Tech Ltd**O. P. Singh  
Managing Director

DIN: 00015162

Place : Thane

Date : May 15, 2017

P. C. Rathi  
Director

DIN: 00366347

ADVANCED BIO-AGRO TECH LIMITED

(CIN: U24100MH2004PLC149464)

NOTES ON ACCOUNTS

Notes annexed to and forming part of the Balance Sheet as at March 31, 2017 and Statement of Profit & Loss for the Year ended on that date.

**1. Significant Accounting Policies:**

Basis of Accounting

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. All assets and liabilities have been classified as current or non-current as per criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents the company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognised in the Year in which the results are known/materialized.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized;

(a) Sale of Products

Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customer and no effective ownership is retained. Sales are net of sales tax and discounts.

(b) Other Operating Revenue

Export incentives received pursuant to the Duty Drawback Scheme are accounted on an accrual basis, to the extent it is probable that realisation is certain.

(c) Other Income

Interest income is recognised on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

Fixed Assets

Fixed Assets are stated at their original cost less accumulated depreciation and provision for impairment, if any. The cost includes expenditure incurred on the acquisition and construction / installation and other related expenses in bringing the asset to working condition for its intended use. In respect of qualifying assets, related pre operational expenses including borrowing costs are also capitalised.

Depreciation

Depreciation on Fixed Assets has been provided on Written Down Value Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 on prorata basis from the date of additions and/or disposal. Fixed Assets costing individually less than Rs. 5,000 are expensed out in the year of purchase.

Foreign Currency Transactions

Transactions arising in foreign currencies during the year are recorded at the exchange rates prevailing on the date of the transactions. Foreign currency monetary items are converted into Rupee equivalent at the exchange rates prevailing as on Balance Sheet date. Non monetary items are carried at historical cost denominated in a foreign currency and are reported using the exchange rate at the date of transaction. Exchange differences arising on settlement/ restatement of monetary items are recognised as income or as expenses in the year in which they arise. Premium or discount on Forward Contracts is amortised over the life of such contracts and is recognised as income or expenses. Any Profit or Loss arising on cancellation or renewal of Forward Contracts is recognised as income or as expense for the year.



**ADVANCED BIO-AGRO TECH LIMITED**  
(CIN: U24100MH2004PLC149464)

**NOTES ON ACCOUNTS (CONTD.)**

Impairment

In accordance with accounting standard 28 on 'Impairment of assets' issued by MCA, where there is an indication of impairment of the company's assets the carrying amount of the company's assets are reviewed at each balance sheet date to determine impairment, if any. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated at the higher of its net selling price and its value in use. An impairment charge is recognised whenever the carrying amount of the asset or cash-generating unit exceeds its recoverable amount.

Inventories

Stock in trade is valued at lower of cost and net realisable value. Cost is determined on FIFO basis, which is determined on their specific individual costs which includes only purchase cost.

Retirement Benefits

Defined Contribution Plans

The Company contributes on a defined contribution basis to Employee's Provident Fund towards post employment benefits, all of which are administered by the Regional Provident Fund authorities, and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

Defined Benefit Plans

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Statement of Profit and Loss. The Gratuity liability is funded through a trust with the Life Insurance Corporation of India.

Other long term liabilities

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end, which is calculated using projected unit credit method and charged to the Statement of Profit and Loss. The Leave encashment liability is funded through a trust with the Life Insurance Corporation of India.

Income Taxes

Tax expense comprises both current and deferred taxes. Current Tax is provided on the taxable income using the applicable tax rates and tax laws. Deferred tax assets and liabilities arising on account of timing difference and which are capable of reversal in subsequent Years are recognised using the tax rates and tax laws that have been enacted or substantively enacted.

Provisions & Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.



**ADVANCED BIO-AGRO TECH LIMITED**  
(CIN: U24100MH2004PLC149464)  
Notes to the Balance Sheet

	In Rupees March 31, 2017	In Rupees March 31, 2016
<b>2 Share capital</b>		
Authorised		
1,00,000 Equity Shares of Rs.10/- each	<u>1,00,000</u>	<u>1,00,000</u>
Issued, Subscribed & Paid up		
1,00,000 Equity Shares of Rs.10/- each	<u>1,00,000</u>	<u>1,00,000</u>
	No. of shares	No. of shares
Shares outstanding at the beginning of the Year	100,000	100,000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	100,000	100,000
a) Rights, preferences and restrictions attached to shares; The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.		
b) 60,000 shares are held by Advanced Enzyme Technologies Ltd., the holding company.		
c) Particulars of shareholders holding more than 5%		
<u>Name of Shareholder</u>	<u>No. of Shares held</u>	<u>% of Holding</u>
M/s. Advanced Enzyme Technologies Ltd and its nominees	60,000	60%
Mr. Omprakash B. Singh	40,000	40%
	In Rupees	In Rupees
	March 31, 2017	March 31, 2016
<b>3 Reserves and surplus</b>		
General Reserve		
Balance as per last Balance Sheet.	6,232,794	6,232,794
Add : Transferred from Statement of Profit and Loss	-	-
Closing Balance	<u>6,232,794</u>	<u>6,232,794</u>
Surplus in the Statement of Profit and Loss		
Balance as per last accounts.	126,539,930	104,161,269
Profit for the year	38,787,133	46,450,190
(-) Interim Dividend	(35,000,000)	(20,000,000)
(-) Tax on dividend distributed	(7,125,176)	(4,071,529)
	<u>123,201,887</u>	<u>126,539,930</u>
<b>Total</b>	<u>129,434,681</u>	<u>132,772,724</u>



**ADVANCED BIO-AGRO TECH LIMITED**  
(CIN: U24100MH2004PLC149464)  
Notes to the Balance Sheet

	In Rupees			
	March 31, 2017		March 31, 2016	
	Long term	Short term	Long term	Short term
<b>4 Borrowings</b>				
Secured				
Term loans				
Vehicle loans	1,075,001	-	2,062,700	-
Loans repayable on demand				
From banks	-	2,285,244	-	1,818,014
<b>Total borrowings</b>	<b>1,075,001</b>	<b>2,285,244</b>	<b>2,062,700</b>	<b>1,818,014</b>

**a) Details of security for each type of borrowings**

(i) Term loans from banks taken for purchase of vehicle are specifically secured by

1. Specified fixed assets exclusively charged in Hire purchase agreement taken from the HDFC Bank repayable in 60 equated monthly instalments beginning from April 5, 2014 at the interest rate of 10.20% (FY 2015-16 @10.20%)

(ii) Loans repayable on demand from banks (Working Capital loans) are secured as under:

1. Negative lien on Land & Building situated at Gat No 551, Off Nashik-Pune Road, Dapurwad Road, Mauje, Musalgaon, Taluka- Sinnar, Dist- Nashik, Sole Charge on Plant & Machinery located at the above address as and when procured.
2. First Exclusive charge on Stocks and Book Debts of the Company.
3. Personal guaranteed by the Managing Director.

**b) Terms of repayment of term loans**

Term loan

	Payable later than		
	Payable not later than 1 year*	1 year not later than five years	Payable after five years
	In Rupees	In Rupees	In Rupees
<b>From banks</b>			
Interest rate			
10.20%	987,699	1,075,001	-
	<b>In Rupees</b>		<b>In Rupees</b>
	<b>March 31, 2017</b>		<b>March 31, 2016</b>

**5 Trade payables**

Total outstanding dues to micro and small enterprises (Refer Note 30)	63,000	53,750
Total outstanding dues to others	4,319,950	16,778,927
	<b>4,382,950</b>	<b>16,832,677</b>

**6 Other current liabilities**

Current maturities of hire purchase from banks (Refer Note 4)	987,699	908,363
Employee benefits payable	9,418,280	7,109,809
Advances/ Deposits from customers	1,131,064	1,423,320
Provident fund	96,077	82,755
Other statutory dues	744,588	617,750
Other payables	8,045,162	6,632,208
	<b>20,422,871</b>	<b>16,774,204</b>

**7 Short-term provisions**

Provision for employee benefits		
Gratuity (funded)	1,755,090	1,418,940
Leave Encashment (funded)	2,570,329	2,377,069
Provision Proposed Interim Dividend & Dividend Tax	-	24,071,529
	<b>4,325,419</b>	<b>27,867,538</b>





**ADVANCED BIO-AGRO TECH LIMITED**

(CIN: U24100MH2004PLC149464)

**Notes to Balance Sheet**

**8 Tangible assets**

<b>Gross block</b>	<b>Land Freehold</b>	<b>Buildings</b>	<b>Office Equipments</b>	<b>Furniture and fixtures</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Total</b>
<b>Balance as at 31 March 2015</b>	1,446,313	25,112,759	1,872,501	5,107,850	7,286,956	1,501,949	42,328,328
Additions	-	-	9,700	-	-	130,486	140,185
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2016</b>	1,446,313	25,112,759	1,882,201	5,107,850	7,286,956	1,632,435	42,468,513
Additions	-	-	-	-	-	191,695	191,695
Disposals	-	-	-	-	-	-	-
<b>Balance as at 31 March 2017</b>	1,446,313	25,112,759	1,882,201	5,107,850	7,286,956	1,824,130	42,660,208
<b>Accumulated depreciation and amortisation</b>							
<b>Balance as at 31 March 2015</b>	-	3,393,762	921,121	844,764	3,055,480	1,107,288	9,322,415
Depreciation and amortisation	-	1,169,131	439,654	1,110,759	1,337,435	287,691	4,344,671
<b>Balance as at 31 March 2016</b>	-	4,562,893	1,360,775	1,955,523	4,392,915	1,394,979	13,667,086
Depreciation and amortisation	-	1,101,711	230,240	820,667	914,136	167,574	3,234,328
<b>Balance as at 31 March 2017</b>	-	5,664,604	1,591,015	2,776,190	5,307,051	1,562,553	16,901,414
<b>Net block</b>							
Balance as at 31 March 2016	1,446,313	20,549,866	521,426	3,152,326	2,894,041	237,455	28,801,427
Balance as at 31 March 2017	1,446,313	19,448,155	291,186	2,331,659	1,979,905	261,576	25,758,794



**ADVANCED BIO-AGRO TECH LIMITED**  
(CIN: U24100MH2004PLC149464)  
Notes to the Balance Sheet

	In Rupees	
	March 31, 2017	March 31, 2016
<b>9 Deferred tax asset</b>		
The breakup of Deferred Tax Assets:		
Arising on account of timing difference in:		
Depreciation	181,796	228,586
Accrued Expenses allowable on actual basis	6,875,635	1,461,602
	<u>7,057,431</u>	<u>1,690,188</u>
<b>10 Long-term loans and advances</b>		
Security Deposits		
- Unsecured, considered good	370,000	370,000
	<u>370,000</u>	<u>370,000</u>
<b>11 Current investments</b>		
<b>Investments in mutual funds</b>		
ICICI Prudential Mutual Fund- "ICICI Prudential Liquid - Growth" (No. of units 145.78)	35,000	-
	<u>35,000</u>	<u>-</u>
<b>12 Inventories (Valued at lower of Cost or Net realisable value)</b>		
Stock-in-trade	3,410,665	4,675,735
	<u>3,410,665</u>	<u>4,675,735</u>
<b>13 Trade receivables</b>		
(Unsecured Considered good, Unless otherwise stated)		
Overdue for a period / year exceeding six months		
Unsecured, considered good	5,251,359	46,924,984
Unsecured, considered doubtful	39,818,450	-
	<u>45,069,809</u>	<u>46,924,984</u>
Less: Provision for doubtful debts	19,909,225	-
	<u>25,160,584</u>	<u>46,924,984</u>
Others	95,017,761	96,085,609
	<u>120,178,346</u>	<u>143,010,593</u>
<b>14 Cash and cash balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	20,883	21,673
Balances with banks		
- in current accounts	3,230,282	17,039,129
	<u>3,251,165</u>	<u>17,060,802</u>
<b>15 Short-term loans and advances</b>		
Security Deposits		
- Unsecured, considered good	70,400	70,400
Other loans and advances (Unsecured, considered good)		
- Advances to suppliers	226,050	277,172
- Advances to employees	371,930	411,274
Advances recoverable in cash or in kind or for value to be received	491,546	207,181
Advance income tax (net of provisions)	1,677,041	2,540,166
	<u>2,836,967</u>	<u>3,506,193</u>
<b>16 Other Current Asset</b>		
Duty Drawback Receivables	27,797	12,920
	<u>27,797</u>	<u>12,920</u>



**ADVANCED BIO-AGRO TECH LIMITED**  
(CIN: U24100MH2004PLC149464)  
**Notes to Statement of Profit & Loss**

		In Rupees	
		Year ended March 31, 2017	Year ended March 31, 2016
<b>17 Revenue from operations</b>			
Sale of products	Domestic	376,885,601	385,609,142
	Exports	21,654,512	16,565,838
Other operating revenues - Duty Drawback		137,067	80,716
		<b>398,677,180</b>	<b>402,255,696</b>
<b>Details of products sold</b>			
<b>- Traded goods</b>			
- Animal feed supplements		394,985,133	398,595,918
- Agri Supplies		3,554,980	3,579,062
		<b>398,540,113</b>	<b>402,174,980</b>
<b>18 Other income</b>			
Interest Income		590,825	-
Exchange fluctuation		-	218,100
Excess provision written back		-	1,606,797
Discount received, claims etc		25,677	11,194
		<b>616,502</b>	<b>1,836,091</b>
<b>19 Purchases of Stock-in-Trade</b>			
Purchases - Animal Feed Supplies		233,371,467	255,967,529
Purchases - Agri Supplies		2,088,418	2,453,075
		<b>235,459,885</b>	<b>258,420,604</b>
<b>20 Changes in inventories of finished goods and work-in-progress</b>			
Closing Stock			
Stock-in-trade		3,410,665	4,675,735
Less: Opening Stock			
Stock-in-trade		4,675,735	6,834,657
		<b>1,265,070</b>	<b>2,158,922</b>
<b>21 Employee benefits expense</b>			
Salaries, Wages & Bonus		30,563,018	28,320,070
Contribution to Provident, Gratuity and other funds		2,022,531	1,594,009
Welfare Expenses		2,315,916	2,337,599
		<b>34,901,465</b>	<b>32,251,678</b>



ADVANCED BIO-AGRO TECH LIMITED (CIN: U24100MH2004PLC149464) Notes to Statement of Profit & Loss		
	In Rupees	
	Year ended March 31, 2017	Year ended March 31, 2016
<b>22 Finance costs</b>		
Interest expense	410,138	1,092,256
Bank charges	46,048	28,988
	<b>456,186</b>	<b>1,121,244</b>
<b>23 Other expenses</b>		
Insurance	414,468	290,161
Rent	60,000	60,000
Rates and taxes	91,475	85,973
Printing and stationery	267,669	1,564,662
Legal and professional fees	5,864,075	4,681,557
Auditors' remuneration		
Audit fees	69,000	57,250
Repairs and maintenance	132,402	338,923
Donation	107,002	-
Exchange fluctuation	274,168	-
Travel and conveyance expenses	11,643,307	11,255,393
Communication	1,031,600	1,269,914
Commission on sales	484,088	950,463
Discount on sales	6,116,318	2,514,506
Advertisement and sales promotion	4,682,656	5,063,344
Freight outward and forwarding	7,874,104	7,572,123
Provision for doubtful debts (net)	19,909,225	-
Bad debts written off	2,866,931	-
Corporate social responsibility expenses	800,000	-
General expense	952,047	869,169
	<b>63,640,535</b>	<b>36,573,439</b>





# ADVANCED BIO-AGRO TECH LIMITED

(CIN: U24100MH2004PLC149464)

Explanatory Information to the financial statement for the period ended March 31, 2017 contd

25 Provision for gratuity is made based on the actuarial valuation report as below.

Particulars	As at Mar. 31, 2017	As at March 31, 2016
<b>Change in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation at the beginning of the year	2,278,131	1,683,811
Current Service Cost	413,429	366,382
Interest Cost	178,773	128,875
Actuarial losses (gains)	324,089	99,063
Benefits paid	(32,196)	-
Closing defined benefit obligation at the end of the year	3,162,226	2,278,131
<b>Change in Plan Assets</b>		
Opening fair value of plan assets at the beginning of the year	859,191	668,621
Expenses deducted from the fund	(1,681)	(4,355)
Expected Return on Plan assets	82,401	70,403
Contributions by employer	473,607	135,704
Actuarial Gains / (Losses)	(6,382)	(11,182)
Closing fair value of plan assets at the end of the year	1,407,136	859,191
<b>Reconciliation of present value of the obligation and fair value of</b>		
Present Value of Funded obligation at the end of the year	3,162,226	2,278,132
Fair Value of Plan assets at the end of the year	1,407,136	859,191
Deficit/(Surplus)	1,755,090	1,418,941
Net Liability/(Asset)	1,755,090	1,418,941
<b>Amount Recognised in the Balance Sheet</b>		
Liabilities	3,162,226	2,278,132
Assets	1,407,136	859,191
Net Liability / (Asset) recognised in Balance Sheet	1,755,090	1,418,941
<b>Net Cost recognised in the profit and loss account</b>		
Current Service Cost	413,429	366,382
Interest Cost	178,773	128,875
Expected return on plan assets	(82,401)	(70,403)
Net actuarial losses (Gain) recognised during the year	330,471	110,245
Expenses deducted from the fund	1,681	4,355
Total costs of defined benefit plans	841,953	539,454
<b>Reconciliation of expected return and actual return on Plan Assets</b>		
Expected Return on Plan Assets	82,401	70,403
Actuarial Gain/ (loss) on Plan Assets	(6,382)	(11,182)
Actual Return on Plan Assets	76,019	59,221

Category of Assets	% of Plan Assets
L.I.C. Group Gratuity (Cash Accumulation) Policy	100%

Principal actuarial assumptions:

Discount Rate	7.25%	7.95%
Expected Rate of return on Plan Asset	7.25%	7.95%
Salary Escalation	8.00%	8.00%

Amounts for the current period and previous years are as follows:	2016-17	2015-16	2014-15
Defined benefit obligation	3,162,226	2,278,132	1,683,811
Plan Assets	1,407,136	859,191	665,976
(Surplus) / Deficit	1,755,090	1,418,941	1,017,835

**B. Other Long Term Liabilities**

Particulars	Leave Encashment	
	2016-17	2015-16
Present value of obligation at the end of the year	3,503,847	2,761,507
Plan assets (100% in Advanced Group of Company's Employees Leave Encashment Scheme with	933,518	384,438
Net Liability/(Asset)	2,570,329	2,377,069

No other disclosures have been furnished as per Para 132 of Accounting Standard 15 (Revised 2005) - Employee Benefits.



**ADVANCED BIO-AGRO TECH LIMITED**

(CIN: U24180MH2004PLC149464)

**Explanatory Information to the financial statement for the period ended March 31, 2017 contd**

26 The Company operates only in one business segment viz. 'Biochemicals' and hence no separate information for segmentwise disclosure is required

Secondary Segment Reporting: (By geographical segments)

In Rupees

	Domestic		Exports		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenues	377,022,668	385,689,858	21,654,512	16,565,838	398,677,180	402,255,696
Total assets	157,737,650	199,127,857	5,188,515		162,926,165	199,127,857

27 Earning Per Share (EPS) : in accordance with Accounting Standard 20

In Rupees

	Year ended on	Year ended on
	31/03/2017	31/03/2016
Net Profit after Tax	38,787,133	46,450,190
Weighted Average Number of Ordinary Shares	100,000	100,000
Nominal value per share	Rs. 10	Rs. 10
Basic Earning Per Share	387.87	464.50
Diluted Earning Per Share	387.87	464.50

28 Unhedged foreign Currency Exposure as at the end of the year;

In Rupees

	Year ended on	Year ended on
	31/03/2017	31/03/2016
Trade Receivable	5,188,515	-

29 The Company has taken office premises under operating lease. This is not non- cancellable and is renewable by mutual consent on mutually agreeable terms. Lease payments amounting to Rs 60,000/- (Rs 60,000/-) are recognised in the Statement of Profit & Loss under the head "Rent Account"

30 Dues to Micro and Small enterprises under Micro, Small and Medium Enterprise Development Act, 2006; (MSMED)

The information given below and included in Trade Payable (Note 5) and Other Current Liabilities (Note 6) regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company

In Rupees

	Year ended on	Year ended on
	31/03/2017	31/03/2016
Principal amount due to suppliers under MSMED	63,000	53,750

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued & paid and cumulative interest are not applicable, being NIL

31 Earnings in Foreign Currency -

Export of goods on F O B basis

Others- Freight & Insurance

13,213,221	8,253,908
188,271	229,360

32 Details of Specified Bank Notes held and transacted during the period from 8 November 2016 to 30 December 2016:

(In INR)

Particulars	Specified Bank Notes	Other denomination Notes	Total	
Closing cash in hand as on 08.11.2016	28,500	14,085	42,585	-42,585
(+) Permitted receipts	-	20,000	20,000	20,000
(-) Permitted payments	-	13,873	13,873	13,873
(-) Amount deposited in Banks	28,500	-	28,500	28,500
Closing cash in hand as on 30.12.2016	-	20,212	20,212	20,212

33 Previous year figures have been regrouped/reclassified, wherever necessary.

Signatures to the Notes which form an integral part of the Financial Statements

For M. M. NISSIM & CO.

Chartered Accountants

Firm Registration no. 107122W

*T. Kashinath*

N Kashinath

Partner

M No: 36490

Place : Mumbai

Date : May 15, 2017



For and on behalf of the Board

*O.P. Singh*

O.P. Singh

Managing Director

DIN: 00015162

Place : Thane

Date : May 15, 2017

*P.C. Rathi*

P.C. Rathi

Director

DIN: 00366347