

DHARMESH PARIKH & CO.

CHARTERED ACCOUNTANTS

303/304, "Milestone", Nr. Drive-in-Cinema, Opp. T. V Tower, Thaltej,
Ahmedabad-380 054. Phone: 91-79-27474466 Fax: 91-79-27479955

Independent Auditor's Report

To the Members of Natural Growers Private Limited

Report on the audit of the Financial Statements

We have audited the accompanying Financial Statements of Natural Growers Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its Losses, total comprehensive Loss, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

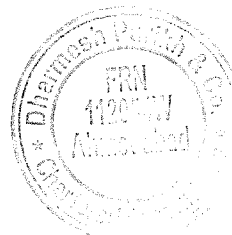
Other Information

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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Independent Auditor's Report

To the Members of Natural Growers Private Limited (Continue) ...

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the financial statements, management 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.

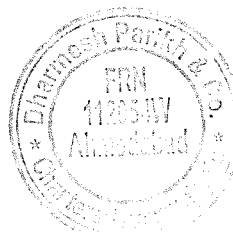
The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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Independent Auditor's Report

To the Members of Natural Growers Private Limited (Continue)...

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We were informed that the Company has closed its operations due to present market conditions and not due to any obsolescence to its assets. The assets are fully operational and are capable of being put to use as and when Company decides to start its operations. The Management has no plans to curtail operations permanently and expects to start operations in future. The Company has received continuing financial support from the parent company and expects to receive the same in future. The accounts have been prepared on a going concern basis considering all these facts.

Report on Other Legal and Regulatory Requirements

1. 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 "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) on the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act;



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To the Members of Natural Growers Private Limited (Continue) ...

- 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) 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:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. **With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad
Date: 4th May, 2020

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Kanti Gothi
Partner
Membership No. 127664
UDIN – 20127664AAAABY3884



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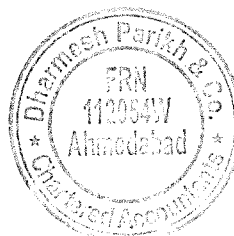
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RE: NATURAL GROWERS PRIVATE LIMITED
ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31st March, 2020, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us, the Company has a program of physically verifying its fixed assets in a phased manner designed to cover all assets, which in our opinion is reasonable having regard to the size of the company and the nature of its business. Accordingly during the year the management had carried out physical verification for some of its assets and no material discrepancies were noticed on such verification.
- c) The company does not have any Immovable Properties except lease hold land building constructed on it. Accordingly, the provisions of paragraph 3 (i) (c) of the Order are not applicable
- (ii) The inventory has been physically verified by the management during the year. The discrepancies noticed on verification of inventory as compared to book records were not material and have been dealt with in the books of account.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3 (iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) In our opinion and according to the information and explanation given to us the Company was not required to maintain Cost records under the Companies (Cost Records and Audit) Rules, 2014, as amended for the year under Audit.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the statutory dues payable by company including income tax, Goods and Service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of any duty of excise, custom, sales tax and service tax.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods and Service tax, Provident fund, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.



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RE: NATURAL GROWERS PRIVATE LIMITED
ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

- (c) According to the information and explanations given to us, there are no dues of Income tax, Duty of Excise, sales tax, value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute except as stated below.

Name of Statute	Nature of the dues	Forum where dispute is pending	Amount *	Amount paid under protest	Period to which the amount relates
Income Tax Act, 1961	Income Tax	Commissioner (Appeals)	24,63,570	3,69,536	2013-14

* Amount as per Demand orders including interest and penalty wherever applicable.

- (viii) The Company has not taken any loan either from banks, financial institutions or from the government. Company has issued 0% Compulsory Convertible Debenture on which interest or principal repayment is not require to be done. Accordingly the provisions of paragraph 3 (viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, or on the Company by its officers or employees, noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid/provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3 (xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) During the year Company has issued Compulsory Convertible Debenture to Existing Shareholder on Right Basis hence section 42 of the Companies Act, 2013 is not applicable to company, Funds so raised through CCD were utilized for the purpose for which they were raised. Company has not made any preferential allotment or private placement of share.



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ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 of our Report of even date)

- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad
Date : 4th May, 2020

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Kanti Gothi
Partner
Membership No. 127664
UDIN - 20127664AAAABY3884



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RE: NATURAL GROWERS PRIVATE LIMITED
ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of Natural Growers Private Limited on the financial statement for the year ended 31st March, 2020.

Report on the Internal Financial Controls under Clause i of sub-section 3 of section 143 of the Companies Act 2013 (the act).

We have audited the internal financial controls over financial reporting of the Natural Growers Private Limited (the company) as of 31st March, 2020 in conjunction with our audit of the Financial Statements of the company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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.

Management's Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



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RE: NATURAL GROWERS PRIVATE LIMITED
ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(f) of our Report of even date)

Meaning of Internal Financial Controls over Financial Reporting

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

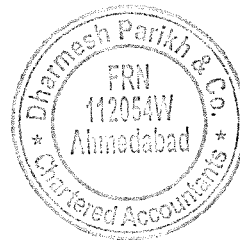
Inherent Limitations of Internal Financial Controls over Financial Reporting

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.

Place : Ahmedabad
Date : 4th May, 2020

For, **DHARMESH PARIKH & CO.**
Chartered Accountants
Firm Reg. No. 112054W

Kanti Gothi
Partner
Membership No. 127664
UDIN - 20127664AAAABY3884



NATURAL GROWERS PRIVATE LIMITED

Balance Sheet as at 31 March 2020

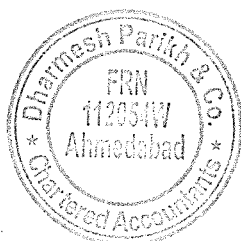
		(Amt in Rupees)	
	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
(I) Non-Current Assets			
(a) Property, Plant and Equipment	3	100,825,447	269,634,685
(b) Financial Assets			
(i) Other Financial Assets	4	105,000	105,000
(c) Income Tax Assets (net)		27,343	24,762
(d) Deferred Tax Assets (net)	19	-	-
(e) Other Non-Current Assets	5	369,536	620,860
		101,327,326	270,385,307
(II) Current Assets			
(a) Inventories	6	5,984,181	6,938,020
(b) Financial Assets			
(i) Cash & Cash Equivalents	7	207,393	135,923
(ii) Bank Balances other than (iii) above	8	1,273,204	1,197,817
(iii) Other Financial Assets	9	30,941	27,311
(c) Other Current Assets	10	257,037	257,037
		7,752,756	8,556,108
Total Assets		109,080,082	278,941,415
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11	500,000	500,000
(b) Instrument entirely in nature of Equity		472,541,500	470,709,700
(c) Other Equity		(419,707,412)	(247,998,039)
		53,334,088	223,211,661
LIABILITIES			
(I) Non-Current Liabilities			
(II) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	36,958,929	36,958,929
(ii) Trade Payables	13		
- Total dues of micro and small enterprises		-	-
- Total dues of creditors other than micro and small enterprises		853,245	835,445
(iii) Other Financial Liabilities	14	17,929,620	17,929,620
(b) Other Current Liabilities	15	4,200	5,760
		55,745,994	55,729,754
Total Equity & Liabilities		109,080,082	278,941,415

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Natural Growers Private Limited

Kanti Gothi
Partner
Membership No. 127664
Place : Ahmedabad
Date : 4th May, 2020



Atul Chaturvedi
Director
DIN : 00175355
Place : Ahmedabad
Date : 4th May, 2020

Shrikant Kanhere
Director
DIN : 07185218

NATURAL GROWERS PRIVATE LIMITED

Statement of Profit and Loss for the year ended on 31 March 2020

		(Amt in Rupees)	
	Notes	For the year ended 31 March 2020	For the year ended 31 March 2019
a) Revenue			
Revenue from Operations		-	-
Other Income	16	87,332	510,162
Total Revenue		87,332	510,162
b) Expenses			
Finance Costs	17	65,643	40
Depreciation and Amortisation Expense	3	19,757,077	19,760,385
Impairment of Property, Plant & Equipments	3	149,052,161	5,000,250
Other Expenses	18	2,921,824	803,947
Total Expenses		171,796,705	25,564,622
c) (Loss) Before Tax		(171,709,373)	(25,054,460)
d) Tax Expense			
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		-	-
e) (Loss) For The Year		(171,709,373)	(25,054,460)
f) Other Comprehensive Income			
- Item that will be reclassified to Profit & Loss		-	-
- Item that will not be reclassified to Profit & Loss		-	-
Total Other Comprehensive Income		-	-
g) Total Comprehensive (Loss) for the Year		(171,709,373)	(25,054,460)
h) Earning per Equity Share (Face value of Rs.10 each, in Rupees)	25		
Basic		(3,434.19)	(501.09)
Diluted		(3,434.19)	(501.09)

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For **Dharmesh Parikh & Co.**

Chartered Accountants

Firm Registration Number : 112054W

For and on behalf of the board of directors of

Natural Growers Private Limited

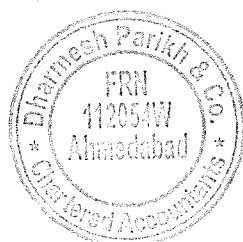
Kanti Gothi

Partner

Membership No. 127664

Place : Ahmedabad

Date : 4th May, 2020



Atul Chaturvedi

Director

DIN : 00175355

Place : Ahmedabad

Date : 4th May, 2020

Shrikant Kanhere

Director

DIN : 07185218

NATURAL GROWERS PRIVATE LIMITED

Statement of Changes in Equity for the year ended on 31 March 2020

A. Equity Share Capital

Particulars	Numbers	Amt in Rupees
Balance as at 1 st April 2018	50,000	500,000
Changes in the Equity Share Capital	-	-
As at 31 st March 2019	50,000	500,000
Changes in the Equity Share Capital	-	-
As at 31 st March 2020	50,000	500,000

B. Instrument entirely in nature of Equity - Compulsorily Convertible Debentures

Particulars	Numbers	Amt in Rupees
Balance as at 1 st April 2018	4,699,201	469,920,100
Debentures issued during the year	7,896	789,600
As at 31 st March 2019	4,707,097	470,709,700
Debentures issued during the year	18,318	1,831,800
As at 31 st March 2020	4,725,415	472,541,500

Note :

The Company has issued 0% Compulsorily Convertible Debentures to its holding company Adani Enterprises Limited, which shall be mandatorily converted in equity shares of the Company at par in the ratio of 10:1 at any time after the expiry of 5 years but before 10 years from the date of issue.

C. Other Equity

Particulars	(Amt in Rupees)	
	Retained Earnings	Total
Balance as at 1 st April 2018	(222,943,579)	(222,943,579)
Add : (Loss) for the year	(25,054,460)	(25,054,460)
Add : Other Comprehensive Income for the year	-	-
As at 31 st March 2019	(247,998,039)	(247,998,039)
Add : (Loss) for the year	(171,709,373)	(171,709,373)
Add : Other Comprehensive Income for the year	-	-
As at 31 st March 2020	(419,707,412)	(419,707,412)

Note :

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Natural Growers Private Limited

Kanti Gothi
Partner
Membership No. 127664
Place : Ahmedabad
Date : 4th May, 2020



Atul Chaturvedi
Director
DIN : 00175355
Place : Ahmedabad
Date : 4th May, 2020

Shrikant Kanhere
Director
DIN : 07185218

NATURAL GROWERS PRIVATE LIMITED

Statement of Cash Flows for the year ended on 31 March 2020

(Amt in Rupees)

	For the year ended 31 March 2020	For the year ended 31 March 2019
I. CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) Before Tax for the year	(171,709,373)	(25,054,460)
Adjustment on account of :		
Depreciation and Amortisation Expense	19,757,077	19,760,385
Impairment of Property, Plant & Equipment	149,052,161	5,000,250
Balances written off	-	55,706
Interest Expense	65,643	40
Interest Income	(87,198)	(76,611)
Liability no longer required written back	(134)	(433,550)
Operating (Loss) Before Working Capital Changes	(2,921,824)	(748,240)
Movements in Working Capital :		
Decrease / (Increase) in Inventories	953,840	-
Decrease / (Increase) in Other Current Assets	-	25,132
Decrease / (Increase) in Other Non-Current Assets	251,324	(62,832)
Increase / (Decrease) in Trade Payables	17,800	(37,783)
Increase / (Decrease) in Other Current Financial Liabilities	134	6,405
Increase / (Decrease) in Other Current Liabilities	(1,560)	2,269
Cash (used in) Operations	(1,700,287)	(815,050)
Less : Direct Taxes Paid	2,581	2,413
Net Cash (used in) Operating Activities	(1,702,868)	(817,463)
II. CASH FLOW FROM INVESTING ACTIVITIES		
Margin Money Deposit with a maturity exceeding three months	(75,387)	(68,597)
Interest Income received	83,568	76,615
Net Cash Flow From Investing Activities	8,181	8,018
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Compulsorily Convertible Debentures	1,831,800	789,600
Interest paid	(65,643)	(40)
Net Cash Flow From Financing Activities	1,766,157	789,560
Net Decrease in Cash & Cash Equivalents	71,470	(19,885)
Cash & Cash Equivalents at the beginning of the year	135,923	155,808
Cash & Cash Equivalents at the end of the year	207,393	135,923



NATURAL GROWERS PRIVATE LIMITED

Statement of Cash Flows for the year ended on 31 March 2020

Notes to Cash Flow Statement:

(i) Reconciliation of Cash & Cash Equivalents with the Balance Sheet :

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash and cash equivalents as per Balance Sheet (Refer note 2(e))	207,393	135,923

(ii) As per the amendment in Ind AS 7, disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes is disclosed below. There is no other impact on the financial statements due to this amendment.

Particulars	As at 31st March, 2019	Cash Flows	Non Cash Changes	As at 31st March, 2020
Short Term Borrowings	36,958,929	-	-	36,958,929
Total	36,958,929	-	-	36,958,929

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

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Natural Growers Private Limited

Kanti Gothi
Partner
Membership No. 127664
Place : Ahmedabad
Date : 4th May, 2020



Atul Chaturvedi
Director
DIN : 00175355

Place : Ahmedabad
Date : 4th May, 2020

Shrikant Kanhere
Director
DIN : 07185218

NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

1 Corporate Information

Natural Growers Private Limited is wholly owned subsidiary of Adani Enterprises Limited and an entity incorporated under the Companies Act, 1956, having its registered office at 601, 6th Floor, Hall Market Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai-400051, Maharashtra, India. The Company is in the business of manufacturing of sugar and its by-products.

2 Summary of Significant Accounting Policies

a) Basis of preparation and presentation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated.

b) Current & Non-Current Classification

All the 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 Schedule III to the Companies Act, 2013. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

c) Inventories

Inventory is valued at lower of cost and net realisable value. Cost is calculated to include all costs of purchases and non-refundable taxes, instrumental in bringing inventory to present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

d) Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

e) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

f) Revenue Recognition

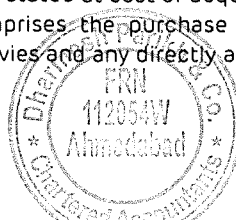
Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes collected from customers.

i) Revenue from sale of goods is recognised at the point in time when control is transferred to the customer.

ii) Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

g) Property, Plant & Equipments

Property, Plant and Equipments, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

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

Depreciation of Property, Plant and Equipments is provided on Straight Line Method based on the useful life of the assets in the manner specified in Schedule II of the Companies Act 2013, except as stated below which in the opinion of management is the useful life of the assets.

Bullock Cart	10 years
Leasehold Land	Over the period of lease (95 years)

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

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

For purposes of subsequent measurement, financial assets and liabilities are classified in various categories as under.

- > at amortised cost
- > fair value through other comprehensive income
- > fair value through profit and loss account

Financial instruments are subsequently measured and accounted based on their category. All financial instruments of the Company are covered under Amortised Cost. After initial measurement, such financial assets and liabilities are subsequently measured using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Impairment of Financial Assets

The Company applies simplified approach model for measurement and recognition of impairment loss on the financial assets and credit risk exposure.

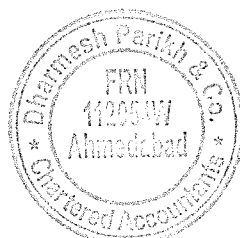
Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit losses (ECL) at each reporting date, right from its initial recognition.

Derecognition of Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



j) Segment Accounting

In accordance with Companies (Indian Accounting Standard) Rules, 2015 (as amended), the company has determined its business segment as manufacturing of Sugar and its related activities. Since, there are no other business segments in which the company operates, there are no other primary reportable segments. Further since the company's activities are limited to the plant location, it operates in a single geographical segment. Therefore, the segment revenue, results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as reflected in the financial statements.

k) Earnings Per Share

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

l) Taxes on Income

Tax expense comprises of current income tax and deferred tax.

i) Current Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items, relating to items recognised outside the statement of profit and loss, are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

ii) Deferred Taxation

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent it is probable that these assets can be realised in future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax includes MAT tax credit. The Company reviews such tax credit asset at each reporting date to assess its recoverability.

m) Impairment of Non-Financial Asset

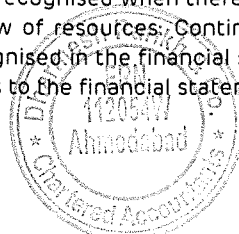
The carrying amount of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated.

The impairment loss is recognised whenever the carrying amount of an asset or its cash generation unit exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in the use which is determined based on the estimated future cash flow discounted to their present values. All impairment losses are recognised in the Statement of Profit and Loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognised in the Statement of Profit and Loss.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements. The nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

o) Leases

Effective from 1st April 2019, the Company has adopted Ind AS 116 on 'Leases' and applied the standard to all lease contracts existing as on 1st April, 2019 using the modified retrospective method on the date transition. At the inception of a contract, the Company assesses whether a contract contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is subsequently measured at amortised cost using the effective interest method.

p) Use of Significant Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with Ind AS requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and the estimates are recognised in the periods in which the results are known / materialized.

Estimates and assumptions are required in particular for:

i) Useful life of property, plant & equipments:

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, estimated usage and operating conditions of the asset, past history of replacement and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

ii) Recognition of deferred tax assets:

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

iii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

4 Non Current Financial Assets

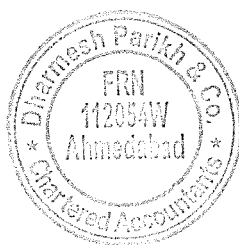
(Unsecured, Considered good)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Security Deposits	105,000	105,000
	105,000	105,000

5 Other Non Current Assets

(Unsecured, Considered good)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Deposits against demand in disputes	369,536	620,860
	369,536	620,860



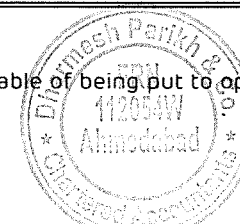
3 Property, Plant & Equipments

(Amt in Rupees)

Particulars	Property, Plant & Equipments							Total
	Right of Use Land	Furniture & Fixtures	Plant & Machinery	Office Equipments	Electric Installations	Buildings	Factory Buildings	
A. Year Ended 31 March 2019								
Gross Carrying Value as at 01-Apr-18								
Opening Gross Carrying Amount	3,789,560	839,109	280,318,334	311,938	8,365,184	718,118	64,496,400	358,838,643
Addition during the year	-	-	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-	-	-
Closing Gross Carrying Value as at 31-Mar-19	3,789,560	839,109	280,318,334	311,938	8,365,184	718,118	64,496,400	358,838,643
Accumulated Depreciation as at 01-Apr-18								
Opening Accumulated Depreciation	124,382	457,158	51,818,334	308,631	3,528,645	23,773	8,182,400	64,443,324
Depreciation during the year	41,460	152,386	15,925,278	3,307	1,176,215	7,924	2,453,815	19,760,385
Impairment	-	-	5,000,250	-	-	-	-	5,000,250
Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at 31-Mar-19	165,842	609,544	72,743,862	311,938	4,704,860	31,697	10,636,215	89,203,959
Net Carrying Amount as at 31-Mar-19	3,623,718	229,565	207,574,472	-	3,660,324	686,421	53,860,185	269,634,685
B. Year Ended 31 March 2020								
Gross Carrying Value as at 01-Apr-19								
Opening Gross Carrying Amount	3,789,560	839,109	280,318,334	311,938	8,365,184	718,118	64,496,400	358,838,643
Addition during the year	-	-	-	-	-	-	-	-
Deduction during the year	-	-	-	-	-	-	-	-
Closing Gross Carrying Value as at 31-Mar-20	3,789,560	839,109	280,318,334	311,938	8,365,184	718,118	64,496,400	358,838,643
Accumulated Depreciation as at 01-Apr-19								
Opening Accumulated Depreciation	165,842	609,544	72,743,862	311,938	4,704,860	31,697	10,636,215	89,203,959
Depreciation during the year	41,460	152,386	15,925,278	-	1,176,215	7,924	2,453,815	19,757,077
Impairment	-	-	149,052,161	-	-	-	-	149,052,161
Disposals	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at 31-Mar-20	207,302	761,930	237,721,301	311,938	5,881,076	39,620	13,090,030	258,013,196
Net Carrying Amount as at 31-Mar-20	3,582,258	77,179	42,597,033	-	2,484,109	678,498	51,406,370	100,825,447

Note :

The Company has temporarily closed its operations due to present market conditions. The assets are fully operational and are capable of being put to operations as and when the Company decides to resume its production activities. The assets have not suffered any obsolescence or damage.



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

6 Inventories

(valued at lower of cost or net realisable value)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
By-products	6,725	26,900
Stores and Spares	5,977,456	6,911,120
	5,984,181	6,938,020

7 Cash & Cash Equivalents

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Balances with banks		
- In current accounts	205,530	126,252
Cash on Hand	1,863	9,671
	207,393	135,923

8 Bank Balances (Other than Cash & Cash Equivalents)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Margin Money Deposits		
(lodged against bank guarantee, with original maturity over three months)	1,273,204	1,197,817
	1,273,204	1,197,817

9 Other Current Financial Assets

(Unsecured, Considered good)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Interest accrued but not due	30,941	27,311
	30,941	27,311

10 Other Current Assets

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Advances to Farmers	6,586,956	6,586,956
Less : Provision for doubtful advances	(6,329,919)	(6,329,919)
	257,037	257,037



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

11 Share Capital

	As at 31 March 2020		As at 31 March 2019	
	Numbers	Amt in Rupees	Numbers	Amt in Rupees
Authorised shares				
Equity Shares of Rs. 10/- each	50,000	500,000	50,000	500,000
Issued, subscribed fully paid-up shares				
Equity shares of Rs. 10/- each fully paid up	50,000	500,000	50,000	500,000
	50,000	500,000	50,000	500,000

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

	As at 31 March 2020		As at 31 March 2019	
	Numbers	Amt in Rupees	Numbers	Amt in Rupees
Equity shares				
At the beginning of the year	50,000	500,000	50,000	500,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	50,000	500,000	50,000	500,000

b. Terms / rights attached to equity shares

Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the liquidator may divide amongst the members, in piece or kind, the whole or any part of the assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company together with its nominees are as below :

	As at 31 March 2020		As at 31 March 2019	
	Numbers	Amt in Rupees	Numbers	Amt in Rupees
Equity Shares				
Adani Enterprises Limited	50,000	500,000	50,000	500,000
(Holding Company with its nominees)				
	50,000	500,000	50,000	500,000

d. Details of shareholders holding more than 5% shares in the company

	As at 31 March 2020		As at 31 March 2019	
	Numbers	% holding	Numbers	% holding
Equity Shares				
Adani Enterprises Limited	500,000	100%	500,000	100%
(Holding Company with its nominees)				
	500,000	100%	500,000	100%



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

12 Short Term Borrowings

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Unsecured Intercompany Loan	36,958,929	36,958,929
	36,958,929	36,958,929

Note :

Above unsecured loan is interest free and repayable on demand as per mutual agreement.

13 Trade Payables

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Trade payables		
- Total dues of micro and small enterprises (Refer note 22)	-	-
- Total dues of creditors other than micro and small enterprises	853,245	835,445
	853,245	835,445

14 Other Current Financial Liabilities

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Capital Creditors	17,929,620	17,929,620
	17,929,620	17,929,620

15 Other Current Liabilities

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Statutory Dues Payable (TDS payable)	4,200	5,760
	4,200	5,760

16 Other Income

	Amt in Rupees	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest Income on Deposits	87,198	76,611
Liability no longer required written back	134	433,550
	87,332	510,162

17 Finance Costs

	Amt in Rupees	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on Others	65,643	40
	65,643	40



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

18 Operating & Other Expenses

	Amt in Rupees	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Provision for Inventory	947,840	-
Stores and Spares written off	6,000	-
Fuel & Power	162,250	146,215
Repairs & Maintenance to Others	13,695	8,484
Bank Charges	2,018	2,587
Rates & Taxes	585,380	267,158
Payment to Auditors		
- Statutory Audit Fees	20,000	22,000
- Other Services	18,832	12,908
Professional Charges	1,094,370	236,250
Office Expenses	9,173	14,606
Travelling & Conveyance Expenses	55,866	9,250
Balances written off	-	55,706
Filing Fees	6,400	28,783
	2,921,824	803,947

19 Income Tax Expense

a. Calculation of Deferred Tax Liability / Asset (net)

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
Deferred Tax Liabilities		
Difference in tax base of assets	-	24,730,605
Deferred Tax Assets		
Difference in tax base of assets	5,577,230	-
Carried forward Business Loss / Depreciation	83,471,409	96,233,290
	89,048,639	71,502,684

Net deferred tax assets of Rs.8,90,48,639/- (P.Y.: Rs.7,15,02,684/-) is not recognised as there is no reasonable certainty as to when the assets can be realised.

b. Reconciliation of Income Tax Expense and the Accounting Profit multiplied by India's tax rate :

This note presents the reconciliation of Income Tax charged as per the Tax Rate specified in Income Tax Act, 1961 and the actual provision made in the Financial Statements as at 31st March 2020 and 31st March 2019.

	Amt in Rupees	
	31 March 2020	31 March 2019
Loss Before Tax	(171,709,373)	(25,054,460)
Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.17%	26.00%
Tax Expense / (Credit) as per Income Tax Act, 1961	(43,215,815)	(6,514,160)
Impact of disallowances as per Income Tax Act, 1961	37,513,448	-
Current year losses for which no deferred tax asset is recognised	5,702,367	6,514,160
Income tax recognised in profit and loss account at effective rate	-	-

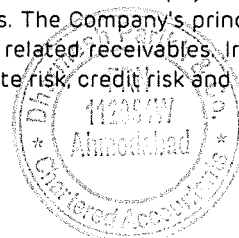
20 Financial Instruments and Risk Review

a. Fair Value Measurement and Hierarchy

Since the Company does not have any financial asset or liability measured at fair value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

b. Financial Risk Management Objective and Policies

The Company's principal financial liabilities comprise borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loan and receivables, cash and cash equivalents and other business related receivables. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate risk, credit risk and liquidity risk.



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

i) Interest risk

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Companies risk management activities are subject to the management, direction and control of Central Treasury Team of the Adani Group under the framework of Risk Management Policy for interest rate risk. The Group's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the company. The company has adopted the policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial losses from default. The carrying amount of financial assets recorded in the financial statements represents the company's maximum exposure to credit risk. Cash are held with creditworthy financial institutions.

iii) Liquidity risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

As at 31st March, 2020 :

(Amt in Rupees)

Particulars	Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Borrowings	36,958,929	-	-	36,958,929
Trade Payables	853,245	-	-	853,245
Other Financial Liabilities	17,929,620	-	-	17,929,620

As at 31st March, 2019 :

(Amt in Rupees)

Particulars	Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Borrowings	36,958,929	-	-	36,958,929
Trade Payables	835,445	-	-	835,445
Other Financial Liabilities	17,929,620	-	-	17,929,620

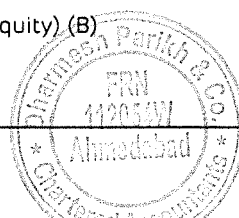
iv) Capital Management

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation, short term and long term borrowings and financial support from the holding company.

The company monitors capital using gearing ratio, which is net debt (borrowings as detailed in note 12 less cash and bank balances) divided by total capital plus debt.

(Amt in Rupees)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Total Borrowings (Refer note 12)	36,958,929	36,958,929
Less: Cash and Bank Balance (Refer notes 7 & 8)	1,480,597	1,333,740
Net Debt (A)	35,478,332	35,625,189
Total Equity (including Instruments entirely in nature of Equity) (B)	53,334,088	223,211,661
Total Equity and Net Debt (C = A + B)	88,812,420	258,836,850
Gearing ratio	40%	14%



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

21 Contingent Liabilities & Commitments

	Amt in Rupees	
	As at 31 March 2020	As at 31 March 2019
A Contingent Liabilities		
(i) Claims against the company not acknowledged as debts	9,634,077	9,634,077
(ii) Liabilities in respect of -		
a. Income Tax	2,463,570	2,463,570
b. Excise Duty	-	2,513,223
(iii) Bank Guarantee to Regional Manager, Maharashtra Pollution Control Board	800,000	800,000
B Commitments		
Estimated amount of contracts remaining to be executed on capital accounts (net of advances)	-	-

Notes :

a) Certain claims / show cause notices disputed have neither been considered as contingent liabilities nor acknowledged as debt, based on internal evaluation of the management.

b) The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of the matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and consequential interest and penalties, which would reduce / (increase) the net income / (loss) in the respective reported period.

22 Disclosures under MSMED Act

There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information 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. This has been relied upon by the auditors.

23 Related Parties

> Holding Company	:	Adani Enterprises Limited
> Subsidiary Company	:	Nil
> Fellow Subsidiary Company & Associates	:	Nil
> Key Management Personnel	:	Mr. Atul Chaturvedi, Director Mr. Ajit Barodia, Director Mr. Shrikant Kanhere, Director

Information in respect of Related Parties	Amt in Rupees	
	31 March 2020	31 March 2019
<u>Debenture Application Received</u>		
Holding Company : Adani Enterprises Limited	1,831,800	789,600
<u>Issue of Compulsory Convertible Debentures</u>		
Holding Company : Adani Enterprises Limited	1,831,800	789,600

24 Events occurring after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognised or reported that are not already disclosed.



NATURAL GROWERS PRIVATE LIMITED

Notes to Financial Statements for the year ended 31 March 2020

25 Earning Per Share (EPS)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit / (Loss) for calculation of basic and diluted EPS (in Rupees)	(171,709,373)	(25,054,460)
Weighted average number of equity shares for calculating Basic EPS (Numbers)	50,000	50,000
Weighted average number of equity shares for calculating Diluted EPS (Numbers)	50,000	50,000
Face value of equity shares (in Rupees)	10	10
Basic Earning Per Share (in Rupees)	(3,434.19)	(501.09)
Diluted Earning Per Share (in Rupees)	(3,434.19)	(501.09)

26 Leases - the carrying value of the Rights-of-Use and Depreciation charged during the year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note 3 on "Property, Plant & Equipments".

27 Other Disclosures

- (a) The Company has accumulated losses of Rs. 41,97,07,412/- (P.Y. 24,79,98,039/-) as at the Balance Sheet date, which have resulted in erosion of the Company's net worth. The Company has no intension of curtailing the scale of its operation and productions. Further, the Company has been able to meet its obligations in the ordinary course of business. The Company has obtained support from Adani Enterprises Limited (its holding company) through a comfort letter dated 30th April 2020 and also has an arrangement with other company for providing financial and technical support for improving the efficiency of the project. Accordingly, these financial statements have been prepared assuming that the Company will continue as a going concern.
- (b) The Company has closed its operations. However, the closure is due to present market conditions and ongoing covid pandemic and not due to any obsolescence or damage to its assets. The assets are fully operational and are capable of being put to operations as and when the Company decides to resume its production.
- (c) The financial statements were approved for issue by the board of directors on 4th May, 2020.
- (d) Previous year's figures have been recast, regrouped and rearranged, wherever necessary to conform to this year's classification.

As per our report of even date
For **Dharmesh Parikh & Co.**
Chartered Accountants
Firm Registration Number : 112054W

For and on behalf of the board of directors of
Natural Growers Private Limited

Kanti Gothi
Partner
Membership No. 127664

Place : Ahmedabad
Date : 4th May, 2020



Atul Chaturvedi
Director
DIN : 00175355

Place : Ahmedabad
Date : 4th May, 2020

Shrikant Kanhere
Director
DIN : 07185218