MAPSS And Company

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To

The Members of HMA Agro Industries Limited

Report on the audit of the Consolidated Indian Accounting Standards (IND AS) Financial Statements

Opinion

We have audited the accompanying Consolidated (IND AS) Financial Statements of **HMA Agro Industries Limited** ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss and Consolidated statement of cash flows for the year then ended, and notes to the Consolidated (IND AS) Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated (IND AS) Financial Statements give the information required by the **Companies Act, 2013** ('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 Consolidated state of affairs of the Company as at March 31, 2021, the Consolidated statement of profit (or Loss)* including other comprehensive income , the Consolidated statement of changes in equity and Consolidated statement of cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the Consolidated (IND AS) 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 Consolidated (IND AS) 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 opinion.

Key audit matters

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Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated (IND AS) Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated (IND AS) Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Other Matters

- As stated by the management of the company, the debtors and creditors are paid on bill-to-bill basis.
- Figures shown under the head of Sundry Debtors, Sundry Creditors are subject to confirmation.

Information other than the Consolidated (IND AS) Financial Statements and auditors' report thereon

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 Consolidated (IND AS) Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated (IND AS) 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 Consolidated (IND AS) Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated (IND AS) Financial Statements, or our knowledge obtained during 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.

Management's responsibility for the Consolidated (IND AS) Financial Statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these Consolidated (IND AS) Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

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completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated (IND AS) 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 also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated (IND AS) Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated (IND AS) 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 Consolidated (IND AS) 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 Consolidated (IND AS) 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. Under section 143(3)(i) of the Companies Act, 2013, 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.
- 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 Consolidated (IND AS) Financial Statements or, if such disclosures are inadequate, to

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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 Consolidated (IND AS) Financial Statements, including the disclosures, and whether the Consolidated (IND AS) 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated (IND AS) Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 Consolidated balance sheet, the Consolidated statement of profit and loss, and the Consolidated cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid Consolidated (IND AS) Financial Statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the board of directors, none of the directors is disqualified

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as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) 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;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For MAPSS AND COMPANY
Chartered Accountants
Firm Registration No.012796C

M/S MAPSS AND COMPANY FRN-012796C CHARTERED ACCOUNTANTS

CA GYAN CHANDRA MISRA
Membership No. 078183
Place: Ghaziabad
Date: 02/11/2021
UDIN :- 21078183AAAAIX1340

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Consolidated (IND AS) Financial Statements of the Company for the year ended March 31, 2021:

1) (a) The Company has maintained proper records showing full particulars, Including quantitative details and situation of fixed assets

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) 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.

6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

M/S MAPSS AND COMPANY FRN-012796C CHARTERED ACCOUNTANTS

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, duty of customs, duty of excise outstanding on account of any dispute.

8) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to Bank.

9) 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 to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Consolidated (IND AS) Financial Statements as required by the applicable accounting standards.

M/S MAPSS AND COMPANY
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14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) 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 to the Company and hence not commented upon.

For MAPSS AND COMPANY
Chartered Accountants
Firm Registration No.012796C

M/S MAPSS AND COMPANY
FRN-012796C
CHARTERED ACCOUNTANTS

CA GYAN CHANDRA MISRA
Membership No. 078183
Place: Ghaziabad
Date: 02.11.2021
UDIN :- 21078183AAAAIX1340

HMA Agro Industries Limited

Consolidated Balance Sheet as at March 31, 2021
18A/5/3 TAJVIEW CROSSING FATEHABAD ROAD AGRA UP 282001
CIN : U74110UP2008PLC034977

(in Rupees Million)

Particulars	Note	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
ASSETS				
(A) Non-current assets				
(a) Property, plant and equipment	*(3)*	919	947	835
(b) Right-of-use assets	*(4)*	-	123	-
(c) Capital work in progress	*(3)*	136	56	1
(e) Goodwill	*(5)*	6	6	6
(d) Financial assets				
(i) Investments		-	-	-
(ii) Loans	*(7)*	31	27	27
(iii) Other bank balances	*(8)*	106	103	30
(iv) Other financials assets	*(9)*	30	30	19
(e) Income tax assets		245	140	187
(f) Deferred tax assets (net)	*(10)*	17	41	13
(g) Other assets	*(11)*	558	23	25
Total non-current assets		**2,048**	**1,496**	**1,142**
(B) Current assets				
(a) Inventories	*(12)*	1,268	1,573	936
(b) Financial assets	*(9)*			
(i) Trade receivables	*(6)*	1,529	1,098	2,806
(ii) Cash and cash equivalents	*(13)*	517	385	67
(iii) Loans	*(7)*	16	16	17
(v) Other financial assets	*(9)*	-	-	6
(c) Other assets	*(11)*	562	463	697
Total current assets		**3,892**	**3,535**	**4,529**
Total assets		**5,940**	**5,031**	**5,671**
EQUITY AND LIABILITIES				
(A) Equity				
(a) Share capital	*(14)*	37	37	37
(b) Other equity	*(15)*	2,568	1,840	1,384
(c) Non Controlling Interest		5	5	6
Total equity		**2,610**	**1,882**	**1,427**
(B) Liabilities				
(I) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	*(16)*	50	-	-
(ii) Lease obligation	*(33)*	-	-	-
Total non-current liabilities		**50**	**-**	**-**
(II) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	*(16)*	1,763	1,691	1,320
(ii) Lease obligation	*(33)*	-	126	-
(iii) Trade payables	*(17)*			
1. Dues of micro enterprises and small enterprises		-	-	-
2. Dues of creditors other than micro enterprises and small enterprises		671	363	2,542
(iv) Other financial liabilities	*(18)*	64	126	80
(b) Other liabilities	*(20)*	549	651	121
(c) Provisions	*(19)*	5	3	2
(d) Current tax liabilities		227	187	178
Total current liabilities		**3,279**	**3,148**	**4,244**
Total Equity and Liabilities		**5,940**	**5,031**	**5,671**

Significant accounting policies *1 - 2*

The accompanying notes from 1 to 39 form an integral part of the financial statements

As per our report of even date attached.

FOR MAPSS AND COMPANY
Chartered Accountants
Firm's Registration Number: 012796C

MAPSS AND COMPANY FRN-012796C CHARTERED ACCOUNTANTS

CA Gyan Chandra Misra
Partner
Membership Number: 078183
Place : Ghaziabad
Date : 02-11-2021

For and on behalf of the Board of Directors of
HMA Agro Industries Limited

Gulzar Ahmed	**Wajid Ahmed**	**Gulzeb Ahmed**	**CS Nikhil Sundrani**
Whole Time Director	Managing Director	Chief Financial officer	Company Secretary
DIN : 01312305	DIN : 01312261	DIN : 06546660	Membership no. : 53307
Place : Agra	Place : Agra	Place : Agra	Place : Agra
Date : 02-11-2021	Date : 02-11-2021	Date : 02-11-2021	Date : 02-11-2021

HMA Agro Industries Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2021
18A/5/3 TAJVIEW CROSSING FATEHABAD ROAD AGRA UP 282001
CIN : U74110UP2008PLC034977

(in Rupees Million)

Particulars	Note	Year ended March 31, 2021	Year ended March 31, 2020
(1) Income			
(a) Revenue from operations	(21)	17,075	23,728
(b) Other income	(22)	129	438
Total Income		**17,204**	**24,166**
(2) Expenses			
(a) Cost of raw materials consumed	(23)	13,359	19,758
(b) Changes in inventories	(24)	305	(637)
(c) Employee benefits expense	(25)	584	758
(d) Finance costs	(26)	43	181
(e) Depreciation and amortization expense	(27)	149	220
(f) Other expenses	(28)	1,782	3,268
Total Expenses		**16,221**	**23,547**
(3) Profit before tax (1-2)		**983**	**619**
(4) Tax expense	(39)		
(a) Current tax		227	187
(b) Tax expense relating to prior years		4	2
(c) Deferred tax charge / (credit)		23	(28)
Total tax expense		**254**	**161**
(5) Profit for the year		**728**	**458**
(6) Other comprehensive income/(loss)			
(1) Items that will be reclassified to Profit / (Loss)		-	-
(2) Items that will not be reclassified subsequently to Profit / (Loss)		-	-
Total other comprehensive income/(loss)		**-**	**-**
(7) Total comprehensive income for the year		**728**	**458**
(Loss) for the year attributable to:			
Equity holders of the parent		728	458
Non-Controlling Interest		(0)	(0)
Total			
Earnings per share (EPS)	(38)		
(1) Basic EPS		195	123
(2) Diluted EPS		195	123

Significant accounting policies *1 - 2*

The accompanying notes from 1 to 39 form an integral part of the financial statements

As per our report of even date attached.

FOR MAPSS AND COMPANY
Chartered Accountants
Firm's Registration Number: 012796C

M/S MAPSS AND COMPANY FRN-012796C CHARTERED ACCOUNTANTS

CA Gyan Chandra Misra
Partner
Membership no.: 078183
Place : Ghaziabad
Date : 02-11-2021

For and on behalf of the Board of Directors of
HMA Agro Industries Limited

Gulzar Ahmed
Whole Time Director
DIN : 01312305
Place : Agra
Date : 02-11-2021

Wajid Ahmed
Managing Director
DIN : 01312261
Place : Agra
Date : 02-11-2021

Gulzeb Ahmed
Chief Financial Officer
DIN : 06546660
Place : Agra
Date : 02-11-2021

CS Nikhil Sundrani
Company Secretary
Membership no. : 53307
Place : Agra
Date : 02-11-2021

HMA Agro Industries Limited

Statement of Cash flows for the year ended March 31, 2021
18A/5/3 TAJVIEW CROSSING FATEHABAD ROAD AGRA UP 282001
CIN : U74110UP2008PLC034977

(in Rupees Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(A) Cashflows from operating activites		
Profit before tax	**983**	**619**
Adjustment for:		
Depreciation	83	100
Amoritsation of right-of-use assets	65	120
Interest on lease liabilities	3	13
Unrealised Fair value (gain)/loss on forward contracts (net)	(97)	103
Interest on bank deposits	(8)	(4)
Profit on sale of assets (net)	(1)	-
Unrealised foreign exchange loss/(gain) (net)	31	(395)
Operating cash flow before working capital changes	**1,059**	**557**
Adjustment for changes in working capital:		
(Increase) in trade receivables	(467)	2,099
(Increase)/Decrease in inventories	305	(637)
Decrease in loans	(0)	2
Decrease/(Increase) in other current financial assets	-	(5)
Decrease/(Increase) in other non current assets	(534)	2
(Increase) in other current assets	(99)	234
(Decrease) / Increase in trade payables	308	(2,178)
Increase / (Decrease) in other current financial liabilities	36	(58)
(Decrease) in current and non-current provisions	2	1
Increase in other current liabilities	(102)	529
Cash generated from operations	**507**	**545**
Taxes paid (net of refunds)	(296)	(133)
Net cashflows from operating activities	**211**	**412**
(B) Cashflows from investing activities		
Purchase of property, plant and equipment	(135)	(267)
Movement in bank deposits with maturity greater than 3 months (net)	(2)	(74)
Interest received on fixed deposit	8	4
Net cashflows from investing activities	**(129)**	**(337)**
(C) Cashflows from financing activities		
Proceeds from issue of equity shares	-	-
Borrowings (net)	122	372
Repayment of lease liabilities including interest	(72)	(129)
Net cashflows from financing activities	**50**	**243**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**131**	**318**
Cash and cash equivalents at the beginning of the year	385	67
Cash and cash equivalents at the end of the year	**517**	**385**
Cash and cash equivalents comprise of:		
Cash in hand	37	7
Balance with banks:		
In current accounts	395	378
In fixed deposit account with original maturity of 3 months or less	85	0
Total cash and cash equivalents	**517**	**385**

Notes :

The cashflow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flows' as specified under section 133 of the Companies Act,2013.

As per our report of even date attached.

For and on behalf of the Board of Directors of HMA Agro Industries Limited

FOR MAPSS AND COMPANY
Chartered Accountants
Firm's Registration Number: 012796C

MAPSS AND COMPANY FRN-012796C CHARTERED ACCOUNTANTS

CA Gyan Chandra Misra
Partner
Membership no.: 078183
Place : Ghaziabad
Date : 02-11-2021

Gulzar Ahmed
Whole Time Director
DIN : 01312305
Place : Agra
Date : 02-11-2021

Wajid Ahmed
Managing Director
DIN : 01312261
Place : Agra
Date : 02-11-2021

Gulzeb Ahmed
Chief Financial Officer
DIN : 06546660
Place : Agra
Date : 02-11-2021

CS Nikhil Sundrani
Company Secretary
Membership no. : 53307
Place : Agra
Date : 02-11-2021

HMA Agro Industries Limited

Statement of Changes in Equity for the year ended March 31,2021
18A/5/3 TAJVIEW CROSSING FATEHABAD ROAD AGRA UP 282001
CIN : U74110UP2008PLC034977

(A) Equity share capital

(in Rupees Million)

Particulars	Note	Amount
Balance as at April 1, 2019		**37**
Changes in equity share capital during the year	(14)	-
Balance as at March 31, 2020		**37**
Balance as at April 1, 2020		**37**
Changes in equity share capital during the year	(14)	-
Balance as at March 31, 2021		**37**

(B) Other equity

(in Rupees Million)

Particulars	Reserve and Surplus				Attributable to Parent	Attributable to Non controlling interest share holders	Total equity
	General Reserve	Capital Reserve	Securities Premium	Retained earnings			
							-
Balance as at April 1, 2019	600	25	34	728	1,384	5	1,389
Transition impact (Refer note 34)	-	-	-	(3)	(2.64)	-	(3)
Profit for the year	-	-	-	458	458.46	(0)	458
Less: Dividend adjusted for previous year	-	-	-	(3)	(2.61)	-	(3)
Less: Dividend tax adjusted for previous year	-	-	-	(1)	(0.54)	-	(1)
Balance as at March 31, 2020	**600**	**25**	**34**	**1,180**	**1,837**	**5**	**1,842**
Balance as at April 1, 2020	600	25	34	1,180	1,839.69	5	1,845
Profit for the year	-	-	-	728	728.24	(0)	728
Balance as at March 31, 2021	**600**	**25**	**34**	**1,908**	**2,568**	**5**	**2,573**

Nature and purpose of reserves

(a) **Securities Premium Reserve**: The amount received in excess of face value of the equity shares is recognised in Securities Premium. It can be used only in accordance with provisions of Companies Act, 2013 for specified purposes.

(b) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to shareholders.

(c) **Capital Reserves :** Any short fall of consideration paid over net assets acquired is treated as capital reserve under equity.

(d) **General Reserves** :Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013

The accompanying notes from 1 to 39 form an integral part of the financial statements

As per our report of even date attached.

FOR MAPSS AND COMPANY
Chartered Accountants
Firm's Registration Number: 012796C

M/S MAPSS AND COMPANY
FRN-012796C
CHARTERED ACCOUNTANTS

CA Gyan Chandra Misra
Partner
Membership Number: 0?8180
Place : Ghaziabad
Date : 02-11-2021

For and on behalf of the Board of Directors of
HMA Agro Industries Limited

Gulzar Ahmed
Whole Time Director
DIN : 01312305
Place : Agra
Date : 02-11-2021

Wajid Ahmed
Managing Director
DIN : 01312261
Place : Agra
Date : 02-11-2021

Gulzeb Ahmed
Chief Financial officer
DIN : 06546660
Place : Agra
Date : 02-11-2021

CS Nikhil Sundrani
Company Secretary
Membership no. : 53307
Place : Agra
Date : 02-11-2021

HMA Agro Industries Limited

Notes to the Consolidated financial statements as at March 31, 2021

1 Corporate information

HMA Agro Industries Limited ("the Group") is domiciled and incorporated in India and it is an unlisted Group. The registered office of the Group is situated at 2/220, 2nd Floor, Glory Plaza, Opp Soor Sadan, M G Road, Agra-282002. The Group is engaged in the business of Manufacturing and exporting of Buffalo Frozen Meat and Meat Products operating in State of Uttar Pradesh, Punjab, Haryana, Rajasthan, Bihar and Maharashtra. The financial statements of the Group for the year ended 31st March 2021 were approved and authorized for issue by board of directors in their meeting held on 20th day of Oct, 2021.

Significant accounting policies

2 Basis of preparation

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

For all periods up to and including the year ended March 31, 2020, the Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2021 are the first the Group has prepared in accordance with Ind AS. Refer to note 35 for information on how the Group adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments). The financial statements are presented in Indian Rupees "INR" which is also the Group's functional currency.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at and for the year ended March 31, 2021.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2.01 Business Combination

The Group accounts for each business combination by applying the acquisition method. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity.

The Group measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred less the net recognized amount of the identifiable assets acquired and liabilities (including contingent liabilities in case such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably) assumed. When the fair value of the net identifiable assets acquired and liabilities assumed exceeds the consideration transferred, a bargain purchase gain is recognized as capital reserve.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to settlement of pre-existing relationships.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Profit and Loss.

Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Any goodwill that arises on account of such business combination is tested annually for impairment.

2.02 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

Subsequent costs are included in the asset's carrying amount or Recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

Depreciation

Depreciation on property, plant and equipment is provided on straight line method, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Depreciation commences when the assets are ready for their intended use.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the statement of profit and loss.

The estimated usefull lives are as follows :

Assets	Usefull life (years)
Office equiptment	10
Plant and Machinery	15
Building	30
Vehicles	8
Land	-

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2.03 Accounting for Joint Operations

The Group has an interest in joint operation. It recognises in relation to its interest in a joint operation its:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

2.04 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.05 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amount approximates fair value to due to short term maturity of these instruments.

The Group recognises the transfer between the levels of fair value hierarchy at the end of the reporting period during which the changes has occurred.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summaries accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy (Note 21)
- Financial instruments (including those carried at amortised cost) (Note 21)

2.06 Revenue from contract with customers

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring services to a customer. The Group identifies the performance obligations in its contracts with customers and recognises revenue as and when the performance obligations are satisfied.

Revenue from inter-Group arrangement is recognised based on transaction price which is at arm's length based on transfer pricing arrangement.

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

Sale of products :

Revenue from sale of products is recognised when the control and ownership of the goods have been passed to the buyer, on delivery of the goods to the ultimate consumer.

Interest income:

Interest income is recognised using effective interest rate method.

2.07 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.
- Finished goods : cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.
- Packing material and stores & spares : cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

2.08 Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items 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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred Tax

Deferred tax is recognised using balance sheet approach at the reporting date between the tax bases of assets and liabilities and their carrying amounts for

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financial reporting purpose at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in a year when asset is realised or the liability is expected to be settled based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.09 Provisions and Contingent Liabilities

Provisions:

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

2.10 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.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.4 for Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

2.11 Financial Instruments continued

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

► Financial assets at amortised cost

► Financial assets at fair value through profit or loss

► Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses

► Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition

A 'financial asset' is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost 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. The Group's financial assets at amortised cost includes loans and other financial assets.

A 'financial asset' is measured at FVOCI if both the following conditions are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes investments in mutual funds. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from a Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

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For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.12 Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

2.13 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise of cash balances at banks, on hand cash balances and demand deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

In the cash flow statement, cash and cash equivalents includes cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.14 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit for the year after deducting any attributable tax thereto for the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.15 Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

2.16 Significant accounting estimates, judgements and assumptions

The preparation of the Group's Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the acGrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the Standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.

In the process of applying the Group's accounting policies, management has made the following judgements which have significant effect on the amounts Recognized in the Standalone financial statements:

a. Useful lives of property, plant and equipment and intangible assets: Determination of the estimated useful life of tangible assets and intangible assets and the assessment as to which components of the cost may be Capitalized. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when Group assesses, whether as asset may be Capitalized and which components of the cost of the assets may be capitalized.

b. Contingencies: Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against Group as it is not possible to predict the outcome of pending matters with accuracy.

c. Fair value measurements and valuation processes : Some of the Companies assets and liabilities are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset or a liability, the Group used market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engaged third party qualified valuers to perform the valuations in order to determine the fair values based on the appropriate valuation techniques and inputs to fair value measurements such as Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d. Estimation of defined benefit plans :The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligation.

e. Tax expense : Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Group determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilised.

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f. Operating lease commitments - Comapny as lessor The Group has entered into lease agreement for certain plant and machinery. The Group has determined based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the asset and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

2.17 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

MCA issued notifications dated 24 March 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting 1 April 2021.

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Notes to the Consolidated financial statements as at March 31, 2021

(3) Property, plant and equipment

(in Rupees Million)

Particulars	Land (Freehold)	Building	Vehicles	Plant and Machinery	Office Equipment	Total
Gross carrying amount						
As at April 01, 2020	377	246	45	362	17	1,047
Additions	1	5	0	50	4	59
Disposals	(3)	-	-	(0)	(7)	(10)
As at March 31, 2021	**375**	**251**	**45**	**411**	**14**	**1,096**
Accumulated depreciation						
As at April 01, 2020	-	15	16	64	5	100
Charge for the year	-	14	10	56	4	83
On disposals	-	-	-	-	(6)	(6)
As at March 31, 2021	-	**28**	**26**	**120**	**3**	**177**
Net carrying amount as at March 31, 2021	**375**	**223**	**19**	**291**	**11**	**919**
Gross carrying amount						
As at April 01, 2019	282	234	46	588	18	1,168
Transition to Ind AS Impact	-	(58)	(11)	(256)	(8)	(333)
Additions	96	71	10	30	7	212
Disposals	-	-	-	-	-	-
As at March 31, 2020	**377**	**246**	**45**	**362**	**17**	**1,047**
Accumulated depreciation						
As at April 01, 2019	-	58	11	256	8	333
Transition to Ind AS Impact (Refer note 34)	-	(58)	(11)	(256)	(8)	(333)
Charge for the year	-	15	16	64	5	100
On disposals	-	-	-	-	-	-
As at March 31, 2020	-	**15**	**16**	**64**	**5**	100
Net carrying amount as at March 31, 2020	**377**	**231**	**29**	**297**	**12**	**947**

(3) Capital work in progress

Particulars	Total
As at April 01, 2018	1
Incurred during the year*	0
Capitated	-
As at March 31, 2019	**1**
Incurred during the year*	56
Capitated	(1)
As at March 31, 2020	**56**
Incurred during the year*	80
Capitated	-
As at March 31, 2021	**136**

*Amount included under CWIP are primarily related to Plant and Machinery for which is under construction

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HMA Agro Industries Limited

Notes to the Consolidated financial statements as at March 31, 2021

(4) Right-of-use assets

(in Rupees Million)

Particulars	Amount
Gross carrying amount	
As at April 01, 2019	-
Transition to Ind AS 116	-
Additions	242
Disposals	-
As at March 31, 2020	**242**
Accumulated depreciation	
As at April 01, 2019	-
Charge for the year	120
On disposals	-
As at March 31, 2020	**120**
Net carrying amount as at March 31, 2020	**123**
Gross carrying amount	
As at April 01, 2020	242
Adjustment on account of reassessment of lease liability	(57)
Additions	-
Disposals	-
As at March 31, 2021	**185**
Accumulated depreciation	
As at April 01, 2020	120
Charge for the year	65
On disposals	-
As at March 31, 2021	**185**
Net carrying amount as at March 31, 2021	**-**

Note:

1. The Right to use asset as per Ind AS-116 comprises of lease of office premises.

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Notes to the Consolidated financial statements as at March 31, 2021

(5) Goodwill on consolidation

(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
Goodwill at the beginning of the year			
Add: Recognised during the year (Refer note 30)	6	6	6
Add: Exchange difference recognised in foreign currency translation reserve	-	-	-
Goodwill at the end of the year	**6**	**6**	**6**

Allocation of goodwill to cash-generating units

The subsidiary is identified as a separate cash generating unit. Goodwill has been allocated for impairment testing purposes to the cash-generating units.

The carrying amount of goodwill was allocated to major cash-generating units as follows:

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
HMA Food Export Private Limited	6	6	6
Total	**6**	**6**	**6**

Cash-generating units to which goodwill is allocated are tested for impairment annually at each reporting date, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to that unit. The Company has evaluated that there is no impairment of goodwill is required in respect of above entity.

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Notes to the Consolidated financial statements as at March 31, 2021

(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(6) Trade receivables			
Unsecured, considered good			
- Third Party	1,529	1,098	2,806
- Related parties (Refer note 30)	-		
Total trade receivables	**1,529**	**1,098**	**2,806**
(7) Loans			
Non-current loans			
Unsecured, considered good			
Security deposits	31	27	27
Total non-current loans	**31**	**27**	**27**
Current loans			
Unsecured, considered good			
Security deposits	16	16	17
Total current loans	**16**	**16**	**17**
(8) Other bank balances			
Bank Deposit with maturity more than twelve months*	106	103	30
	106	**103**	**30**

*The Group has taken working capital demand loan against Fixed deposits of Rs 71 millions (March 31, 2020 :Rs 71 millions) . Balance amounts are used as collateral for issuing bank gaurantees which are given to various Government authorities.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(9) Other financial assets			
Non-current financial assets			
Capital advances*	30	30	19
Total non-current financial assets	**30**	**30**	**19**
*Pertains to advances given for purchase of immovable properties.			
Current financial assets			
Derivative asset - forward contract (Measured at fair value through profit and loss)	-	-	6
Total current financial assets	**-**	**-**	**6**
(10) Deferred tax assets (net)			
Significant components of deferred tax assets (net)			
Deferred tax assets			
Difference between book and tax value of property, plant	17	16	14
Derivative asset	-	25	-
Deferred tax liabilities			
Derivative liabilities	-	-	(2)
Total Deferred tax assets	**17**	**41**	**13**

Movements in deferred tax assets/(liabilities)

Particulars	Property, plant & equipment and intangible assets	Derivative liabilities	Total
At April 1, 2018			
(Charged) / Credited	10	-	10
- to profit or loss			-
- to other comprehensive income	3	-	3
	-	-	-
At March 31, 2019	**13**	**-**	**13**
At April 1, 2019			
Transition to Ind AS Impact (Refer note 34)	13		13
(Charged) / Credited		(2)	(2)
- to profit or loss			-
- to other comprehensive income	3	26	29
	-		-
At March 31, 2020	**16**	**25**	**41**
At April 1, 2020			
(Charged) / Credited	16	25	41
- to profit or loss			-
- to other comprehensive income	1	(25)	(23)
	-		-
At March 31, 2021	**17**	**-**	**17**

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Notes to the Consolidated financial statements as at March 31, 2021

(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(11) Other assets			
Non-Current assets			
Capital advances	558	23	25
Total non-current assets	**558**	**23**	**25**
Current assets			
Prepaid expenses	3	0	1
Advances	394	100	255
Advances to related parties (Refer note 30)	82	200	317
Balance with government authorities	83	163	124
Total current assets	**562**	**463**	**697**
(12) Inventories			
(Valued at lower of cost and net realisable value)			
Raw Materials	-	-	2
Packing Materials	73	22	19
Finished Goods	1,148	1,526	889
Stores & Spares and Other Materials	47	25	27
Total Inventories	**1,268**	**1,573**	**936**
(13) Cash and cash equivalents			
Cash on hand	37	7	24
Balance with banks			
In current accounts	395	378	43
In fixed deposit account with original maturity of 3 months or less	85	0	0
Total cash and cash equivalents	**517**	**385**	**67**

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(14) Equity share capital			
Authorised			
6,500,000 equity shares of face value Rs. 10 each	65	65	65
	65	**65**	**65**
Issued, subscribed and fully paid-up			
3,726,500 equity share of face value Rs.10 each fully paid	37	37	37
	37	**37**	**37**

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

Particulars	As at March 31, 2021 Number of shares	Amount (in Rupees Million)	As at March 31, 2020 Number of shares	Amount (in Rupees Million)	As at April 01, 2019 Number of shares
Equity shares					
At the commencement of the year	37,26,500	37	37,26,500	37	37,26,500
Issued during the year					
At the end of the year	**37,26,500**	**37**	**37,26,500**	**37**	**37,26,500**

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2021 % of total shares in the class	Number of shares	As at March 31, 2020 % of total shares in the class	Number of shares	As at April 01, 2019 % of total shares in the class	Number of shares
Equity shares of Rs. 10 each fully paid-up held by						
Mohd Ashraf Qureshi	16.00%	5,96,240	0	5,96,240	0	5,96,240
Mohd Mehmood Qureshi	16.00%	5,96,240	0	5,96,240	0	5,96,240
Wajiid Ahmed	32.00%	11,92,480	0	11,92,480	0	11,92,480
Zulfiquar Ahmed Qureshi	16.00%	5,96,240	0	5,96,240	0	5,96,240
Gulzar Ahmad	16.00%	5,96,240	0	5,96,240	0	5,96,240

(c) Rights, preferences and restrictions attached to equity shares

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

(d) There were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.

(e) There are no unpaid calls from any director or officer.

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(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(15) Other equity			
General Reserve	600	600	600
Capital Reserve	25	25	25
Securities Premium	34	34	34
Retained earnings	1,908	1,180	725
Total other equity	**2,568**	**1,840**	**1,384**
Movement of other equity			
General Reserve			
At the commencement of the year	600	600	400
Add: Transferred from Retained earnings	-		200
At the end of the year	**600**	**600**	**600**
Capital Reserve			
At the commencement of the year	25	25	25
At the end of the year	**25**	**25**	**25**
Securities Premium			
At the commencement of the year	34	34	34
At the end of the year	**34**	**34**	**34**
Retained earnings			
At the commencement of the year	1,180	725	652
Profit for the year	728	458	273
Transition impact		-	-
Less: Dividend adjusted for previous year		(3)	
Less: Dividend tax adjusted for previous year		(1)	
Less: Transferred to General Reserve		-	(200)
At the end of the year	**1,908**	**1,180**	**725**
Non Controlling Interest			
At the commencement of the year	5	6	5
Movement	(0)	-	1
Profit for the year	(0)	(0)	0
At the end of the year	**5**	**5**	**6**

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(16) Borrowings			
Non Current			
Term loan from banks	50		
Total - Non current borrowings	**50**	**-**	**-**
Current			
Loans payable on demand from :			
Secured:			
- Banks - Working capital demand loans*	1,629	1,562	1,100
- Banks - Term loans**	-	-	10
- Banks - Bill Purchase**	-	11	86
Unsecured:	-	-	-
- Others	30	30	30
- Intercorporate loan	-	38	43
- Related parties (Refer note 30)	104	50	50
Total - Current borrowings	**1,763**	**1,691**	**1,320**

*Working capital demand loans are secured against raw materials, book debts and finished goods (Refer note 34)
**Term loans pertains to vechiles purchased by the Group and are issued against hypotication of the Vehicles
***Pertains to bill discounting with banks
Refer note 34 on details of security nature of payment and indicative interest rate against respective loans.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(17) Trade payables			
Current trade payables			
- Dues of micro enterprises and small enterprises (Refer note below)	-	-	-
- Dues of creditors other than micro enterprises and small enterprises	671	363	2,542
Total current trade payables	**671**	**363**	**2,542**

The Group has the process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006, by obtaining confirmations from all suppliers. The Group has not received intimation from any of the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid/payable as required have not been furnished.

Particulars	As at March 31, 2021	As at March 31, 2020	As at April 01, 2019
(18) Other financial liabilities			
Current financial liabilities			
Derivative liability - forward contract (Measured at fair value through profit and loss)	-	97	-
Employee related obligations	64	28	80

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Notes to the Consolidated financial statements as at March 31, 2021

(in Rupees Million)

Book overdraft	-	-	-
Total current financial liabilities	**64**	**126**	**80**

(19) Provisions

Current provisions			
Gratuity (Refer note 29)	5	3	2
Total current provisions	**5**	**3**	**2**

(20) Other liabilities

Current liabilities			
Advances from Customer	511	638	85
Statutory dues payable*	36	12	35
Others	2	1	1
Total current liabilities	**549**	**651**	**121**

*Includes liability towards Tax deducted at source, provident fund contribution and Professional tax

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(in Rupees Million)

	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(21)	**Revenue from operations**		
	Sale of products		
	- Domestic sales	1,228	2,161
	- Export	15,853	21,585
	Less : Discount	(6)	(18)
	Total Revenue from operations	**17,075**	**23,728**
(22)	**Other income**		
	Interest on :		
	- Bank deposits	8	4
	- Others	1	1
	Foreign exchange gain, net	-	395
	Profit on sale of fixed assets	1	-
	Profit on Derivative forwards measured through profit and loss	97	-
	Duty drawback	19	32
	Liabilities no longer required written back	3	6
	Miscellaneous income	0	0
	Total other income	**129**	**438**
(23)	**Cost of raw material consumed**		
	Inventory at the beginning of the year	-	2
	Add : Purchased	13,359	19,757
	Less : raw material at the end of the year	-	-
	Cost of raw material consumed	**13,359**	**19,758**
(24)	**Changes in inventories**		
	At the beginning of the year		
	Finished Goods	1,573	936
	At the end of the year		
	Finished Goods	(1,268)	(1,573)
	Change	**305**	**(637)**
(25)	**Employee benefits expenses**		
	Salaries, wages and bonus	566	744
	Directors remunaration	-	-
	Gratuity expense (Refer note 29)	2	1
	Contribution to provident fund (Refer note 29)	8	9
	Staff welfare expense	8	4
	Total employee benefits expenses	**584**	**758**
(26)	**Finance costs**		
	Interest on :		
	- lease liabilities (Refer note 33)	3	13
	- Working capital demand loan	38	63
	- term loan on vehicles	-	0
	- statutory dues	0	0
	Loss on Derivative forwards measured through profit and loss		103
	Bank Charges and Commission	-	-
	Foreign Bank Charges	-	-
	Other finance cost	2	-
	Total finance cost	**43**	**181**
(27)	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment (Refer note 3)	83	100
	Amoritsation of :	-	-
	- lease assets (Refer note 4)	65	120
	Total depreciation and amortization expense	**149**	**220**

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(in Rupees Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(28) Other expenses		
Export charges	682	1,216
Repairs and Maintainance :	-	-
Plant & Machinery	125	213
Building	7	2
Rent (Refer note 33)	48	69
Power and fuel	287	422
Packaging expenses	220	327
Sales Commission	76	325
Cooling and Freezing charges	106	374
Consumable expenses	47	50
Foreign exchange loss, net	31	-
Security charges	25	25
Bank Charges	24	19
Freight Charges	22	35
Rates and Taxes	16	12
Legal and professional charges	12	21
Corporate Social Responsibility	7	6
Miscellaneous expenses	12	20
Slaughter Charges	7	80
Discounts	-	-
Insurance charges	6	8
Cleaning Expenses	5	4
Communication expenses	4	4
Travelling and Conveyance	4	29
Printing & Stationery	4	3
Vechile expenses	3	3
Software charges	2	1
Auditors Remuneration (Refer note 28.1)	1	1
Total other expenses	**1,782**	**3,268**
(28.1) Payment to auditors :		
For statutory audit	1	1
Total payment to auditors	**1**	**1**

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CHARTERED ACCOUNTANTS

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Notes to the financial statements for the year ended March 31, 2021

(29) Employee benefits

(a) Defined contribution plan

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund in India for employees as per regulations. The contributions are made to registered provident fund administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

(Rs in millions)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31,2019
Employer's contribution to provident fund	8	9	11

Included in 'Contribution to provident fund under employee benefits expense (Refer Note 21)

(b) Defined benefit plans

Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised funds in India.

Actuarial Assumptions

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31,2019
Discount rate	6.50%	6.40%	7.30%
Future salary increases	5.00%	5.00%	5.00%
Attrition rate	10.00%	10.00%	10.00%
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)

Notes:

1. Discount rate: The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

The amounts recognised in the balance sheet and movements in the net defined benefit obligation (DBO) over the year are as follows :

(Rs in millions)

Change in the present value of obligation	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Present value of obligation at the beginning of the year	-	-	-
Interest cost	-	-	-
Liability transfer out on account of slump sale	-	-	-
Current service cost	1.33	1.01	0.71
Past service coast	3.64	2.44	1.43
Benefits paid	-	-	-
Remeasurement due to			
Actuarial loss arising from change in financial assumptions	-	-	-
Actuarial loss arising on account of experience changes	-	-	-
Actuarial loss arising on account of demographical assumptions	-	-	-
Present value of obligation at the end of the year	4.97	3.44	2.14

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The amounts recognised in the balance sheet and movements in the fair value of plan assets over the year are as follows :

Change in the fair value of plan assets	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets at the beginning of the year	-	-	-
Expected returns on plan assets	-	-	-
Interest on plan assets	-	-	-
Contributions made by the Company	-	-	-
Benefits paid	-	-	-
Fair value of plan assets at the end of the year	-	-	-

Reconciliation of present value of defined benefit obligation and the fair value of assets	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Present value of funded obligation at the end of the year	-	-	-
Fair value of plan assets as at the end of the period	-	-	-
Deficit of funded plan	-	-	-

Amount recognised in the statement of profit and loss	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2019
Current service cost	1.33	1.01	0.71
Past service cost	3.64	2.44	1.43
Interest cost	-	-	
Total expense recognized in the statement of profit and loss	**4.97**	**3.44**	**2.14**

Amount recognised in other comprehensive income	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2019
Remeasurments during the year due to			
Changes in financial assumptions	-	-	-
Changes in demographic assumptions	-	-	-
Experience adjustments	-	-	-
Actual return on plan assets less interest on plan assets	-	-	-
Amount recognised in other comprehensive income during the year	-	-	-

(c) Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	As at March 31, 2019
Discount rate (Increases 1%)	-0.391	-0.279	-0.166
Discount rate (Decreases 1%)	0.453	0.324	0.191
Salary increase rate (Increases 1%)	0.455	0.325	0.194
Salary increase rate (Decreases 1%)	-0.400	-0.285	-0.171
Withdrawal Rate (Increases 1%)	-0.013	-0.019	-0.002
Withdrawal Rate (Decreases 1%)	0.006	0.015	-0.001
Mortality Rate (increase in expected lifetime by 1 year)	-0.001	-0.001	-0.001
Mortality Rate (increase in expected lifetime by 3 year)	-0.003	-0.002	-0.002

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous period.

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CHARTERED ACCOUNTANTS

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Notes to the Consolidated financial statements as at March 31, 2021

(30) Related party transactions

(a) Related parties

Sr. No	Name of the party	Nature of relationship
1	Federal Agro Industries Private Limited	Brother of KMP is Director
2	HMA Cattle Farming Private Limited	Brother of KMP is Director
3	Gausia Cold Storage	Brother of KMP is Director
4	HMA Export Private Limited	Brother of KMP is Director
5	Hma Hygienic Foods Ind. Private Limited	Brother of KMP is Director
6	HMA Leather Export Private Limited	Brother of KMP is Director
7	Zulfiquar Ahmed Qureshi	Brother of KMP
8	Mohammad Kamil Qureshi	Brother of KMP
9	Mr. Parvez Alam	Brother of KMP
10	Mohammad Ashraf Qureshi	Brother of KMP
11	Mohammad Mehmood Qureshi	Brother of KMP

(b) Key managerial personnel

Sr. No	Particulars	Nature of relationship
1	Wajid Ahmed	Director
2	Gulzar Ahmad	Director
3	Amit Goyal (w.e.f. 03 June 2021)	Non Executive Director
4	Gulzeb Ahmed (w.e.f. 03 June 2021)	Director
5	Gulzeb Ahmed (w.e.f. 08 July 2021)	Director
6	Gaurav Rajendra Luthra (w.e.f. 03 June 2021)	Director
7	Swapnla Gupta (w.e.f. 03 June 2021)	Non Executive Director
8	Nikhil Sundrani (w.e.f. 04 October 2021)	Non Executive Director
9	Zulfiquar Ahmed Qureshi (upto.)	Director
10	Mohammad Kamil Qureshi (upto.)	Director

(c) Details of transactions with related parties

(Rs in millions)

Sr. No	Nature of Transaction	March 31, 2021	March 31, 2020
A	*Transactions*		
	Rent		
	Federal Agro Industries Private Limited	60	120
	HMA Cattle Farming Private Limited	-	1
	Gausia Cold Storage	0	0
	Gulzar Ahmad	0	0
	Mohammad Ashraf Qureshi	0	0
	Zulfiquar Ahmed Qureshi	0	0
	Wajid Ahmed	0	0
	Mohammad Kamil Qureshi	0	0
	Parvez Alam	0	0
	Mohammad Mehmood Qureshi	0	0
	Cooling charges	-	-
	Gausia Cold Storage	-	-
		-	6
	Commission on sales	-	-
	Mohammad Ashraf Qureshi	-	-
		1	29
	Revenue from Operations	-	-
	HMA Leather Export Private Limited	-	-
		-	7

Remunaration	-	-
Gulzar Ahmad	10	10
Zulfiquar Ahmed Qureshi	10	10
Wajid Ahmed	10	10
Mohammad Kamil Qureshi	10	10
Gulzeb Ahmed	6	6
Parvez Alam	10	10
Mohammad Mehmood Qureshi	10	10
Mohammad Ashraf Qureshi	-	-
	-	-
Advance given to related parties	-	-
HMA Hygienic Foods Industries Private Limited	0	0
Wajid Ahmed	1	-
HMA Leather Export Private Limited	5	96
Federal Agro Industries Private Limited	27	120
	-	-
Advances received back from related parties	-	-
Wajid Ahmed	4	4
Mohammad Kamil Qureshi	-	0
Mr. Parvez Alam	1	-
Zulfiquar Ahmed Qureshi	-	4
HMA Hygienic Foods Industries Private Limited	-	0
HMA Leather Export Private Limited	35	36
Federal Agro Industries Private Limited	72	336
	-	-
Borrowings taken from related parties	-	-
Gulzeb Ahmed	-	5
Mohammad Kamil Qureshi	2	0
Mohammad Ashraf Qureshi	53	-
Wajid Ahmed	4	-
Gulzar Ahmad	-	10
	-	-
Borrowings repaid to related parties	-	-
Parvez Alam	1	-
Wajid Ahmed	1	3
Mohammad Kamil Qureshi	-	1
Gulzar Ahmad	-	11
Zulfiquar Ahmed Qureshi	-	4
Gulzeb Ahmed	-	3
	-	-
	-	-
Dividend Paid	-	-
Gulzar Ahmad	-	0
Mohammad Ashraf Qureshi	-	0
Mr. Zulfiquar Ahmed Qureshi	-	0
Wajid Ahmed	-	1
Mr. Parvez Alam	-	0
Mohammad Mehmood Qureshi	-	0

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		March 31, 2021	March 31, 2020
B	*Balances*		
	Advance to related Parties		
	Hma Hygienic Foods Industries Private Limited	0	-
	HMA Leather Export Private Limited	43	78
	Federal Agro Industries Private Limited	38	83
	Employee related obligations		
	Gulzar Ahmad	1	0
	Gulzeb Ahmed	4	1
	Wajid Ahmed	4	3
	Zulfiquar Ahmed Qureshi	5	1
	Parvez Alam	9	4
	Mohammad Mehmood Qureshi	4	0
	Mohd. Kamli Qureshi	8	3
	Mohammad Ashraf Qureshi	-	-
	Trade Payables		
	Mohammad Ashraf Qureshi	0	1
	Gausia Cold Storage	-	0
	Borrowings		
	Gulzeb Ahmed	2	2
	Gulzar Ahmed	3	7
	Ashraf Qureshi	3	3
	Mohammad Mehmood Qureshi	18	18
	Mohammad Kamil Qureshi	3	0
	Parvez Alam	1	1
	Mohammad Ashraf Qureshi	53	0
	Zulfiqar Ahmed Qureshi	13	13
	Wajid Ahmed	9	6

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

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Notes to the Consolidated financial statements as at March 31, 2021

(31) Financial risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies. The Board holds regular meetings on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

a). Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Group considers that the related credit risk is low.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Group operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Group, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.
The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and other receivables.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs in millions)

Trade and Other receivables	March 31, 2021	March 31, 2020	April 01, 2019
Not past due	1,529	1,098	2,806
Past due but not impaired	-	-	-
Total	**1,529**	**1,098**	**2,806**

b). Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Maturities of financial liabilities

The below table analyses the Group's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

(Rs in millions)

Particulars	Carrying amount	
	<12months	>12months
March 31, 2021		
Non Derivative financial instruments		
Trade payables	671	-
Lease obligation	-	-
Other financial liabilities	64	-
March 31, 2020		
Non Derivative financial instruments		
Trade payables	363	-
Lease obligation	126	-
Other financial liabilities	126	-
April 01, 2019		
Non Derivative financial instruments		
Trade payables	2,542	-
Lease obligation	-	-
Other financial liabilities	80	-

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(c). Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

(i). Currency risk

The Group is exposed to currency risk on account of foreign currency transactions including recognized assets and liabilities denominated in a currency that is not the Group's functional currency (₹), primarily in respect of United States Dollar. The Group ensures that the net exposure is kept to an acceptable level.

Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

As at March 31, 2021

(in Rupees Million)

Particulars	USD converted to INR
Financial assets	
Trade receivables	
Derivative instruments	719
Net exposure to foreign currency (assets)	**719**
Financial liabilities	
Advances received from customer	
Derivative instruments	322
Net exposure to foreign currency (liabilities)	**322**
Net exposure to foreign currency	**398**

As at March 31, 2020

(in Rupees Million)

Particulars	USD converted to INR
Financial assets	
Trade receivables	818
Net exposure to foreign currency (assets)	**818**
Financial liabilities	
Advances received from customer	
Derivative instruments	366
Net exposure to foreign currency (liabilities)	**366**
Net exposure to foreign currency	**452**

* Amount appearing as zero is less than Rs. 1 million

As at April 01, 2019

(in Rupees Million)

Particulars	USD
Financial assets	
Trade receivables	2,710
Net exposure to foreign currency (assets)	**2,710**
Financial liabilities	
Trade payables	
Derivative instruments	68
Net exposure to foreign currency (liabilities)	**68**
Net exposure to foreign currency	**2,643**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies would have affected the measurement of financial instruments denominated in a foreign currency profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Impact on profit after tax		
	March 31, 2021	March 31, 2020	April 1, 2019
USD			
- Increase by 5%	13	15	86
- Decrease by 5%	(13)	(15)	(86)

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Outstanding Derivative contracts

The Group hedges exposures to changes in foreign currency.The counterparty for these contracts is a bank. Of the all instruments, majority instruments of forward contracts which are valued at fair value through profit and loss.

The following table gives details in respect of outstanding hedge contracts:

(in Rupees Million)

Particulars	As at March 31, 2021	
	USD	INR
Forward contracts (fair valuation through profit and loss)	-	-
Total	-	-

Particulars	As at March 31, 2020	
	USD	INR
Forward contracts (fair valuation through profit and loss)	56	4,093
Total	**56**	**4,093**

(ii). Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Group's exposure to interest rate risks relates primarily to the Group's interest obligations on its borrowings. Borrowings taken at variable rates are exposed to fair value interest rate risk. To Group carries excellent credit ratings, due to which it has assessed that ther are no material interest rate risk and any exposure thereof.

(iii). Capital risk management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

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(32) Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those include cash and cash equivalents, other bank balances, trade receivables and trade payables.

(a) Financial intruments by category

March 31, 2021

(in Rupees Million)

Particular	Carrying amount		
	Fair value through profit or loss	Amortised cost	Level
Financial assets			
Non-current			
Investments	-	-	-
Loans		31	-
Other bank balances	-	106	-
Other financials assets		30	
Current			
Trade receivables	-	1,529	-
Cash and cash equivalents	-	517	-
Loans	-	16	-
Total financial assets	-	2,228	
Financial liabilities			
Non-current			
Lease liabilities	-	-	-
Current			
Borrowings		1,763	
Trade payables	-	671	-
Lease liabilities	-	-	-
Other financial liabilities		64	-
Total financial liabilities	-	2,498	

March 31, 2020

Particular	Carrying amount		
	Fair value through profit or loss	Amortised cost	Level
Financial assets			
Non-current			
Investments	-	-	-
Loans		27	-
Other bank balances	-	103	-
Other financials assets		30	
Current			
Trade receivables	-	1,098	-
Cash and cash equivalents	-	385	-
Loans	-	16	-
Total financial assets	-	1,659	
Financial liabilities			
Non-current			
Lease liabilities	-	-	-
Current			
Borrowings		1,691	
Trade payables	-	363	-
Lease liabilities	-	126	-
Other financial liabilities		126	-
Total financial liabilities	-	2,307	

April 01, 2019

Particular	Carrying amount		
	Fair value through profit or loss	Amortised cost	Level
Financial assets			
Non-current			
Investments	-	-	-
Loans		27	-
Other bank balances	-	30	-
Other financials assets		19	
Current			
Trade receivables	-	2,806	-
Cash and cash equivalents	-	67	-
Loans	-	17	-

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Other financial assets		6	
Total financial assets	-	**2,971**	
Financial liabilities			
Non-current			
Lease liabilities	-	-	
Current			
Borrowings		1,320	
Trade payables	-	2,542	
Lease liabilities	-	-	
Other financial liabilities		80	
Total financial liabilities	-	**3,942**	

Note: Carrying amounts of cash and cash equivalents, bank balances, trade receivables, loans, borrowings, other financial liabilities and trade payables as at March 31 ,2021 and March 31, 2020 approximate their fair value due to their short-term nature. Difference between carrying amounts and fair values of other financial assets and other financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented.

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(33) Leases

Operating lease

Group as lessee

The Group has entered into cancellable leasing arrangement in respect of office premises for a period of 2 years. From period beginning April 01, 2020 the Group has entered into short term lease arrangement.

Ind AS 116 - Lease liabilities

(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Non-current		
Current	-	126
Total	**-**	**126**

The Group adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, using retrospective method, with the cumulative effect of initially applying the Standard, recognized on the date of initial application April 1, 2019. Accordingly, the cumulative effect of initially applying this standard was recognized as an adjustment to the opening balance of retained earnings as on April 1, 2019.

This resulted in recognizing a right-of-use asset of Rs. 61.94 Mn and a corresponding lease liability of Rs.14.84 Mn by adjusting retained earnings as at April 1, 2019.

(i) Movement in Lease liabilities:

(in Rupees Million)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	126	-
Add: Transition made during the year	-	-
Add: Addition made during the year	-	242
Add: Finance cost accrued during the year	3	13
Less : Lease modifications	(57)	-
Less: Payment of Lease Liabilities	(72)	(129)
Closing Balance	**-**	**126**

(ii) The contractual maturities of Lease liabilities are as under on undiscounted basis:

Particulars	As at March 31, 2021	As at March 31, 2020
Payable within one year	-	132
Payable later than one year and not later than five years	-	-

(iii) Lease payments recognized for short term leases in Statement of Profit and Loss	48	69

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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(34) Details of the outstanding principal (including unamortised borrowing cost, if any), interest rate, security and repayment terms:

(in Rupees Million)

Particulars	March 31, 2021	March 31, 2020	April 01, 2019	Interest rate	Repayment Period	Secured against
L-1	260	371	400	MCLR + 075 bps	On Completion of tenure of the WCDL facility	1. Hypotication of Raw materials, Book debts, Finished goods, Fixed deposits. 2. Collatoral Properties : I. Property in the name of Company : i. Khata no 77 plot number 4 & 5 and plot number 76, Khasra number 6/1 Village Talaspur khurd, Aligarh measuring 1.282 hecters and Land adjacent to above plot measuring 0.7874 hecters ii. Khata no 76 plot number 6/1 and Khata number 77 plot number 4 & 5, Village Talaspur khurd, Aligarh situated adjecent to factory land having total area of 0.7674 hecters. iii. Residential land at Nagar nigam no 1/132 professor colony, Agro iv. Industrial land comprising of 11 sale deeds located at Khata no. 501,472,510,532,491,489,572 and 563 Khasra no 287 Mi.kuberpur, Mauza khas, Etmadpur measuring 8867 sq meters. II. Property owned by HMA food's agro industries located at Khasra number 652 - G, Khata no 386, Mauza chaleser, Etmadpur, Agra III. Properties in name of Directors - i. Property owned by Gulzar Ahmed, Mohd Ashraf Qureshi and Mohd Mehmood Qureshi at Khata no 143, Khasra no 229, Mauza faitha, Mathura District. 3. Personal Gaurantee of : Gulzar Ahmed, Mohd Ashraf Qureshi, Zulfiquar Ahmed Qureshi, Wajid Ahmed, Mohd Kamil Qureshi, Gulzeeb Ahmed, Zakiya Begaum, Qureshi.
L-2	1,173	1,191	700	MCLR + 200 bps	On Completion of tenure of the WCDL facility	1. Hypothication of Raw materials, Book debts, Finished goods, Fixed deposits and personal gaurantee of Directors and its related parties including other Group Companies where promotors are directors. 2. Personal Gaurantee of : Gulzar Ahmed, Mohd Ashraf Qureshi, Zulfiquar Ahmed Qureshi, Wajid Ahmed, Mohd Kamil Qureshi, Gulzeeb Ahmed, Zakiya Begaum, Qureshi, Parvez Alam, Nafees Begaum. 3. Various colateral properties (land) and Corporate Gaurantee given by the Companies in which promotor of Company are Directors.
L-3	196	-	-	7.70%	On Completion of tenure of the WCDL facility	Raw materials, Book debts, Finished goods, Fixed deposits and personal gaurantee of Directors and its related parties including other Group Companies where promotors are directors.
L-4	-	11	86	8%	NA	Against book debts
L-5	-	-	10	10.50%	NA	Hypotication of vehicle purchased
L-6	-	38	43	8%	Payable on demand	Unsecured
L-7	61	3	3	NA	Payable on demand	Unsecured Loans given by directors are repayable with no interest rate.
L-8	50			NA	Term loans payable over the tenure of loan	Hypotication of P&M and personal guarantee of directors
L-9	73	77	77	NA	Payable on demand	Unsecured loan from directors
Total	**1,813**	**1,691**	**1,320**			

Note : All the loans are classified as current as they are repayable on demand.

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(35) First-time adoption of Ind AS

As stated in note 2(b), the Group has prepared its first annual Consolidated Ind AS financial statements for the year ended March 31, 2021. These financial statements for the year ended March 31, 2021 have been prepared in accordance with Ind AS. The preparation of these financial statements resulted in changes to the accounting policies as compared to most recent annual financial statements prepared under Indian GAAP ("Previous GAAP"). Accounting policies have been applied consistently to all periods presented in the financial statements. The Company has also been applied in preparing the Ind AS, opening balance sheet as at April 1, 2019 for the purpose of transition to Ind AS and as required by Ind AS 101: First Time adoption of Indian Accounting Standards.

Exceptions applied

a. De-recognition of financial assets and liabilities exception - Financial assets and liabilities de-recognised before transition date are not re-recognised under Ind AS.

b. Classification and measurement of financial assets : The fair value of the financial asset or the financial liability at the date of transition to Ind AS is considered as new gross carrying amount of that financial asset or the new amortised cost of that financial liability at the date of transition to Ind AS.

Impact of transition to Ind AS

Net Ind-AS transition adjustments of Rs (Other than proposed dividend and DDT) in the opening balance sheet as at April 1, 2019 has been adjusted from retained earnings (created as per provisions of Companies (Transfer of profit to reserves) rules, 1975 upon declaration of dividend as per companies Act, 1956) as on April 1, 2019 by Rs XX Mn and Rs Mn, respectively.

(in Rupees Million)

Particulars	Note	March 31, 2020			April 01, 2019		
		IGAAP	Ind AS Adjustment	Ind AS	IGAAP	Ind AS Adjustment	Ind AS
ASSETS							
(A) Non-current assets							
(a) Property, plant and equipment	a/b	932	14	947	817	18	835
(b) Right-of-use assets		-	123	123	-		-
(c) Capital work in progress		56	-	56	1		1
(d) Financial assets		-	-	-	-		-
(i) Investments		31	(31)	-	31	(31)	-
(ii) Loans		27	-	27	27		27
(iii) Other bank balances		103	-	103	30		30
(iv) Other financials assets		30	-	30	19		19
(e) Income tax assets		140	-	140	187		187
(f) Deferred tax assets (net)	d	16	25	41	14	(2)	13
(g) Other assets		23	-	23	25		25
Total non-current assets		**1,365**	**131**	**1,496**	**1,157**	**(14)**	**1,142**
(B) Current assets							
(a) Inventories		1,573	-	1,573	936		936
(b) Financial assets		-	-	-	-		-
(ii) Trade receivables	b	1,092	6	1,098	2,799	6	2,806
(iii) Cash and cash equivalents	b	384	1	385	66	1	67
(iv) Loans		16	-	16	17		17
(v) Other financial assets		-	-	-	-	6	6
(c) Other assets	b	462	1	463	696	1	697
Total current assets		**3,527**	**8**	**3,535**	**4,514**	**14**	**4,529**
Total assets		**4,892**	**139**	**5,031**	**5,671**	**0**	**5,671**
EQUITY AND LIABILITIES							
(A) Equity							
(a) Share capital		37		37	37		37
(b) Other equity		1,929	(89)	1,840	1,387	(3)	1,384
(c) Non Controlling Interest		5		5	6		6
Total equity		**1,971**	**(89)**	**1,882**	**1,430**	**(3)**	**1,427**
(B) Liabilities							
(I) Non-current liabilities							
(a) Financial liabilities		-		-	-		-
(i) Lease obligation		-		-	-		-
(ii) Other financial liabilities		-	-	-	-	-	-
Total non-current liabilities		-	-	-	-	-	-
(II) Current liabilities							
(a) Financial liabilities							
(i) Borrowings		1,691		1,691	1,320	-	1,320
(ii) Lease obligation		-	126	126	-		-
(iii) Trade payables		-		-	-		-
1. Dues of micro enterprises and small enterprises		-		-	-		-
2. Dues of creditors other than micro enterprises and sma	b	363	0	363	2,542	0	2,542
(iv) Other financial liabilities	e/b	28	97	126	80		80
(b) Other liabilities	b	650	0	651	121	0	121
(c) Provisions	b	-	3	3	-	2	2
(c) Current tax liabilities		187		187	178		178
Total current liabilities		**2,920**	**228**	**3,148**	**4,241**	**3**	**4,244**
Total Equity and Liabilities		**4,892**	**139**	**5,031**	**5,671**	**0**	**5,671**

March 31, 2020

Particulars	Note	IGAAP	Ind AS Adjustment	Ind AS
(1) Income				
(a) Revenue from operations		23,728	-	23,728
(b) Other income		438	-	438
Total Income		**24,166**	**-**	**24,166**
(2) Expenses				
(a) Cost of raw materials consumed		19,758	-	19,758
(b) Changes in inventories		(637)	-	(637)
(c) Employee benefits expense		757	1	758
(d) Finance costs		64	117	181
(e) Depreciation and amortization expense		96	124	220
(f) Other expenses		3,397	(129)	3,268
Total Expenses		**23,434**	**112**	**23,547**
(3) Profit before tax (1-2)		732	(112)	619
(4) Tax expense				
(a) Current tax		187		187
(b) Tax expense relating to prior years		2		2
(c) Deferred tax charge / (credit)		(2)	(26)	(28)
Total tax expense		187	(26)	161
(5) Profit for the year		**545**	**(86)**	**458**

Reconciliation of Other equity	**As at March 31, 2020**	**As at April 01, 2019**
Previously reported	1,929	1,387
On account of transition to IndAS	(77)	4
Impact of Error	(12)	(7)
Revised other equity	**1,840**	**1,384**

Notes :

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a. Deemed cost exemption: The Company has elected to continue with the carrying value of all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and used it as its deemed cost at the date of transition.

b. Joint operations : Under previous GAAP, the company had disclosed the investment in partnership firm "International Agro" as join venture. However during the transition to IndAS it was assessed that investment in partnership is a joint operation, accordingly necessary impacts and adjustments retrospectively are done in opening balance sheet as at April 01,2019 and comparitive balance sheet as at March 31, 2020.

c. Estimates :

i) The estimates at 31 March 2020 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting

ii) The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at , the date of transition to Ind AS and as at 31 March 2020.

d. Deferred Taxes : Under Ind AS, the Company has recognised the consequential deferred tax implications on the impact on account of adjustments explained above.

e. Derivatives : Under previous GAAP, derivative contracts are measured at fair value at each balance sheet date with the changes over the previous carrying amount being recognised in the statement of profit and loss, but recognition of increase in the fair value is restricted only to the extent it represents any subsequent reversal of previously recognised losses. Under Ind AS, the entire changes the fair values of derivative contracts are recognised in statement of profit and loss in the year of change

Explanation of material adjustments to Statement of Cash Flows :

There were no material differences between the statement of cash flows presented under Ind AS and the previous GAAP except due to various re-classification adjustments recorded under Ind AS and difference inthe definition of cash and cash equivalents under these two GAAPs

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(36) Particulars of subsidiaries and associates considered in the preparation of the consolidated financial

Subsidiaries	Country of incorporation	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(a) Subsidiaries directly held				
HMA Food Export Private Limited	India	100.00%	100.00%	100.00%
FNS Agro Foods Limited		100.00%	100.00%	100.00%
HMA Natural Foods Private Limited		90.36%	90.36%	90.36%
Swastik Bone and Geatines Private Limited		100.00%	100.00%	100.00%
Laal Agro Food Private Limited (w.e.f. January 20, 2020)		99.99%	99.99%	99.99%
United Farm Products Private Limited (w.e.f. May 21, 2018)		100.00%	100.00%	100.00%
JFF Export Private Limited (w.e.f. July 23, 2020)		100.00%	100.00%	100.00%
Indus Farmers Food Co. LLP		-	-	-

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(37) Additional information pursuant to paragraph 2 of Division II - Schedule III to the Companies Act 2013 - " Part II - General instructions for the preparation of the consolidated financial statements"

(in Rupees Million)

Name of the entities in the Group	Net Assets , i.e. Total Assets minus total liabilities		Share in Profit or loss		Share in Other comprehensive income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount	As % of Consolidated Other comprehensive	Amount	As % of Total comprehensive income	Amount
March 31, 2021								
Parent								
HMA Agro Industries Limited	97%	2,520.40	100%	730.47	0%	-	100%	730.47
Subsidiary								
HMA Food Export Private Limited	4%	95.08	1%	7.50	0%	-	1%	7.50
FNS Agro Foods Limited	0%	9.79	0%	(2.00)	0%	-	0%	(2.00)
Swastik Bone and Geatines Private Limited	-1%	(16.11)	-1%	(8.61)	0%	-	-1%	(8.61)
Laal Agro Food Private Limited	0%	(1.42)	0%	1.26	0%	-	0%	1.26
United Farm Products Private Limited	0%	(0.00)	0%	(0.00)	0%	-	0%	(0.00)
International Agro Food Exports	0%	(1.43)	0%	(0.22)	0%	-	0%	(0.22)
Indus Farmers Food Co. LLP	0%	(0.12)	0%	-	0%	-	0%	-
JFF Export Private Limited	0%	(0.15)	0%	(0.15)	0%	-	0%	(0.15)
HMA Natural Foods Private Limited	0%	(0.95)	0%	(0.00)	0%	-	0%	(0.00)
Non Controlling Interest	0%	5.26	0%	(0.03)	0%	-	0%	(0.03)
Total	**100%**	**2,610.34**	**100%**	**728.21**	**0%**	-	**100%**	**728.21**
March 31, 2020								
Parent								
HMA Agro Industries Limited	95%	1,789.93	96%	441.31	0%	-	96%	441.31
Subsidiary								
HMA Food Export Private Limited	5%	87.58	5%	21.82	0%	-	5%	21.82
FNS Agro Foods Limited	1%	11.79	0%	2.02	0%	-	0%	2.02
Swastik Bone and Geatines Private Limited	0%	-7.50	-1%	-3.96	0%	-	-1%	(3.96)
Laal Agro Food Private Limited	0%	-2.68	-1%	-2.68	0%	-	-1%	(2.68)
United Farm Products Private Limited	0%		0%		0%	-	0%	-
International Agro Food Exports	0%	-1.21	0%	-0.04	0%	-	0%	(0.04)
Indus Farmers Food Co. LLP	0%	-0.01	0%		0%	-	0%	-
JFF Export Private Limited	0%		0%		0%	-	0%	-
HMA Natural Foods Private Limited	0%	-0.95	0%	-0.01	0%	-	0%	(0.01)
Non Controlling Interest	0%	5.49	0%	-0.10	0%	-	0%	(0.10)
Total	**100%**	**1,882.43**	**100%**	**458.36**	**0%**	-	**100%**	**458.36**
April 01, 2019								
Parent								
HMA Agro Industries Limited	95%	1,351.76	58%	264.42	0%	-	58%	264.42
Subsidiary								
HMA Food Export Private Limited	5%	65.76	3%	14.13	0%	-	3%	14.13
FNS Agro Foods Limited	1%	9.77	0%	-0.57	0%	-	0%	(0.57)
Swastik Bone and Geatines Private Limited	0%	-3.55	-1%	-3.85	0%	-	-1%	(3.85)
Laal Agro Food Private Limited	0%		0%		0%	-	0%	-
United Farm Products Private Limited	0%		0%		0%	-	0%	-
International Agro Food Exports	0%	-1.17	0%	-1.17	0%	-	0%	(1.17)
Indus Farmers Food Co. LLP	0%	-0.03	0%		0%	-	0%	-
JFF Export Private Limited	0%		0%		0%	-	0%	-
HMA Natural Foods Private Limited	0%	-0.94	0%	-0.03	0%	-	0%	(0.03)
Non Controlling Interest	0%	5.61	0%	0.01	0%	-	0%	0.01
Total	**100%**	**1,427.21**	**60%**	**272.95**	**0%**	-	**60%**	**272.95**

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CHARTERED ACCOUNTANTS

HMA Agro Industries Limited
Notes to the Consolidated financial statements as at March 31, 2021

(38) Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to the equity holders of the Company (in Rupees Millions)	728	458
Weighted average number of equity shares for EPS (in nos)	37,26,500	37,26,500
Adjustment for calculation of Diluted EPS (in nos)	-	-
Weighted average number of equity shares for Diluted EPS (in nos)	37,26,500	37,26,500
Earnings per share		
- Basic	195.41	123.00
- Diluted	195.41	123.00
Face value per equity share (Rs.)	10	10

(39) Income tax expense

This note provides analysis of Company's income tax expense, amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates in relation to the Company's tax position.

(a) Income tax expense is as follows:

(in Rupees Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Profit and loss		
Current tax	227	187
Tax expense relating to prior years	4	2
Deferred tax	23	(28)
Total tax expense	254	161
Income tax expense	**254**	**161**

(b) Reconciliation of tax expense and the accounting profit computed by applying income tax rate:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	983	619
Tax rate	25.38%	25.38%
Computed tax expense	**249**	**157**
Expenses not deductible for tax purpose		2
Tax expense relating to prior years	4	2
Impact due to change in tax rate	-	(1)
Others	-	-
Income tax expense	**253.3**	**160**

The Group has not recognised deferred tax asset in resepect of carried forward losses and unabsorbed depreciation amounting to Rs 19 millions (March 31, 2020 : Rs 15 millions March 31, 2019 : Rs 14 millions). The aforeside tax lossess will lapse in subsequent years as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Within 0 - 5 years	1	1
From 5 - 8 years	14	9
Unabsorbed depreciation	5	5

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(40) Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographic segments.

The Company is engaged into business of Manufacturing and exporting of Buffalo Frozen Meat and Meat Products which is single reportable business segment. Hence the Company's financial statements reflect the position for a reportable segment and no separate disclosure is required. The company has its manufacturing operations in India and sales products across various geographies in the world.

The information relating to revenue from external customers of its single reportable segment has been disclosed as below:
Revenue from operations

(in Rupees Million)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Vietnam	2,467	5,322
Malasiya	2,314	1,508
Hongkong	3,380	319
Indonesia	1,040	3,046
Egypt	610	4,887
Rest of the world	7,264	8,646
Total	**17,075**	**23,728**

All the non-current operating assets are located in India.

List of customer from which revenue from sale of product is more than 10 %

(in Rupees Million)

Customer	Year ended March 31, 2021	Year ended March 31, 2020
Customer A	-	4
Customer B	0	11

(41) Commitments and contingent liabilities

(in Rupees Million)

Particular	As at March 31, 2021	As at March 31, 2020
(b) Other commitments		
Guarantee given to subsidiary	400	-

(42) Corporate social responsibility

(in Rupees Million)

Particular	As at March 31, 2021	As at March 31, 2020
Corporate social responsibility expenditure		
Amount required to be spent as per Section 135 of the Companies Act, 2013		
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) Purposes other than (i) above	7	6

(43) There are no material subsequent events which have occurred between the reporting date as on March 31, 2021 and adoption of financial statement by board of directors as on June 05, 2021.

(44) The financial statements were authorised for issue by the Company's Board of directors on Oct. 20, 2021.

(45) The Group has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the The Group has, at the date of approval of these financial statements, used internal and external sources of information and expects that the carrying amount of these assets will be recovered have concluded that no material adjustments are required in the financial statements.

(46) Previous year figures have been regrouped / reclassified to confirm to current year presentation.

FOR MAPSS AND COMPANY
Chartered Accountants
Firm's Registration Number: 012796C

MAPSS AND COMPANY CHARTERED ACCOUNTANTS FRN-012796C

CA Gyan Chandra Misra
Partner
Membership Number: 078183
Place : Ghaziabad
Date : 02-11-2021

For and on behalf of the Board of Directors of HMA Agro Industries Limited

Gulzar Ahmed	**Wajid Ahmed**	**Gulzeb Ahmed**	**CS Nikhil Sundrani**
Whole Time Director	Managing Director	Chief Financial officer	Company Secretary
DIN : 01312305	DIN : 01312261	DIN : 06546660	Membership no. : 53307
Place : Agra	Place : Agra	Place : Agra	Place : Agra
Date : 02-11-2021	Date : 02-11-2021	Date : 02-11-2021	Date : 02-11-2021

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Pre-Bonus Issue:

Particulars	As at and for the year ended September 31, 2021	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Basic earnings per share (in ₹)		195.41	123.00	73.25
Diluted earnings per share (in ₹)		195.41	123.00	73.25
Return on Total equity (%)		28%	24%	19%
Net asset value per share (in ₹)		699.10	503.68	381.49
EBITDA (in ₹ million)		1,174.27	1,019.79	632.45

Notes: The ratios have been computed as under:

1. Basic and diluted EPS: Restated profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding at the end of the year. Basic and diluted EPS are computed in accordance with Ind AS 33 - Earnings per share.

2. Return on Total Equity %= Restated profit for the year divided by Total Equity at the end of the year.

3. Net worth is equal to total equity.

4. Net asset value (per Equity Share) means total equity as restated divided by number of Equity Shares outstanding at the end of the year adjusted for the impact of bonus issue after the end of the year but before the date of filing of this Draft Red Herring Prospectus.

5. Finance income includes 'Interest income on bank and other deposits' and 'Interest income on security deposits' as per Restated Consolidated Financial information

6. EBITDA = EBITDA stands for earnings before interest, taxes, depreciation and amortisation which has been arrived at by adding finance expense, depreciation expense, exceptional items and total tax expense and reducing finance income to the restated profit for the year.

7. Accounting and other ratios are derived from the Restated Consolidated Financial Information.

Reconciliation of return on net worth

Particulars	As at and for the year ended September 31, 2021	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)		37.27	37.27	37.27
Other equity (II)		2,567.93	1,839.69	1,384.38
Total equity (III)=(I+II)	-	2,605.20	1,876.96	1,421.64
Profit for the year (IV)		728.21	458.36	272.95
Return on net worth (IV/(I+II))		27.95%	24.42%	19.20%

Reconciliation of return on capital employed

Particulars	As at and for the year ended September 31, 2021	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Total equity (I)	-	2,605.20	1,876.96	1,421.64
EBITDA (II)		1,174.27	1,019.79	632.45
Return on capital employed (III=II/I)		45.07	54.33	44.49

Reconciliation of net asset value per share

Particulars	As at and for the year ended September 31, 2021	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Equity share capital (I)	-	37.27	37.27	37.27
Other equity (II)	-	2,567.93	1,839.69	1,384.38
Total equity (III)=(I+II)	-	2,605.20	1,876.96	1,421.64
Weighted average number of equity shares for the year (IV)		37,26,500.00	37,26,500.00	37,26,500.00
Net asset value per share* (V= (III)/IV)		699.10	503.68	381.49

Reconciliation of debt equity ratio

Particulars	As at and for the year ended September 31, 2021	As at and for the year ended March 31, 2021	As at and for the year ended March 31, 2020	As at and for the year ended March 31, 2019
Non-current borrowings (I)		1,762.99	1,691.30	1,319.78
Current maturities of non-current borrowings (II)				
Total borrowings III = (I+II)	-	1,762.99	1,691.30	1,319.78
Equity share capital (IV)	-	37.27	37.27	37.27
Other equity (V)	-	2,567.93	1,839.69	1,384.38
Total equity (VI)=(IV+V)	-	2,605.20	1,876.96	1,421.64
Debt equity ratio (VII=III/VI)		68%	90%	93%

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HMA Agro Industries Limited

Notes to the Consolidated financial statements as at March 31, 2021

(3) Property, plant and equipment

(in Rupees Million)

Particulars	Land (Freehold)	Building	Vehicles	Plant and Machinery	Office Equipment	Total
Gross carrying amount						
As at April 01, 2020	377	304	56	618	25	1,380
Additions	1	5	0	50	4	59
Disposals	(3)	-	-	(0)	(7)	(10)
As at March 31, 2021	**375**	**309**	**56**	**667**	**22**	**1,429**
Accumulated depreciation						
As at April 01, 2020	-	73	27	320	13	433
Charge for the year	-	14	10	56	4	83
On disposals	-	-	-	-	(6)	(6)
As at March 31, 2021	-	**86**	**37**	**376**	**10**	**510**
Net carrying amount as at March 31, 2021	**375**	**223**	**19**	**291**	**11**	**919**
Gross carrying amount						
As at April 01, 2019	282	234	46	588	18	1,168
Additions	96	71	10	30	7	212
Disposals	-	-	-	-	-	-
As at March 31, 2020	**377**	**304**	**56**	**618**	**25**	**1,380**
Accumulated depreciation						
As at April 01, 2019	-	58	11	256	8	333
Charge for the year	-	15	16	64	5	100
On disposals	-	-	-	-	-	-
As at March 31, 2020	-	**73**	**27**	**320**	**13**	**433**
Net carrying amount as at March 31, 2020	**377**	**231**	**29**	**297**	**12**	**947**
Gross carrying amount						
As at April 01, 2018	248	287	49	877	32	1,492
Ind AS Adjustment	2	(53)	(27)	(308)	(19)	(405)
Additions	32	0	25	20	5	81
Disposals	-	-	-	-	-	-
As at March 31, 2019	**282**	**234**	**46**	**588**	**18**	**1,168**
Accumulated depreciation						
As at April 01, 2018	-	97	29	494	22	642
Impact of error	-	1	-	3	0	4
Ind AS Adjustment	-	(53)	(27)	(310)	(19)	(409)
Charge for the year	-	14	9	69	4	96
On disposals	-	-	-	-	-	-
As at March 31, 2019	-	**58**	**11**	**256**	**8**	**333**
Net carrying amount as at March 31, 2019	**282**	**176**	**35**	**332**	**10**	**835**

(3) Capital work in progress

Particulars	Total
As at April 01, 2018	1
Incurred during the year*	0
Capitated	-
As at March 31, 2019	**1**
Incurred during the year*	56
Capitated	(1)
As at March 31, 2020	**56**
Incurred during the year*	80
Capitated	-
As at March 31, 2021	**136**

*Amount included under CWIP are primarily related to Plant and Machinery for which is under construction

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HMA Agro Industries Limited

Notes to the Consolidated financial statements as at March 31, 2021

(4) Right-of-use assets

(in Rupees Million)

Particulars	Amount
Gross carrying amount	
As at April 01, 2018	-
Transition to Ind AS 116	-
Additions	-
Disposals	-
As at March 31, 2019	**-**
Accumulated depreciation	
As at April 01, 2018	-
Transition to Ind AS 116	-
Charge for the year	-
On disposals	-
As at March 31, 2019	**-**
Net carrying amount as at March 31, 2019	**-**
Gross carrying amount	
As at April 01, 2019	-
Transition to Ind AS 116	-
Additions	242
Disposals	-
As at March 31, 2020	**242**
Accumulated depreciation	
As at April 01, 2019	-
Charge for the year	120
On disposals	-
As at March 31, 2020	**120**
Net carrying amount as at March 31, 2020	**123**
Gross carrying amount	
As at April 01, 2020	242
Adjustment on account of reassessment of lease liability	(57)
Additions	-
Disposals	-
As at March 31, 2021	**185**
Accumulated depreciation	
As at April 01, 2020	120
Charge for the year	65
On disposals	-
As at March 31, 2021	**185**
Net carrying amount as at March 31, 2021	**-**

Note:

1. The Right to use asset as per Ind AS-116 comprises of lease of office premises.

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