

Valmikeshwar Agro Producer Company Limited

Sailu Corner, Pathri, Tq- Pathri, Dist- Parbhani, Maharashtra, India- 431503

Audited Financial Statements

Financial Year: 2020-2021

Assessment Year: 2021-2022

Auditor:

S A N N & Co.

Chartered Accountants



SANN & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Valmikeshwar Agro Producer Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Valmikeshwar Agro Producer Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021 the Statement of Profit and Loss, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2021, its loss 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules 2006 (as amended) specified under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended. 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 the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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.

Report on Other Legal and Regulatory Requirements

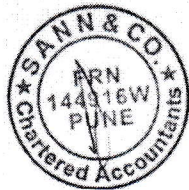
1. This Report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules 2006 (as amended) specified under section 133 of the Act read with the Companies (Accounts) Rules, 2014, as amended;
 - (e) On the basis of the written representations received from the directors as at August 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) This Report does not include report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;
 - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S A N N & Co
Chartered Accountants
ICAI Firm Registration Number: 144916W

Anant Ambure



Anant Ambure
Partner

Membership Number: 157386

UDIN:21157386AAAACG9902

Place of Signature: Pune

Date: April 29, 2021

Valmikeshwar Agro Producer Company Limited
 CIN: U01110MH2020PTC344759
 Balance Sheet as at 31 March 2021

| | Note | (Amount in Rs.) 31-March-2021 |
|--|------|----------------------------------|
| EQUITY AND LIABILITIES | | |
| Shareholders' funds | | |
| Share capital | 3 | 1,00,000 |
| Reserves & Surplus | 4 | (20,391) |
| | | <u>79,609</u> |
| Current liabilities | | |
| Short-term borrowings | 5 | 20,000 |
| Other current liabilities | 6 | 3,66,890 |
| | | <u>3,86,890</u> |
| Total | | <u><u>4,66,499</u></u> |
| ASSETS | | |
| Non-current assets | | |
| Fixed assets | | |
| Tangible assets | 7 | 2,80,000 |
| Deferred tax assets (Net) | 8 | 6,771 |
| | | <u>2,86,771</u> |
| Current assets | | |
| Cash and Bank balance | 9 | 1,79,728 |
| | | <u>1,79,728</u> |
| Total | | <u><u>4,66,499</u></u> |
| Summary of significant accounting policies | 2 | |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S A N N & Co.
 Chartered Accountants
 Firm Registration No.: 144916W

Sumal
 Anant Ambure
 Partner
 Membership No: 157386



Place: Pune
 Date: April 29, 2021

For and on behalf of the Board of Directors of
 Valmikeshwar Agro Producer Company Limited
 CIN: U01110MH2020PTC344759

B. Nakhate
 Bhavana Anilrao Nakhate
 Director
 DIN: 08851889

S. Nakhate
 Anil Sakharam Nakhate
 Director
 DIN: 08851888

Place: Pathri
 Date: April 29, 2021

Place: Pathri
 Date: April 29, 2021

A. Nakhate
 Aditya Anilrao Nakhate
 CEO
 DIN: 08851890

Place: Pathri
 Date: April 29, 2021



Valmikeshwar Agro Producer Company Limited
 CIN: U01110MH2020PTC344759
 Statement of Profit and Loss for the year ended 31 March 2021

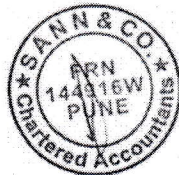
| | Note | (Amount in Rs.) 31-March-2021 |
|--|------|----------------------------------|
| Income | | |
| Revenue from operations | 10 | 6,48,267 |
| Total revenue | | 6,48,267 |
| Expenses: | | |
| Purchase of traded goods | 11 | 5,66,922 |
| Depreciation and amortisation expense | 7 | 10,000 |
| Other expenses | 12 | 98,507 |
| Total expenses | | 6,75,429 |
| Profit / (Loss) before tax | | (27,162) |
| Tax expense: | | |
| Current tax | | - |
| Deferred tax charge/ (benefit) | 8 | (6,771) |
| Profit / (Loss) for the year | | (20,391) |
| Earnings per equity share [Nominal value per share Rs.10: | | |
| Basic earnings per share | 13 | (2.04) |
| Diluted earnings per share | | (2.04) |

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S A N N & Co.
 Chartered Accountants
 Firm Registration No.: 144916W

Anant Ambure
 Anant Ambure
 Partner
 Membership No: 157386



Place: Pune
 Date: April 29, 2021

For and on behalf of the Board of Directors of
 Valmikeshwar Agro Producer Company Limited
 CIN: U01110MH2020PTC344759

Bhavana Anilrao Nakhate
 Bhavana Anilrao Nakhate
 Director
 DIN: 08851889

Place: Pathri
 Date: April 29, 2021

Aditya Anilrao Nakhate
 Aditya Anilrao Nakhate
 CEO
 DIN: 08851890

Place: Pathri
 Date: April 29, 2021

Anil Sakharam Nakhate
 Anil Sakharam Nakhate
 Director
 DIN: 08851888

Place: Pathri
 Date: April 29, 2021



Valmikeshwar Agro Producer Company Limited

CIN: U01110MH2020PTC344759

Notes forming part of the Financial Statements for the year ended 31 March 2021

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Corporate Information / Background

The Company has been incorporated on 27 August 2020 having CIN: U01110MH2020PTC344759 with its registered office at Sailu Corner, Pathri, Tq- Pathri, Dist- Parbhani, Maharashtra, India- 431503. The Company is in the business to carry on the business of production, harvesting, procurement, grading, pooling, handling, marketing, selling, packaging, export of agriculture produces of the members or import of goods or services for their benefit and to set up processing unit for import, export, for distribution or deal in agricultural produce of all description, like fruits, vegetable, seeds and herbal products and trade in all the products and related goods.

2. Summary of significant accounting policies

a. Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now (hitherto) in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for current or non-current classification of assets and liabilities.

b. Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

d. Income taxes

Tax expense for the period comprises of deferred tax.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Valmikeshwar Agro Producer Company Limited

CIN: U01110MH2020PTC344759

Notes forming part of the Financial Statements for the year ended 31 March 2021

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

e. Contingent Liability, Provisions and Contingent Asset

The Company creates a provision when there is 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 obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

f. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Valmikeshwar Agro Producer Company Limited
Notes forming part of the Financial Statements for the year ended 31 March 2021

3 Share capital (Amount in Rs.)
The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity shares.

| | 31-March-2021 |
|---|-----------------|
| <u>Authorised</u> 10,000 equity shares of Rs. 10 each | 1,00,000 |
| <u>Issued, subscribed and paid up</u> 10,000 equity shares of Rs. 10 each fully paid | 1,00,000 |
| Total | 1,00,000 |

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

| | 31-March-2021 | |
|--|------------------|-----------------|
| | Number of shares | Amount |
| Outstanding at the beginning of the year | - | - |
| Add: Issued during the year | 10,000 | 1,00,000 |
| Outstanding at the end of the year | <u>10,000</u> | <u>1,00,000</u> |

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2021, the Company has not declared the dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Name of the shareholder | 31-March-2021 | |
|-------------------------|------------------|---------------------------|
| | Number of shares | % of holding in the class |
| Bhavana Anilrao Nakhate | 5,000 | 50.00% |
| Anil Sakharam Nakhate | 2,500 | 25.00% |
| Aditya Anilrao Nakhate | 1,220 | 12.20% |
| Ajinkya Anilrao Nakhate | 916 | 9.16% |

4 Reserves and surplus

| | 31-March-2021 |
|--|------------------------|
| Surplus/(deficit) in the Statement of Profit and Loss | |
| Opening balance | |
| Add: Net Profit/(Net Loss) for the current year | (20,391) |
| Closing balance | <u>(20,391)</u> |
| Total Reserves and surplus | <u>(20,391)</u> |

5 Short-term borrowings

| | 31-March-2021 |
|---|----------------------|
| Loans and advances from related parties | 20,000 |
| Total Short term borrowings | <u>20,000</u> |

6 Other current liabilities

| | 31-March-2021 |
|--|------------------------|
| Trade payables | 3,56,890 |
| Audit fees payable | 10,000 |
| Total Other current liabilities | <u>3,66,890</u> |



Valmikeswar Agro Producer Company Limited
Notes forming part of the Financial Statements for the year ended 31 March 2021

7 Fixed assets

| | Gross block | | | Depreciation / Amortisation | | | (Amount in Rs.) | | |
|----------------|---------------------|---------------------------|----------------------------|-----------------------------|---------------------|-----------------|-------------------------------|---------------------|----------------------------------|
| | As at 01-04-2020 | Additions/ Adjustments | Deductions/ Adjustments | Up to 31-03-2021 | As at 01-04-2020 | For the year | On Deductions/ Adjustments | Up to 31-03-2021 | Net block As at 31-03-2021 |
| Leased assets | | | | | | | | | |
| Leasehold land | - | 2,90,000 | - | 2,90,000 | - | 10,000 | - | 10,000 | 2,80,000 |
| Total | - | 2,90,000 | - | 2,90,000 | - | 10,000 | - | 10,000 | 2,80,000 |

8 Deferred tax liabilities/(asset) (Net)

| | Charge/(benefit) for the year | 31-March-2021 |
|---|----------------------------------|----------------|
| Deferred tax asset | | |
| Carry Forward of Losses | (6,771) | (6,771) |
| Gross deferred tax asset (A) | (6,771) | (6,771) |
| Deferred tax liability | - | - |
| Gross deferred tax liability (B) | - | - |
| Net deferred tax liability/(asset) (B-A) | (6,771) | (6,771) |

9 Cash and bank balances

| | 31-March-2021 |
|-------------------------------------|-----------------|
| Balances with banks | |
| On current accounts | 1,69,728 |
| Cash on hand | 10,000 |
| Total Cash and bank balances | 1,79,728 |



Valmikeshwar Agro Producer Company Limited
Notes forming part of the Financial Statements for the year ended 31 March 2021

(Amount in Rs.)

| | | | |
|-----------|---|--|----------------------|
| 10 | Revenue from operations | | <u>31-March-2021</u> |
| | Sale of goods | | 6,48,267 |
| | Revenue from operations (Net) | | <u>6,48,267</u> |
| 11 | Purchase of traded goods | | <u>31-March-2021</u> |
| | Traded goods | | 5,66,922 |
| | Revenue from operations (Net) | | <u>5,66,922</u> |
| 12 | Other expenses | | <u>31-March-2021</u> |
| | Bank charges | | 407 |
| | Auditor's remuneration (Refer note below) | | 10,000 |
| | Lease registration charges | | 88,100 |
| | Total Other expenses | | <u>98,507</u> |
| | Note : The following is the break-up of Auditors remuneration | | |
| | As auditor: | | <u>31-March-2021</u> |
| | Statutory audit | | 10,000 |
| | Income Tax | | - |
| | Total | | <u>10,000</u> |
| 13 | Earnings Per Share | | <u>31-March-2021</u> |
| | Profit/ (loss) after tax | | (20,391) |
| | Net profit/ (loss) for calculation of basic EPS | | <u>(20,391)</u> |
| | Weighted average number of equity shares in calculating basic / diluted EPS | | 10,000 |
| | Basic EPS | | (2.04) |
| | Diluted EPS | | (2.04) |

- 14 Based on the information available with the Company, there are no outstanding dues to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006. There is no interest payable to any suppliers under the said Act.
- 15 In the opinion of the Board, the Current assets and loans and advances are approximately of the value stated, if realised in the ordinary course or business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 16 Previous year figures and Cash Flow Statement have not been provided as the Company is incorporated in the current year.

As per our report of even date

For S A N N & Co.
Chartered Accountants
Firm Registration No.: 144916W

Anant Ambure
Anant Ambure
Partner
Membership No: 157386



Place: Pune
Date: April 29, 2021

For and on behalf of the Board of Directors of
Valmikeshwar Agro Producer Company Limited
CIN: U01110MH2020PTC344759

Bhavana Anilrao Nakhate
Bhavana Anilrao Nakhate
Director
DIN: 08851889

Anil Sakharam Nakhate
Anil Sakharam Nakhate
Director
DIN: 08851888

Place: Pathri
Date: April 29, 2021

Place: Pathri
Date: April 29, 2021

Aditya Anilrao Nakhate
Aditya Anilrao Nakhate
CEO
DIN: 08851890

Place: Pathri
Date: April 29, 2021

