

# **B. K. Khare & Co.**

## **Chartered Accountants**

706/708, Sharda Chambers, New Marine  
Lines, Mumbai – 400 020, India

### **INDEPENDENT AUDITORS' REPORT**

**To the members of Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

#### **Report on the audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying Financial Statements of **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (herein after referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

##### **Emphasis of Matter**

We draw attention to Note 42 of the Financial Statements dealing with assessment and demand orders issued under the Income-tax Act, 1961 and the appeals filed thereagainst by the Company. The same have been disclosed as contingent liabilities. Our opinion is not modified in respect of this matter.



# B. K. Khare & Co.

## Chartered Accountants

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report:

Key Audit Matter	Response to Key Audit Matter
<p><b>Revenue recognition</b></p> <p>Revenue is measured at the transaction price as reduced by dealer discounts and other similar allowances.</p> <p>Subsidy income is booked as revenue when the sale to dealer/retailer is recognised and is subject to the Company ensuring with compliance with relevant regulatory requirements.</p> <p>Volume discounts are assessed based on anticipated sales. Further, timing of revenue recognition is dependent on the shipping terms agreed with customers in relation to passing of risk and rewards of ownership.</p> <p>The application of Indian accounting standard (Ind AS 115) involves significant judgements /material estimates relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of the basis used to measure revenue recognised.</p> <p>Refer Note 2(e) of the Financial Statements</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Understood the policies and procedures applied to revenue recognition, as well as compliance therewith, including an analysis of the effectiveness of controls related to revenue recognition processes.</li> <li>• Analysed and discussed with management significant contracts including contractual terms and conditions related to discounts, incentives, and rebates.</li> <li>• Reviewed the relevant estimates made in connection with volume discounts and its accounting treatment in the books of account.</li> <li>• Performed procedures to ensure that subsidy is correctly and timely booked as revenue at the rates prescribed by the Department of Fertilizers and in the correct period.</li> <li>• Performed cut-off procedures to ensure that revenue is accounted in the correct period.</li> <li>• Selected a sample of contracts and performed the following procedures: <ul style="list-style-type: none"> <li>(a) Analysed and identified the distinct performance obligations in these contracts.</li> <li>(b) Compared such performance obligations with that identified and recorded by the Company.</li> <li>(c) Reviewed contracts terms to determine the transaction price including any variable consideration to determine the appropriate transaction price for computing revenue and to test the basis of estimation of the variable consideration.</li> </ul> </li> <li>• Reviewed disclosures included in the notes to the accompanying Financial Statements.</li> </ul>



# **B. K. Khare & Co.**

## **Chartered Accountants**

### **Information other than the Financial Statements and Auditors' Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the Financial Statements and our Auditors' Report thereon.

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

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

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

### **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

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

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.



# B. K. Khare & Co.

## Chartered Accountants

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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 controls 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.





# B. K. Khare & Co.

## Chartered Accountants

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph (h)(vi) below relating to audit trail feature.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
  - (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 40A of the Financial Statements;



**B. K. Khare & Co.**  
**Chartered Accountants**

- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement;
- (v) The Company has not declared /paid/declared and paid any dividend during the year; and
- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled for direct changes at database level. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W

  
**Himanshu Goradia**  
Partner

Membership No. 045668  
UDIN: 25045668BMOBWS9909  
Place: Pune  
Date: May 21, 2025



# **B. K. Khare & Co.**

## **Chartered Accountants**

### **Annexure A to the Independent Auditors' Report**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)** ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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



# **B. K. Khare & Co.**

## **Chartered Accountants**

### **Meaning of Internal Financial Controls with reference to financial statements**

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

### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W



**Himanshu Goradia**  
Partner  
Membership No. 045668  
UDIN: 25045668BMOBWS9909  
Place: Pune  
Date: May 21, 2025



# B. K. Khare & Co.

## Chartered Accountants

### Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

1. (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.  
  
(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.  
  
(b) The property, plant and equipment and investment properties are physically verified by the Company once in two years. The physical verification of property, plant and equipment and investment properties was conducted during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment properties.  
  
(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company except as disclosed in Notes 3 and 5 of the Financial Statements.  
  
(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
  
(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) According to the information and explanations given to us, the inventory comprising of raw materials, finished goods, traded goods, packing materials and stores and spares has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.  
  
(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of inventory and trade receivables during the year. The stock statements / book debt statements filed by the Company with banks on a quarterly basis are materially in agreement with the unaudited books of account as certified by the management.
3. According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.





## B. K. Khare & Co.

### Chartered Accountants

4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of undisputed statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2025, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Goods and Services Tax and Income-tax as at March 31, 2025, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of the Statute	Nature of the dues	Amount (Rupees in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
The Maharashtra Goods and Services Tax Act, 2017	Goods and Services Tax	5,233	Financial Year 2017-2018 to 2020-2021	Commissioner of State Tax (Appeal), Maharashtra



# B. K. Khare & Co.

## Chartered Accountants

Name of the Statute	Nature of the dues	Amount (Rupees in Lakhs)*	Period to which the amount relates	Forum where dispute is pending
The Tamil Nadu Goods and Services Tax Act, 2017	Goods and Services Tax	106	Financial Year 2019-2020	Deputy Commissioner, GST (Appeal)
The Gujarat Goods and Services Tax Act, 2017	Goods and Services Tax	312	Financial Year 2019-2020	Commissioner (Appeals) Central GST and Central Excise
The Telangana Goods and Services Tax Act, 2017	Goods and Services Tax	10	Financial Year 2018-2019	Joint Commissioner (State Tax)
The Income-tax Act, 1961	Income-tax	**9,632	Assessment Years 2015-2016 to 2023-2024	Income Tax Appellate Tribunal

\*Net of amounts paid/adjusted including under protest Rs. 2,846 lakhs.

\*\* The above amount represents the net obligations pertaining to Mahadhan AgriTech Limited, after the transfer of obligations related to Deepak Mining Solutions Limited in accordance with the Scheme of Arrangement. Refer Note 42 of the Financial Statements.

8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- (c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.
- (e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly, the reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
10. (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.



**B. K. Khare & Co.**  
**Chartered Accountants**

- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures, specified under Section 133 of the Act.
14. (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.



**B. K. Khare & Co.**  
**Chartered Accountants**

- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has no Core Investment Companies.
17. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
20. (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has transferred the unspent amount of Rs. 900 lakhs to a Fund specified in Schedule VII to the Act till the date of the Auditors' Report in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- (b) According to the information and explanations given to us, there are no ongoing projects relating to corporate social responsibility. Accordingly, the reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

For **B. K. Khare & Co.**  
Chartered Accountants  
Firm Registration No. 105102W

  
**Himanshu Goradia**

Partner  
Membership No. 045668  
UDIN: 25045668BMOBWS9909  
Place: Pune  
Date: May 21, 2025





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Standalone Balance Sheet as at 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

Particulars	Notes	31 March 2025	31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	76,869	76,021
Capital work-in-progress	4	5,169	5,239
Investment property	5	1,472	1,475
Right of use assets	6	13,672	5,383
Goodwill		30,146	30,146
Other intangible assets	7	18,713	20,190
Financial assets			
ii. Other Investments	9	3	3
ii. Other financial assets	14	351	317
Deferred tax assets (net)	25	34,371	32,778
Income tax assets (net)		6,273	-
Other non-current assets	15	1,760	4,106
<b>Total non-current assets</b>		<b>1,88,799</b>	<b>1,75,658</b>
<b>Current assets</b>			
Inventories	16	64,506	86,992
Financial assets			
i. Investments	8	-	9,991
ii. Trade receivables	10	1,22,930	92,875
iii. Cash and cash equivalents	12	14,599	18,177
iv. Other bank balances	13	2,328	1,851
v. Loans	11	40	31
vi. Other financial assets	14	12,479	11,326
Current tax assets (net)		-	60,380
Other current assets	17	16,962	16,388
<b>Total current assets</b>		<b>2,33,844</b>	<b>2,98,011</b>
<b>Total assets</b>		<b>4,22,643</b>	<b>4,73,669</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	1,854	1,705
Other equity	19	1,84,793	1,42,258
<b>Total equity</b>		<b>1,86,647</b>	<b>1,43,963</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
i. Borrowings	20	11,566	97,831
ii. Lease liabilities	6	11,237	4,289
iii. Other financial liabilities	22	9,898	7,911
Provisions	23	632	1,609
<b>Total non-current liabilities</b>		<b>33,333</b>	<b>1,11,640</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	21	58,756	78,628
ii. Lease liabilities	6	2,811	940
iii. Trade payables			
(a) total outstanding dues of micro and small enterprises	24	4,524	3,930
(b) total outstanding dues of creditors other than micro and small enterprises	24	1,22,815	1,13,571
iv. Other financial liabilities	22	6,632	11,412
Other current liabilities	26	4,660	9,052
Provisions	23	628	533
Current tax liabilities (net)		1,837	-
<b>Total current liabilities</b>		<b>2,02,663</b>	<b>2,18,066</b>
<b>Total liabilities</b>		<b>2,35,996</b>	<b>3,29,706</b>
<b>Total equity and liabilities</b>		<b>4,22,643</b>	<b>4,73,669</b>

Material accounting policies

1 - 2

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

3 - 52

As per our report of even date attached

For and on behalf of the Board of Directors

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

Himanshu Goradia  
Partner  
Membership No: 045668  
Place: Pune  
Date: 21st May 2025



S. C. Mehta  
Chairman  
DIN: 00128204  
Place: Pune

Medhumilan Shinde  
Director  
DIN: 06533004  
Place: Pune  
Date: 21st May 2025

Gaurav Goel  
Chief Financial Officer

Place: Pune

Gaurav Munoli  
Company Secretary  
Membership No: A24931

Place: Pune





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)****Statement of Profit and Loss for the year ended 31 March 2025**

(All amounts in Rs. Lakhs unless otherwise stated)

	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Income</b>			
Revenue from operations	27	5,42,171	4,15,921
Other income	28	3,178	4,322
<b>Total income</b>		<b>5,45,349</b>	<b>4,20,243</b>
<b>Expenses</b>			
Cost of material consumed	29	3,27,552	2,54,421
Purchases of stock-in-trade	30	74,685	91,718
Changes in inventories of finished goods and stock-in-trade	31	19,011	(475)
Employee benefits expense	32	16,383	16,780
Finance costs	33	20,569	25,981
Depreciation and amortisation expense	34	10,756	8,819
Other expenses	35	59,080	47,874
<b>Total expenses</b>		<b>5,28,036</b>	<b>4,45,118</b>
<b>Profit before tax</b>		<b>17,313</b>	<b>(24,875)</b>
<b>Tax expense</b>			
Current tax	44	3,470	1,500
Deferred tax	25	(801)	(9,271)
<b>Total tax expense</b>		<b>2,669</b>	<b>(7,771)</b>
<b>Profit for the year</b>		<b>14,644</b>	<b>(17,104)</b>
<b>Other comprehensive income (OCI)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit obligations	25	(117)	(33)
Income tax relating to these items		41	12
<b>Total (A)</b>		<b>(76)</b>	<b>(21)</b>
<i>Items that will be reclassified subsequently to profit or loss</i>			
Cash Flow hedge	25	(2,146)	2,146
Income tax relating to these items		751	(751)
<b>Total (B)</b>		<b>(1,395)</b>	<b>1,395</b>
<b>Other comprehensive income for the year, net of tax liability</b>		<b>(1,471)</b>	<b>1,374</b>
<b>Total comprehensive income for the year</b>		<b>13,173</b>	<b>(15,730)</b>

Earnings per equity share of Rs. 10 each

48

(i) Basic (in Rs.)

78.99

(100.32)

(ii) Diluted (in Rs.)

78.99

(100.32)

Material accounting policies

1 - 2

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

3 - 52

As per our report of even date attached

For and on behalf of the Board of Directors

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

S. C. Mehta  
Chairman  
DIN: 00128204  
Place: Pune

Gaurav Goel  
Chief Financial Officer

Place: Pune

Himanshu Goradia  
Partner  
Membership No: 045668

Madhumilan Shinde  
Director  
DIN: 06533004

Gaurav Munoli  
Company Secretary  
Membership No: A24931

Place: Pune

Date: 21st May 2025

Place: Pune

Date: 21st May 2025

Place: Pune

**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**
**Statement of Cash Flows for the year ended 31 March 2025**

(All amounts in Rs. Lakhs unless otherwise stated)

	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Cash flow from operating activities</b>		
Profit before tax	17,313	(24,875)
Adjustments for -		
Depreciation and amortisation expense	10,756	8,819
(Gain)/Loss on disposal of property, plant and equipment (net)	(247)	(10)
Provision for doubtful trade receivables	419	147
Net gain on sale of investments	(293)	(2,621)
Finance cost on financial guarantee	151	360
Unrealised loss/(gain) on embedded derivative contracts	-	(100)
Interest income	(1,674)	(1,268)
Finance costs	20,418	25,621
Unrealised foreign exchange fluctuations (gain)/loss (net)	74	524
<b>Cash generated from operations before working capital changes</b>	<b>46,917</b>	<b>6,591</b>
Change in trade receivables	(30,474)	17,836
Change in inventories	22,486	553
Change in trade payables	10,335	(80,570)
Change in other financial liabilities	(2,796)	4,305
Change in other financial assets	(3,478)	(5,907)
Change in other non-current assets	2,433	(1,987)
Change in other current assets	63,102	(5,034)
Change in provisions	(999)	(93)
Change in other current liabilities	(4,392)	2,545
<b>Cash generated from operations</b>	<b>1,03,134</b>	<b>(61,761)</b>
Income taxes paid (net)	(11,202)	(21,073)
<b>Net cash from operating activities</b>	<b>91,932</b>	<b>(82,834)</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangible assets (including capital work-in-progress)	(7,983)	(7,313)
Proceeds from sale of property, plant and equipment	315	26
Proceeds from sale of investments	10,284	38,042
Inter corporate deposits to subsidiaries and loans to employees	(9)	12
Fixed deposits placed	(477)	-
Fixed deposits matured	-	15,297
Interest received	1,668	1,562
<b>Net cash used in investing activities</b>	<b>3,798</b>	<b>47,626</b>
<b>Cash flow from financing activities</b>		
Proceeds from borrowings - current	-	56,000
Repayment of borrowings - current	(41,000)	(8,278)
Proceeds from borrowings - non current	-	24,872
Repayment of borrowings - non current	(35,842)	(12,194)
Payment of lease liability	(2,665)	(755)
Interest paid	(19,801)	(25,312)
<b>Net cash from financing activities</b>	<b>(99,308)</b>	<b>34,333</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3,578)</b>	<b>(875)</b>
Cash and cash equivalents at the beginning of the year	18,177	19,052
<b>Cash and cash equivalents at end of the year</b>	<b>14,599</b>	<b>18,177</b>

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

Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

As per our report of even date attached

For and on behalf of the Board of Directors

 For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

 Himanshu Goradia  
Partner  
Membership No: 045668

 Place: Pune  
Date: 21st May 2025

 S. C. Mehta  
Chairman  
DIN: 00128204  
Place: Pune

 Madhumilan Shinde  
Director  
DIN: 06533004

 Place: Pune  
Date: 21st May 2025

 Gaurav Goel  
Chief Financial Officer

Place: Pune

 Gaurav Munoli  
Company Secretary  
Membership No: A24931

Place: Pune





(All amounts in Rs. Lakhs unless otherwise stated)

	31 March 2025	31 March 2024
Balance as at the beginning of the year	1,705	1,705
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,705	1,705
Changes in Equity share capital during the year	149	-
Balance as at the end of the year	1,854	1,705

	Reserves and surplus						Other reserves	Total
	Securities premium	Retained earnings	General reserve	Capital redemption reserve	CCD Conversion	Equity Component of Guarantee issued		
Balance as at 1 April 2023	1,11,200	45,038	-	-	-	1,657	(280)	1,57,615
Changes in accounting policy or prior period error	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,11,200	45,038	-	-	-	1,657	(280)	1,57,615
Profit for the year	-	(17,104)	-	-	-	-	-	(17,104)
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	1,374	1,374
Total comprehensive income for the year	-	(17,104)	-	-	-	-	1,374	(15,730)
Financial guarantee liability	-	-	-	-	-	373	-	373
Balance as at 31 March 2024	1,11,200	27,934	-	-	-	2,030	1,094	1,42,258
Changes in accounting policy or prior period error	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	1,11,200	27,934	-	-	-	2,030	1,094	1,42,258
Profit for the year	-	14,644	-	-	-	-	-	14,644
Remeasurements of post-employment benefit obligation (net of tax)	-	-	-	-	-	-	(1,471)	(1,471)
Total comprehensive income for the year	-	14,644	-	-	-	-	(1,471)	13,173
Financial guarantee liability	-	-	-	-	-	-	-	-
Conversion of compulsorily convertible debentures	-	-	-	-	29,362	-	-	29,362
Balance as at 31 March 2025	1,11,200	42,578	-	-	29,362	2,030	(377)	1,84,793

(2) Refer Note 19 for nature and purpose of other equity.

As per our report of even date attached

Brooks

Place: Pune


Place: Pune  
Date: 21st May 2025

10

Place: Pune  
Date: 21st May 2025



The logo of Mahadhan Agritech Limited is a circular emblem. It features a double-lined border. Inside the border, the text "Mahadhan Agritech Limited" is written in a serif font, curving around the top and sides. A small five-pointed star is positioned on the right side of the circle, between the text and the border.

  
Gaurav Goel  
Chief Financial Officer

Place: Pune  
  
**Gautav Munoli**  
 Company Secretary  
 Membership No: A2493

Place: Pune

## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **Note 1: The Company and Nature of its Operations:**

Mahadhan AgriTech Limited ("the Company") is a Company domiciled in India, having its corporate office in Pune, Maharashtra, India. The Company is a public limited company. The Company is primarily engaged in the business of fertilisers and agri services.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 21, 2025.

#### **Note 2: Material Accounting Policies**

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **(a) Basis of Preparation:**

###### **i. Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current non-current classification of assets and liabilities.

The Company 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 the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets 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



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

#### **ii. Historical cost convention**

- a) The Financial Statements have been prepared on historical cost basis, except the following:
  - Certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
  - Assets held for sale – measured at fair value less cost to sell; Defined benefit plans – plan assets measured at fair value; and
- b) The financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency and all values are rounded off to the nearest lakhs, except when otherwise indicated. Wherever, an amount is presented as INR '0' (zero) it construe value less than Rs 50,000.

#### **(b) Significant accounting estimates, assumptions and judgements.**

The preparation of the financial statements requires management to make estimates, assumptions and judgements that affect the reported balances of assets and liabilities and disclosures, and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

#### **Taxes**

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

#### **Useful lives of Property, plant and equipment ('PPE') & intangible assets**





## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period.

The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Intangible assets, including Goodwill are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

For indefinite life intangible assets, including goodwill, the assessment of indefinite life is reviewed annually based on the expectancy and estimation of future economic benefits arising from it to determine whether it continues. If not, it is impaired or changed prospectively based on revised estimates.

#### **Defined benefit plans**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **Provision for Litigation and Claims**

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash flow ("DCF") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in

establishing their fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair values of financial instruments.



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(c) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

#### **(d) Foreign currency translation**

The financial statements are presented in functional and presentation currency of the Company. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

#### **(e) Revenue recognition**

Ind AS 115 specifies a uniform, five-step model for revenue recognition, which is generally to be applied to all contracts with customers

##### **Sale of Goods:**

The Company recognizes revenue from sale of goods upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price of goods sold and is net of variable consideration on account of various discounts and schemes offered by the Company as a part of contract.

##### **Sale of Services:**

Sale of services is recognised on satisfaction of performance obligation towards rendering of such services.

##### **Interest and dividend income:**

Interest Income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable and dividend income from investments in shares is recognised when the owner's right to receive the payment is established.





## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(f) Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operates and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries and associates where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit or Loss, except to the extent that it relates to items recognised in other comprehensive income ("OCI") or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

Minimum Alternate Tax paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credits which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax asset on such tax credit is recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(g) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company's lease asset classes primarily consist of leases for Buildings and Equipments. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Lease contracts entered by the Company majorly pertains for buildings & equipments taken on lease to conduct its business in the ordinary course.





## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(h) Business Combinations:**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Company elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquire are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. The assets and liabilities of combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values or recognize any new assets or liabilities.

Consideration for business combination may consist of securities, cash or other assets. Securities are recorded at nominal value. In determination of the value of consideration, assets other than cash are considered at their fair values. The difference between any consideration given and the aggregate carrying amount of assets and liabilities of the acquired entity is recorded in shareholder's equity.





## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(i) Impairment of financial assets**

The Company assesses on a forward booking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### **(j) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates that the assets' recoverable amount. An assets' recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset unless the asset does not generate cashflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and it is written down to its recoverable amount. In assessing value in use, the estimated future cashflows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken in account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share price for publicly traded entities or other available fair value indicators.

#### **(k) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **(l) Inventories**

- Raw materials are valued at lower of moving weighted average cost and net realisable value. However these items are written down to realisable value if the costs of the related finished goods is not expected to recover the cost of raw materials.
- Stores, regular spares, oil, chemicals, catalysts and packing material are valued at moving weighted average cost.
- Cost of inventory of materials is ascertained net of applicable GST credits.
- Finished goods including those held for captive consumption are valued at lower of factory cost or net realisable value.
- Stock-in-trade is valued at lower of cost and net realisable value.
- Value of Work-in-Process of all products is ignored for the purpose of inventory having regard to the concept of materiality and difficulty of quantifying such stocks with exactitude.



## Mahadhan AgriTech Limited

### Notes to the financial statements for the year ended 31 March 2025

#### (m) Investments and other financial instruments

##### (i) Classification

The company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### (ii) Measurement

At initial recognition, the Company 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 directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables that do not contain a significant

financing component are measured at transaction price.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired.





## Mahadhan AgriTech Limited

### Notes to the financial statements for the year ended 31 March 2025

#### (m) Investments and other financial instruments (continued)

Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

#### Equity instruments:

The Company initially records at cost all equity investments measures them at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### **Investments in subsidiaries and associates**

Investments in subsidiaries and associates are carried at cost less impairment as per Ind AS 27 Consolidated and Separate Financial Statements.

Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### **(iii) Derecognition**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(m) Investments and other financial instruments**

- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Derivatives & Hedging:**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

#### *Cash flow hedges that qualify for hedge accounting:*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/ (losses).

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the interest expenditure is recorded).

#### *Derivatives that are not designated as hedges:*

The Company enters into certain derivative contracts to hedge foreign exchange risks which are not designated as hedges as in case of such transactions, the underlying is re-stated at closing exchange rates. Such contracts are accounted for at fair value through profit or loss and are included in other gains/ (losses).





## Mahadhan AgriTech Limited

### Notes to the financial statements for the year ended 31 March 2025

#### (m) Investments and other financial instruments

##### Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### (n) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

##### Depreciation methods, estimated useful lives and residual value:

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013. As per requirements of the Companies Act, 2013 the Company has also identified significant components of the assets and its useful life based on the internal technical evaluation. Depreciation charge on such components is based on its useful life. Estimated useful life adopted in respect of the following assets is different from the useful life prescribed in Schedule – II of the Companies Act, 2013.

Name of Assets	Estimated Useful Life
Computers - Servers and Networks	3 Years to 6 Years
End User Devices such as, desktops, laptops etc.	3 Years to 6 Years
Vehicles	4-5 Years for employees' vehicles and 6-8 Years for other vehicles
Buildings other than Factory Buildings RCC Frame Structure	61 Years
Plant and Machinery	Various estimated life up to 21 years.

- Depreciation for assets purchased/sold during a period is proportionately charged.
- Depreciation on exchange rate variances capitalised as part of the cost of Fixed Assets, has been provided prospectively over the residual useful life of the assets.
- Capitalised machinery Spares are depreciated over remaining useful life of the related machinery/equipment. Costs of such spares are charged to the Statement of Profit and Loss when issued for actual use at written down value.



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(o) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

The useful life has been determined based on technical evaluation performed by the management's expert.

#### **(p) Intangible assets**

##### **Goodwill:**

Goodwill on acquisitions of business is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Company's of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Company's units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

#### **(q) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.





## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

#### **(r) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

#### **(s) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

#### **(t) Provisions**

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### **(u) Changes in significant accounting policies**

There have been no changes in accounting policies during the financial year 2024-25.

#### **(v) Employee benefits**

#### **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are



## **Mahadhan AgriTech Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### **(u) Employee benefits (continued)**

##### **Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### **Post-employment obligations**

The Company operates the following post-employment schemes:

defined benefit plans such as gratuity, pension, post-employment medical plans; and defined contribution plans such as provident fund.

##### **Gratuity and retirement benefit obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity and retirement benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.





## **Mahadhan AgriTech Limited**

**Notes to the financial statements for the year ended 31 March 2025**

### **Provident Fund**

The eligible employees of the Company are entitled to receive benefits under the Provident Fund, a defined contribution plan in which both the employees and the Company make monthly contributions at a

#### **(u) Employee benefits (continued)**

specified percentage of the covered employees 'salary (currently 12% of employees 'salary). The contributions as specified under the law are paid to the Regional Provident Fund Commissioner and the Central Provident Fund under the Pension scheme. The Company recognises such contributions as expense of the year in which the liability is incurred.

#### **(w) Earnings per share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

#### **(x) Cash Dividend**

The Company recognizes a liability to make cash distribution to equity shareholders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders of the Company.

#### **(y) Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

#### **(z) Recent Pronouncements**

##### **Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



# **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## **Note 3: Property, Plant and Equipment**

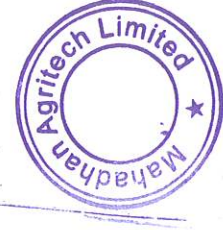
	Freehold Land	Buildings	Plant and Equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Laboratory Equipment	Vehicles	Total
<b>As at 1 April 2023</b>	<b>2,558</b>	<b>16,567</b>	<b>94,635</b>	<b>1,892</b>	<b>119</b>	<b>913</b>	<b>365</b>	<b>747</b>	<b>1,17,796</b>
Additions	-	416	2,602	86	4	148	55	399	3,710
Disposals	-	-	(32)	-	(1)	(11)	-	(178)	(222)
Reclassified on account of adoption of Ind AS 116	(772)	-	-	-	-	-	-	-	(1,180)
<b>Gross carrying amount as at 31 March 2024</b>	<b>1,786</b>	<b>16,575</b>	<b>97,205</b>	<b>1,978</b>	<b>122</b>	<b>1,050</b>	<b>420</b>	<b>968</b>	<b>1,20,104</b>
<b>Accumulated depreciation</b>									
Balance as at 1 April 2023	-	(4,467)	(32,667)	(766)	(76)	(705)	(211)	(525)	(39,417)
Depreciation charge for the year	-	(495)	(4,353)	(142)	(10)	(121)	(24)	(114)	(5,259)
On disposals	-	-	23	-	2	11	-	170	206
Reclassified on account of adoption of Ind AS 116	-	387	-	-	-	-	-	-	387
<b>Accumulated depreciation as at 31 March 2024</b>	<b>-</b>	<b>(4,575)</b>	<b>(36,997)</b>	<b>(908)</b>	<b>(84)</b>	<b>(815)</b>	<b>(235)</b>	<b>(469)</b>	<b>(44,083)</b>
<b>Net carrying amount as at 31 March 2024</b>	<b>1,786</b>	<b>12,000</b>	<b>60,208</b>	<b>1,070</b>	<b>38</b>	<b>235</b>	<b>185</b>	<b>499</b>	<b>76,021</b>
<b>Gross carrying amount</b>									
As at 1 April 2024	1,786	16,575	97,205	1,978	122	1,050	420	968	1,20,104
Additions	-	1,303	5,205	313	1	245	103	172	7,342
Disposals	(52)	-	(3)	-	-	(61)	-	(85)	(201)
<b>Gross carrying amount as at 31 March 2025</b>	<b>1,734</b>	<b>17,878</b>	<b>1,02,407</b>	<b>2,291</b>	<b>123</b>	<b>1,234</b>	<b>523</b>	<b>1,055</b>	<b>1,27,245</b>
<b>Accumulated depreciation</b>									
Balance as at 1 April 2024	-	(4,575)	(36,997)	(908)	(84)	(815)	(235)	(469)	(44,083)
Depreciation charge for the year	-	(658)	(5,248)	(167)	(10)	(132)	(33)	(173)	(6,421)
On disposals	-	-	3	-	-	55	-	70	128
<b>Accumulated depreciation as at 31 March 2025</b>	<b>-</b>	<b>(5,233)</b>	<b>(42,242)</b>	<b>(1,075)</b>	<b>(94)</b>	<b>(892)</b>	<b>(268)</b>	<b>(572)</b>	<b>(50,376)</b>
<b>Net carrying amount as at 31 March 2025</b>	<b>1,734</b>	<b>12,645</b>	<b>60,165</b>	<b>1,216</b>	<b>29</b>	<b>342</b>	<b>255</b>	<b>483</b>	<b>76,869</b>

Note:

1. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. Refer Note 20 for information on property, plant and equipment provided as security by the Company.
3. Refer Note 2.3(c) for policy on depreciation.

## **Title deeds of Immovable Properties not held in name of the Company**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Freehold Land	Land at Panipat, Haryana	1,735	Deepak Fertilisers and Petrochemicals Corporation Limited	No	1 April 2015	Adjudication Pending



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 4: Capital Work-in-Progress**

	31 March 2025	31 March 2024
Others	5,169	5,239
<b>Total</b>	<b>5,169</b>	<b>5,239</b>

**(a) Ageing schedule Capital-work-in progress:**

CWIP	As on 31 March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
CWIP Other in progress	4,119	780	105	165	5,169

CWIP	As on 31 March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
CWIP Other in progress	4,388	479	158	214	5,239

**Notes:**

(1) Projects temporarily suspended during the year ended 31 March 2025 - Nil (31 March 2024 - Nil).

(2) Projects whose completion is overdue or has exceeded its cost compared to its original plan the year ended 31 March 2025 - Nil (31 March 2024 - Nil).

**Note 5: Investment Property**

	Free hold land	Lease hold land	Building	Total
Gross block as on 1 April 2023				
Opening gross carrying amount	461	-	-	461
Reclassification from Property, plant and equipment	772	221	21	1,014
<b>Closing balance as on 31 March 2024</b>	<b>1,233</b>	<b>221</b>	<b>21</b>	<b>1,475</b>
<b>Net carrying amount as on 31 March 2024</b>	<b>1,233</b>	<b>221</b>	<b>21</b>	<b>1,475</b>
Gross block as on 1 April 2024				
Opening gross carrying amount	1,233	221	21	1,475
<b>Closing balance as on 31 March 2025</b>	<b>1,233</b>	<b>221</b>	<b>21</b>	<b>1,475</b>
Accumulated depreciation as on 01 April 2024				
Opening balance	-	-	-	-
Depreciation charge	-	3	-	3
<b>Closing balance as on 31 March 2025</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>3</b>
<b>Net carrying amount as on 31 March 2025</b>	<b>1,233</b>	<b>218</b>	<b>21</b>	<b>1,472</b>

**Fair value**

	31 March 2025	31 March 2024
Investment property	6,474	6,251

**(a) Disclosures relating to fair valuation of investment property**

Fair value of the above investment property as at 31 March 2025 is Rs. 6,474 Lakhs (31 March 2024 : Rs. 6,251 Lakhs).

**Fair value Hierarchy**

The fair value of investment properties have been determined by an external, independent property valuer, having appropriate recognised professional qualifications and relevant experience in the category of the land parcel being valued. The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation techniques used. The investment property constitutes agriculture land at Nashik and Paradeep.

**Description of valuation technique used**

The Company obtains independent valuation of its investment property as per requirement of Ind AS 40. The fair value of the investment property has been derived using the Direct Comparison Method. The direct comparison approach involves a comparison of the investment property to similar properties that have actually been sold in arms-length transaction or are offered for sale in the same region. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar properties in an open and competitive market, and is particularly useful in estimating the value of the land and properties that are typically traded on a unit basis. This approach leads to a reasonable estimation of the prevailing price. Given that the comparable instances are located in close proximity to the investment property; these instances have been assessed for their locational comparative advantages and disadvantages while arriving at the indicative price assessment for investment property.

(b) The Company has not earned any rental income on the above properties.

**Title deed of Immovable Property not held in name of the Company**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date and reason for not being held in the name of the company
Freehold Land	Land at Nashik , Maharashtra and at Paradeep, Orissa	1,233	Deepak Fertilisers and Petrochemicals Corporation Limited	No	1 April 2015 Adjudication pending
Leasehold Land	Land at Paradeep, Odisha	221	Deepak Fertilisers and Petrochemicals Corporation Limited	No	1 April 2015 Adjudication pending





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 6: Leases****A. Right of use assets**

Particulars	Land and Building	Office Equipment	Furniture and Fixtures	Leasehold Land	Total
<b>Gross carrying amount</b>					
Balance as at 1 April 2023	89	3,227	18	235	3,569
Add: Addition during the year	-	2,690	-	413	3,103
Less: Reclassified to investment property	-	-	-	(235)	(235)
<b>Gross carrying amount as on 31 March 2024</b>	<b>89</b>	<b>5,917</b>	<b>18</b>	<b>413</b>	<b>6,437</b>
<b>Accumulated amortisation as at 1 April 2023</b>	<b>(44)</b>	<b>(255)</b>	<b>(3)</b>	<b>(12)</b>	<b>(314)</b>
Add: Amortisation for the year	(18)	(723)	(3)	(10)	(754)
Less: Reclassified to investment property	-	-	-	14	14
<b>Closing accumulated amortisation as at 31 March 2024</b>	<b>(62)</b>	<b>(978)</b>	<b>(6)</b>	<b>(8)</b>	<b>(1,054)</b>
<b>Net carrying amount as at 31 March 2024</b>	<b>27</b>	<b>4,939</b>	<b>12</b>	<b>405</b>	<b>5,383</b>
<b>Gross carrying amount</b>					
Balance as at 1 April 2024	89	5,917	18	413	6,437
Add: Addition during the year	1,707	8,714	-	-	10,421
Less: Disposal	(89)	-	-	-	(89)
<b>Gross carrying amount as on 31 March 2025</b>	<b>1,707</b>	<b>14,631</b>	<b>18</b>	<b>413</b>	<b>16,769</b>
<b>Accumulated amortisation as at 1 April 2024</b>	<b>(62)</b>	<b>(978)</b>	<b>(6)</b>	<b>(8)</b>	<b>(1,054)</b>
Add: Amortisation for the year	(273)	(1,820)	(3)	(9)	(2,105)
Less: Disposal	62	-	-	-	62
<b>Closing accumulated amortisation as at 31 March 2025</b>	<b>(273)</b>	<b>(2,798)</b>	<b>(9)</b>	<b>(17)</b>	<b>(3,097)</b>
<b>Net carrying amount as at 31 March 2025</b>	<b>1,434</b>	<b>11,833</b>	<b>9</b>	<b>396</b>	<b>13,672</b>

**B. Lease liabilities**

Particulars	31 March 2025	31 March 2024
Opening Balance	5,229	3,043
Add: Addition during the year	10,421	2,690
Add: Finance charge for the period	1,063	251
Less: Lease rental paid	(2,665)	(755)
<b>Closing balance</b>	<b>14,047</b>	<b>5,229</b>

Particulars	31 March 2025	31 March 2024
Current	2,811	940
Non Current	11,237	4,289
<b>Total</b>	<b>14,047</b>	<b>5,229</b>

**C. Interest expenses on lease liabilities**

Particulars	31 March 2025	31 March 2024
Interest on lease liabilities	1,063	251

**D. Expenses on short term leases / low value assets**

Particulars	31 March 2025	31 March 2024
Short term lease	1,550	1,539
Low value assets	-	-

**E. Amounts recognised in the statement of cash flow**

Particulars	31 March 2025	31 March 2024
Total cash outflow for leases	(2,665)	(755)

**F. Other Information:**

The Company has leases mainly for land, Corporate Building, furniture items, machinery and other equipment's. These lease contracts provide for payment to increase each year by inflation.

Note: The Company does not face 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.



# **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025  
(All amounts in Rs. Lakhs unless otherwise stated)

## **Note: 7 Other Intangible Assets**

	Computer Software	Technical Know How/ Engineering Fees	License/ Franchise Fees	Other Intangible Asset	Brand	Total
Gross carrying amount as on 1 April 2023	1,443	328	977	1,305	35,849	39,902
Additions	-	-	-	-	-	-
Disposals/ Transfers/ Adjustments	-	-	-	-	-	-
Gross carrying amount as on 31 March 2024	1,443	328	977	1,305	35,849	39,902
Additions	561	-	-	-	-	561
Disposals/ Transfers/ Adjustments	-	-	(5)	-	-	(5)
Gross carrying amount as on 31 March 2025	2,004	328	972	1,305	35,849	40,458
Accumulated Amortisation						
Accumulated Amortisation as at 1 April 2023	997	328	964	1,305	14,110	17,704
Amortisation charge for the year	140	-	12	-	1,856	2,008
Disposals	-	-	-	-	-	-
Closing accumulated amortisation as at 31 March 2024	1,137	328	976	1,305	15,966	19,712
Amortisation charge for the year	181	-	1	-	1,856	2,038
Disposals	-	-	(5)	-	-	(5)
Closing accumulated amortisation as at 31 March 2025	1,318	328	972	1,305	17,822	21,745
Net Block as at 31 March 2025	686	-	-	-	18,027	18,713
Net Block as at 31 March 2024	306	-	1	-	19,883	20,190

Note: Refer Note 2.3(d) for policy on amortisation



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**FINANCIAL ASSETS****Note 8: Current investments**

	31 March 2025	31 March 2024
<b>Mutual Fund</b>		
Investment in mutual funds (carried at fair value through profit and loss)	-	9,991
<b>Total</b>	-	<b>9,991</b>

Note: Refer Note 36(i) for Fair value measurements of financial assets and liabilities and Note 36(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

**Note 9 : Other Investments**

	31 March 2025	31 March 2024
<b>Investment in equity shares (quoted) (fully paid-up)(fair value through profit and loss)</b>		
4,715 (31 March 2024 : 4,715) equity shares of Punjab National Bank	3	3
<b>Total</b>	<b>3</b>	<b>3</b>

**Note 10: Trade receivables**

	31 March 2025	31 March 2024
<b>Trade Receivables</b>		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	1,25,197	94,723
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired Unsecured	-	-
Less: Impairment loss allowance	(2,267)	(1,848)
<b>Total</b>	<b>1,22,930</b>	<b>92,875</b>

**Movement in allowance for expected credit loss:**

	31 March 2025	31 March 2024
Balance as at the beginning of the year	1,848	1,700
Add: Allowance for expected credit loss	419	148
Less: Utilised during the year	-	-
<b>Balance as at the end of the year</b>	<b>2,267</b>	<b>1,848</b>

**Notes:**

(i) Trade receivables include Rs. 61,864 Lakhs (31 March 2024 : Rs. 44,437 Lakhs) towards fertiliser subsidy receivable from the Government of India.

(ii) Refer Note 36(i) for Fair value measurements of financial assets and liabilities and Note 36(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

(iii) Refer Note 37 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

(iv) Refer Note 39(b) for amount receivable from related parties which includes debts due by companies in which any director is a director or member.





# **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## **Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from due date of payment as on 31 March 2025						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	63,043	52,298	6,907	1,318	236	1,395	1,25,197
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Impairment loss allowance	(107)	(155)	(75)	(481)	(78)	(1,371)	(2,267)
<b>Total</b>	<b>62,936</b>	<b>52,143</b>	<b>6,832</b>	<b>837</b>	<b>158</b>	<b>24</b>	<b>1,22,930</b>

Particulars	Outstanding for following periods from due date of payment as on 31 March 2024						
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	74,983	16,239	1,806	198	90	1,407	94,723
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Impairment loss allowance	(75)	(92)	(125)	(107)	(78)	(1,371)	(1,848)
<b>Total</b>	<b>74,908</b>	<b>16,147</b>	<b>1,681</b>	<b>91</b>	<b>12</b>	<b>36</b>	<b>92,875</b>



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 11: Loans**

	31 March 2025		31 March 2024	
	Current	Non Current	Current	Non Current
Unsecured, considered good				
Loan to employees	40	-	31	-
<b>Total</b>	<b>40</b>	<b>-</b>	<b>31</b>	<b>-</b>

Note: Refer Note 36(i) for Fair value measurements of financial assets and liabilities and Note 36(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

Disclosures of Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person

Repayable on demand Type of Borrower	31 March 2025		31 March 2024	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties*	-	-	-	-

\*The Composite Scheme between Mahadhan AgriTech Limited (Formerly known as Smartchem Technologies Limited) ("Demerged Company" or "Transferee Company" or "MAL"), Deepak Mining Solutions Limited (Formerly known as Deepak Mining Solutions Private Limited) ("Resulting Company" or "DMSL") and Mahadhan Farm Technologies Private Limited ("Transferor Company" or "MFTPL") and their respective shareholders ("Scheme") approved by the Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) on 28 June 2024 and was made effective from 1 August 2024. The Appointed date of Scheme was 1 January 2022.

**Note 12: Cash and cash equivalents**

	31 March 2025	31 March 2024
Balances with banks in current accounts	14,599	18,177
Cash on hand	-	-
<b>Total</b>	<b>14,599</b>	<b>18,177</b>

Note: The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.

**Note 13: Other bank balances**

	31 March 2025	31 March 2024
Deposits with maturity of more than 3 months up to 12 months from the reporting date	705	76
<b>Earmarked balances with banks</b>		
Unspent CSR	393	71
Deposits with maturity of more than 3 months up to 12 months from the reporting date*	1,230	1,704
<b>Total</b>	<b>2,328</b>	<b>1,851</b>

\*Held as margin money for security against letter of credit and other commitment, FD kept for unspent CSR.

**Note 14: Other financial assets**

	31 March 2025		31 March 2024	
	Current	Non Current	Current	Non Current
<b>(i) Derivatives</b>				
Foreign-exchange forward contracts				
Derivatives designated as hedges				
(i) Foreign-exchange option contracts	-	-	118	-
(ii) Commodity hedge contracts	-	-	2,146	-
<b>(i) Others</b>				
Interest receivable	37	-	31	-
Financial guarantee asset	38	-	137	53
Security deposits	-	248	-	264
Incentive receivable	10,401	-	8,894	-
Others*	2,003	-	-	-
<b>Total</b>	<b>12,479</b>	<b>351</b>	<b>11,326</b>	<b>317</b>

Note: Refer Note 36(i) for Fair value measurements of financial assets and liabilities and Note 36(ii) for Fair value hierarchy disclosures for financial assets and liabilities.

\*Included Stamp Duty Paid Rs. 1,980 Lakhs &amp; Amount Paid to JNPT against lease Rs. 103 Lakhs.

**Note 15: Other non-current assets**

	31 March 2025	31 March 2024
Capital advances	678	591
Balance with government authorities	1,032	1,015
Amount paid under protest*	50	2,500
<b>Total</b>	<b>1,760</b>	<b>4,106</b>

\*During the year, the subsidiary company has received favourable order against previous year's amount paid under protest and therefore, transferred to current financial asset.



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 16: Inventories**

	31 March 2025	31 March 2024
Raw materials (Includes Rs. Nil (31 March 2024 Rs. Nil) in transit)	18,001	19,459
Finished goods	23,057	48,075
Stock-in-trade	16,189	10,182
Stores and spares (Includes Rs. Nil (31 March 2024 Rs. Nil) in transit)	5,792	7,853
Packing materials	1,467	1,423
<b>Total</b>	<b>64,506</b>	<b>86,992</b>

Notes:

(i) The cost of inventories recognised as an expense includes Rs. 21 Lakhs (31 March 2024: Rs. 57 Lakhs) in respect of write-down of inventories to net realisable value.

(ii) Refer Note 2.3(k) for policy on Valuation of Inventories.

**Note 17: Other current assets**

	31 March 2025	31 March 2024
Advances for supply of goods and services	2,361	1,652
Balances with government authorities	13,449	13,870
Prepaid expenses	577	756
Other receivables	575	110
<b>Total</b>	<b>16,962</b>	<b>16,388</b>

**Note 18: Equity share capital**

	31 March 2025	31 March 2024
<b>Authorised</b>		
3,55,00,000 equity shares of Rs. 10 each (31 March 2024: 3,55,00,000 equity shares of Rs. 10 each)	3,550	3,550
18,00,000 1% cumulative redeemable preference shares of Rs.100 each. (31 March 2024: 18,00,000 cumulative redeemable preference shares of Rs.100 each.)	1,800	1,800
	<b>5,350</b>	<b>5,350</b>
<b>Issued, subscribed and fully paid-up share capital</b>		
1,85,40,439 equity shares of Rs. 10 each (31 March 2024: 1,70,50,000 equity shares of Rs 10 each)	1,854	1,705
<b>Fully paid-up share capital as at the year end</b>	<b>1,854</b>	<b>1,705</b>

**(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the year end**

	31 March 2025		31 March 2024	
Equity Shares	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning and at the end of the year	1,70,50,000	1,705	1,70,50,000	1,705
Add: Shares issued by way of conversion of compulsory convertible debentures	14,90,439	149	-	-
	<b>1,85,40,439</b>	<b>1,854</b>	<b>1,70,50,000</b>	<b>1,705</b>

**Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Holder of each equity share is entitled to one vote per share.

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

**(ii) Details of shareholders holding more than 5% shares in the company**

	31 March 2025		31 March 2024	
	Number of shares	% Holding	Number of shares	% Holding
Deepak Fertilisers and Petrochemicals Corporation Limited	1,85,40,433	99.99%	1,70,49,994	99.99%

**(iii) Shares held by promoters at the end of the year**

	As on 31 March 2025		As on 31 March 2024		% of Change during the year
Promoter Name	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
<b>Class of Shares : Equity shares of Rs. 10 each</b>					
1) Deepak Fertilisers and Petrochemicals Corporation Limited (DFPCL)	1,85,40,433	99.9997	1,70,49,994	99.9996	0.000%
2) DFPCL and S. C. Mehta	1	0.00001	1	0.00001	-
3) DFPCL and Parul Sailesh Mehta	1	0.00001	1	0.00001	-
4) DFPCL and Rajvee Sailesh Mehta	1	0.00001	1	0.00001	-
5) DFPCL and Yeshil Sailesh Mehta	1	0.00001	1	0.00001	-
6) DFPCL and Raghuraman Sriraman	1	0.00001	1	0.00001	-
7) DFPCL and Pankaj Gupta	1	0.00001	1	0.00001	-

Note: Shareholders mentioned in Sr. Nos. 2 to 7 are holding shares on behalf of Deepak Fertilisers and Petrochemicals Corporation Limited (DFPCL). DFPCL is the beneficial owner of the aforesaid equity shares pursuant to the provisions of Section 89 (1) (2) (3) of the Companies Act, 2013 read with Rule 9(2) of the Companies (Management and Administration) Rules, 2014.

**Note 19: Other equity****Nature and purpose of other equity****(a) Securities premium:** Amount received in excess of face value of the equity shares is recognised as Securities Premium. The reserve is eligible for utilisation in accordance with the provisions of the Companies Act, 2013.**(b) Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.**(c) Fair value of financial guarantee:** The Holding Company has provided the guarantee for the funds raised by the Company for which guarantee commission is neither planned nor likely to be settled in near future and accordingly, fair value of the guarantee commission is recorded as a component of equity.**(d) Other comprehensive Income (OCI):** This represents equity instruments carried at fair value through OCI, foreign currency exchange differences, Hedge income and remeasurement of employee benefits (gratuity & post retirement benefit).



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Financial Liabilities**
**Note 20: Non-current borrowings**

	Term of Payment and Maturity date	Interest rate	31 March 2025	31 March 2024
<b>Secured</b>				
<b>Term loans</b>				
Bank of Baroda (Loan 1)	Repayable in 20 quarterly instalments starting from June 2023 onwards.	9.30% per annum	32,550	37,028
Export Import Bank of India (Loan 2)	Repayable in 28 quarterly instalments starting from June 2020 onwards.	8.80% per annum	14,923	19,841
Standard Chartered Bank			-	24,872
<b>External Commercial Borrowing</b>				
Asian Development Bank (Loan 3)	Repayable in 8 semi annual instalments starting from December 2023 onwards.	6.44% per annum	7,849	10,784
Compulsory convertible debentures - DFPCCL			-	27,934
<b>Total non-current borrowings</b>			<b>55,322</b>	<b>1,20,459</b>
Less: Current maturities of long-term debt (Refer note: 21)			43,756	22,628
<b>Total</b>			<b>11,566</b>	<b>97,831</b>

Notes:

(a) The term loan from Bank of Baroda (Loan 1) has been availed to shore up the net working capital of the Company. The term loan is secured by exclusive charge on the immovable property situated at Yerroda Pune belonging to joint operation, Yerroda Investments Limited (YIL). Corporate Guarantee of YIL to the extent of the value of Immovable property is offered to Bank of Baroda. The company has made prepayment of Bank of Baroda term loan in April 2025 and accordingly the same has been considered as current maturities.

(b) The term loans from Export Import Bank of India (Loans 2) are secured by exclusive charge over the movable fixed assets by way of hypothecation and immovable fixed assets by way of mortgage situated at Plot No. K7 and K8 at MIDC, Talaja.

(c) The External Commercial Borrowing (ECB) from Asian development Bank (Loan 3) has been availed for the purpose of financing the capital expenditure of fertilisers manufacturing plants located at Talaja, Dist. Raigad. The ECB is secured by first ranking pari passu charge created over NPK assets situated at Talaja, Dist. Raigad.

(d) The Company has registered all the required charges with Registrar of Companies within the statutory period.

e) The Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

f) The Company has complied the relevant provisions of the Companies Act 2013 and the transactions are not violative of the Prevention of Money Laundering Act 2002 (15 of 2003).

**Note 21: Current borrowings**

	Term of Payment and Maturity date	Interest rate	31 March 2025	31 March 2024
<b>From banks</b>				
<b>Secured</b>				
- Current maturities of non-current borrowings			43,756	22,628
- Short-term loan	Repayable within 1 Year	Average 7.75% per annum	15,000	56,000
<b>Total</b>			<b>58,756</b>	<b>78,628</b>

Notes:

(a) Short term loan from banks have been availed to shore up working capital of Company. It is secured by pari passu charge on current assets of the Company.

**RECONCILIATION OF BORROWINGS AS REQUIRED BY Ind AS 7 "STATEMENT OF CASH FLOWS"**

Particulars	31 March 2025	31 March 2024
Non-current borrowings (refer note 20)	11,566	97,831
Current borrowings (refer note 21)	58,756	78,628
Interest accrued (refer note 22)	1,252	1,698
Non-current Lease liabilities (refer note 6)	11,237	4,289
Current Lease liabilities (refer note 6)	2,811	940
	<b>85,622</b>	<b>1,83,386</b>
<b>Cash and Non-cash adjustments</b>		
Conversion of Compulsory convertible debentures	(29,511)	-
Revaluation of ADB loan	216	163
Proceeds from current borrowings	-	56,000
Repayment of current borrowings	-	(8,278)
Proceeds from non-current borrowings	-	24,872
Repayment of non-current borrowings	(35,842)	(12,194)
Reduction/ Increase in interest accrued	(446)	58
Interest on lease liabilities	1,063	251
Addition on account on new leases	10,421	2,690
Lease payment	(2,665)	(755)
<b>Movement of borrowings (net)</b>	<b>(56,764)</b>	<b>62,807</b>



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 22: Other financial liabilities**

	31 March 2025	31 March 2024
<b>Non-current</b>		
Security deposits	9,898	7,911
<b>Total</b>	<b>9,898</b>	<b>7,911</b>
<b>Current</b>		
Derivatives designated as hedges	237	-
Interest accrued	1,252	1,698
Security deposits	2,183	2,042
Capital creditors (Included Rs. 198 Lakhs dues to Micro and Small Enterprises)	720	626
Due to directors	48	3,009
Salary payable	1,262	1,360
Others*	930	2,677
<b>Total</b>	<b>6,632</b>	<b>11,412</b>

\*Includes a liability of Rs. 929 Lakhs (31 March 2024 - Rs. 2,677 Lakhs) on account of a channel financing arrangement, where the bank pays the Company for goods bought by authorised dealers when due and the dealers then pay the bank as per the agreed terms. The Company recognises financial liability to the extent that it has issued First Loss Default Guarantee.

**Note 23: Provisions**

	31 March 2025		31 March 2024	
	Current	Non-Current	Current	Non-Current
<b>Provision for employee benefits</b>				
Gratuity	385	96	392	1,128
Compensated absences	120	452	93	373
Defined pension benefits	123	84	48	108
<b>Total</b>	<b>628</b>	<b>632</b>	<b>533</b>	<b>1,609</b>

**(A) Defined Contribution Plans**

The Company has defined contribution plans such as provident fund, employee state insurance, employee pension scheme and employee superannuation fund wherein specified percentage is contributed to them. During the year, the Company has contributed following amounts to:

Particulars	31 March 2025	31 March 2024
Employer's contribution to provident fund	576	491
Employer's contribution to employee's pension scheme	145	128
Employer's contribution to superannuation fund	421	360
Employer's contribution to employee state insurance	2	3
<b>Total</b>	<b>1,144</b>	<b>983</b>

**(B) Defined Benefit Plans****(i) Gratuity**

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of gratuity. The discount rate assumed is 6.70% p.a. (31 March 2024: 7.20% p.a.) which is determined by reference to market yield of Government bonds at the Balance Sheet date. The retirement age has been considered at 60 years (31 March 2024: 60 years) and mortality table is as per IALM (2012-14) (31 March 2024: IALM (2012-14)).

The estimates of future salary increases considered in actuarial valuation is 9% p.a. (31 March 2024: 8% p.a.), taking into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plans assets are maintained with Life Insurance Corporation of India and India First Life Insurance in respect of gratuity scheme of the Company. The details of investments maintained by Life Insurance Corporation are not available with the Company and hence not disclosed. The expected rate of return on plan assets is 7.20% p.a. (31 March 2024: 7.40% p.a.).

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the beginning of the year	2,866	2,653
Current service cost	211	198
Interest cost	216	189
Actuarial (gain)/loss	146	28
Benefits paid	(319)	(202)
Transfer In / (Out)	296	-
<b>Present value of obligation at the end of the year</b>	<b>3,416</b>	<b>2,866</b>

**Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the end of the year	3,416	2,866
Fair value of plan assets at the end of the year	2,935	1,354
<b>Net (asset)/liabilities recognised in the Balance Sheet</b>	<b>481</b>	<b>1,512</b>

\*The previous year's valuation report does not include employees of Mahadhan Farm Technologies Private Limited (MFTPL), resulting in a difference of Rs. 8 Lakhs. (Refer Note 49)

**Fair value of Plan assets:**

Particulars	31 March 2025	31 March 2024
Plan assets at the beginning of the year	1,354	1,041
Interest Income	136	86
Expected return on plan assets	49	14
Contribution by employer	392	213
Actuarial gain/(loss)	49	14
Adjustment to fund	667	-
Transfer In / (Out)	337	-
<b>Plan assets at the end of the year</b>	<b>2,935</b>	<b>1,354</b>

**Expense recognised in the Statement of Profit and Loss under employee benefits expense:**

Particulars	31 March 2025	31 March 2024
Current service cost	211	198
Interest cost	80	103
Transfer In / (Out)	(41)	-
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>250</b>	<b>301</b>



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Amount recognised in the other comprehensive income:**

Particulars	31 March 2025	31 March 2024
Remeasurements Cost / (Credit )	146	28
Actuarial (gain)/loss	(49)	(14)
Amount recognised in the Other Comprehensive Income	97	14

**Sensitivity analysis :**

Particulars	31 March 2025		31 March 2024	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Impact on defined benefit (decrease)/increase	(160)	178	(128)	142

Particulars	31 March 2025		31 March 2024	
Assumptions	Future salary increase		Future salary increase	
Sensitivity level	1.00% increase	1.00% (decrease)	1.00% increase	1.00% (decrease)
Impact on defined benefit (decrease)/increase	141	(129)	114	(105)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumptions while holding all other assumptions constant.

**(ii) Defined pension benefits**

The Company has a Post Retirement Benefit plan, which is a defined benefit retirement plan, according to which executives superannuating from the service after ten years of service are eligible for certain benefits like medical, fuel expenses, telephone reimbursement, club membership, etc. for specified number of years. The liability is provided for on the basis of an independent actuarial valuation.

In accordance with Ind AS 19 "Employee Benefits", an actuarial valuation has been carried out in respect of post retirement benefits. The discount rate assumed is 6.70% p.a. (31 March 2024: 7.20% p.a) which is determined by reference to market yield of Government bonds at the Balance Sheet date. The retirement age has been considered at 60 years (31 March 2024: 60 years) and mortality table is as per IALM (2012-14) (31 March 2024: IALM (2012-14)).

**Reconciliation of opening and closing balances of the present value of the defined benefit obligation:**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the beginning of the year	155	133
Current service cost	23	18
Past service cost	-	-
Interest cost	11	9
Actuarial (gain)/loss	20	19
Benefits paid	(1)	(24)
Present value of obligation at the end of the year	208	155

**Expense recognised in the Statement of Profit and Loss under employee benefits expense:**

Particulars	31 March 2025	31 March 2024
Current service cost	23	18
Past service cost	-	-
Interest cost	11	9
Expense recognised in the Statement of Profit and Loss	34	27

**Amount recognised in the other comprehensive income:**

Particulars	31 March 2025	31 March 2024
Remeasurements Cost / (Credit )	20	19
Actuarial (gain)/loss on plan assets	-	-
Amount recognised in the Other Comprehensive Income	20	19

**Sensitivity analysis :**

Particulars	31 March 2025		31 March 2024	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1.00% increase	1.00% decrease	1.00% increase	1.00% decrease
Impact on defined benefit	(51)	72	(37)	53

**iii. Provident Fund:**

The Company makes monthly contributions to regional provident fund. The Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

**(C) Other long term benefits (compensated absences):**

Particulars	31 March 2025	31 March 2024
Present value of obligation at the end of the year	572	466

The compensated absences cover the Company's liability for sick and earned leave. The liability is provided for on the basis of an independent actuarial valuation done.





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 24: Trade payables**

	31 March 2025	31 March 2024
Trade payables		
(a) total outstanding dues of micro and small enterprises	4,524	3,930
(b) total outstanding dues of creditors other than micro and small enterprises*	1,22,815	1,13,571
<b>Total</b>	<b>1,27,339</b>	<b>1,17,501</b>

\*Includes acceptances

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

	31 March 2025	31 March 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	4,722	3,930
- Principal amount outstanding (whether due or not) to micro and small enterprises (including payable for capital goods of Rs. 198 Lakhs )	3,630	3,069
- Interest due thereon	34	9
The amount of interest paid by the Company in terms of section 16 of the MSMED along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	41,889	16,675
Amount of interest due and payable on delayed payments	197	73
Amount of interest accrued and remaining unpaid as at year end	1,092	861
The amount of further interest remaining due and payable even in the succeeding year		

**Details of Micro and Small Enterprises as defined under the MSMED**

To comply with the requirements of the Micro, Small and Medium Enterprises Development Act, 2006, the Company requested its suppliers to confirm whether they are covered as Micro, Small or Medium enterprise as defined in the said Act. Based on the communications received from such suppliers confirming their coverage as such enterprise, the Company has recognised them for the necessary treatment as provided under the Act, from the date of receipt of such confirmations.

**Trade Payables aging schedule**

Particulars	As on 31 March 2025 - Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,069	1,441	263	224	527	4,524
(ii) Others	27,233	80,529	759	162	308	1,08,991
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues	13,824	-	-	-	-	13,824
<b>Total Dues</b>	<b>43,126</b>	<b>81,970</b>	<b>1,022</b>	<b>386</b>	<b>835</b>	<b>1,27,339</b>

**Trade Payables aging schedule**

Particulars	As on 31 March 2024 - Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,183	1,088	220	267	172	3,930
(ii) Others	13,437	89,859	248	191	540	1,04,275
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Unbilled dues	9,296	-	-	-	-	9,296
<b>Total Dues</b>	<b>24,916</b>	<b>90,947</b>	<b>468</b>	<b>458</b>	<b>712</b>	<b>1,17,501</b>

**Note 25: Deferred tax liabilities/Deferred tax assets (net)**

The balance comprises temporary differences attributable to:

	31 March 2025	31 March 2024
(a) Deferred tax assets	51,827	51,303
(b) Deferred tax liabilities	(17,456)	(18,525)
<b>Net deferred tax liabilities / assets</b>	<b>(34,371)</b>	<b>(32,778)</b>

Movements in deferred tax liabilities:

**Movements during the year ended 31 March 2025:**

	1 April 2024	Credit/(charge) in the statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2025
Property, plant and equipment, investment property and intangible assets	19,100	(460)	-	18,640
Financial assets at fair value through OCI	751	-	(751)	-
Expenses allowable in the year of payment (Section 43B of the Income Tax Act, 1961)	(927)	345	(41)	(623)
Business loss Under Section 35AD to be adjusted against future Profits	(51,090)	(191)	-	(51,281)
Others (include provision for doubtful debts & MSME )	(612)	(495)	-	(1,107)
<b>Net deferred tax liabilities / assets</b>	<b>(32,778)</b>	<b>(801)</b>	<b>(792)</b>	<b>(34,371)</b>

**Movements during the year ended 31 March 2024:**

	1 April 2023	Credit/(charge) in the statement of Profit and Loss	Credit/(charge) in the Other Comprehensive Income	31 March 2024
Property, plant and equipment, investment property and intangible assets	19,320	(220)	-	19,100
Financial assets at fair value through OCI/PL	(37)	37	751	751
Expenses allowable in the year of payment (Section 43B of the Income Tax Act, 1961)	(944)	29	(12)	(927)
Business loss Under Section 35AD to be adjusted against future Profits	(41,973)	(9,117)	-	(51,090)
Others (include provision for doubtful debts & MSME )	(612)	-	-	(612)
<b>Net deferred tax liabilities</b>	<b>(24,246)</b>	<b>(9,271)</b>	<b>739</b>	<b>(32,778)</b>

**Note 26: Other current liabilities**

	31 March 2025	31 March 2024
Advances from customers	653	990
Statutory dues payable	1,047	4,792
Other payables	2,960	3,270
<b>Total</b>	<b>4,660</b>	<b>9,052</b>



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 27: Revenue from operations**

	31 March 2025	31 March 2024
Sale of products		
- Finished goods	3,00,751	2,01,201
- Traded goods	70,545	67,541
Subsidy on manufactured fertilisers	1,50,194	99,437
Subsidy on traded fertilisers	12,791	41,449
Other operating revenues*	7,890	6,293
<b>Total</b>	<b>5,42,171</b>	<b>4,15,921</b>

\*Includes incentive income from Package Scheme of Incentives (PSI).

**Note 28: Other income**

	31 March 2025	31 March 2024
Interest income from financial assets measured at amortised cost	1,674	1,268
Fair value gain on financial assets mandatorily measured at fair value through profit or loss	-	6
Net gain on sale of investments	293	2,621
Gain on disposal of property, plant and equipment (net)	247	10
Other non-operating income	964	417
<b>Total</b>	<b>3,178</b>	<b>4,322</b>

**Note 29: Cost of materials consumed**

	31 March 2025	31 March 2024
Raw materials as at the beginning of the year	19,459	22,796
Add: Purchases during the year	3,26,094	2,51,084
Less: Raw materials as at the end of the year	18,001	19,459
<b>Total</b>	<b>3,27,552</b>	<b>2,54,421</b>

**Note 30: Purchases of stock-in-trade**

	31 March 2025	31 March 2024
Purchases of stock-in-trade	74,685	91,718
<b>Total</b>	<b>74,685</b>	<b>91,718</b>

**Note 31: Changes in inventories of finished goods and stock-in-trade**

	31 March 2025	31 March 2024
<b>Opening balance</b>		
Finished goods	48,075	41,785
Stock-in-trade	10,182	15,997
<b>Total opening balance</b>	<b>58,257</b>	<b>57,782</b>
<b>Finished goods</b>	<b>23,057</b>	<b>48,075</b>
<b>Stock-in-trade</b>	<b>16,189</b>	<b>10,182</b>
<b>Total closing balance</b>	<b>39,246</b>	<b>58,257</b>
<b>Total</b>	<b>19,011</b>	<b>(475)</b>

**Note 32: Employee benefits expense**

	31 March 2025	31 March 2024
Salaries, wages and bonus	14,273	14,878
Contribution to provident and other funds ( refer note 23 )	1,144	983
Gratuity ( refer note 23 )	250	303
Post-employment pension benefits ( refer note 23 )	34	27
Staff welfare expenses	682	589
<b>Total</b>	<b>16,383</b>	<b>16,780</b>





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 33: Finance costs**

	31 March 2025	31 March 2024
Interest and finance charges	17,814	24,821
Finance charges on finance leases	1,063	251
Interest - others	1,692	909
<b>Total</b>	<b>20,569</b>	<b>25,981</b>

**Note 34: Depreciation and amortisation expense**

	31 March 2025	31 March 2024
Depreciation on property, plant and equipment*	6,610	6,057
Depreciation on Investment Property	3	-
Amortisation of right of use assets	2,105	754
Amortisation on intangible assets	2,038	2,008
<b>Total</b>	<b>10,756</b>	<b>8,819</b>

\*Depreciation amounting to Rs. 189 Lakhs (31 March 2024 Rs. 798 Lakhs) transferred from the Holding Company, Deepak Fertilisers and Petrochemicals Corporation Limited as common sharing cost.

**Note 35: Other expenses**

	31 March 2025	31 March 2024
Consumption of stores and spares	2,903	2,072
Power, fuel and water	3,055	2,174
Repairs to :		
- Buildings	507	309
- Plant and machinery	5,245	4,011
- Others	1,202	760
Rent	1,550	1,539
Insurance	914	1,096
Rates, taxes and duties	264	591
Travelling and conveyance	1,098	963
Legal and professional fees	3,541	2,760
Payments to auditors [refer note 35(a)]	55	52
Directors' fees	13	18
Carriage outward (net)	28,221	22,112
Warehouse and handling charges	57	6
Commission on sales	1	2
Sales and promotion expenses	2,139	2,096
Donations	-	16
Donations to Political Party [refer note 35(c)]	1,000	-
Utility services	632	781
Communication expenses	59	62
Expenditure towards corporate social responsibility [refer note 35(b)]	1,549	1,488
Foreign exchange fluctuations loss (net)	2,651	1,740
Provision for doubtful trade receivables	419	147
Miscellaneous expenses	2,005	3,079
<b>Total</b>	<b>59,080</b>	<b>47,874</b>





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 35(a): Details of payments to auditors**

	31 March 2025	31 March 2024
<b>As auditors:</b>		
Audit fees/limited review fees	25	33
Tax audit fees	3	4
Certification fees/other services	26	12
<b>In other capacities</b>		
Reimbursement of expenses	2	2
<b>Total</b>	<b>55</b>	<b>52</b>

**Note 35(b): Expenditure towards corporate social responsibility**

	31 March 2025	31 March 2024
Contributions to Ishanya Foundation	547	429
Others	69	10
Interest accrued on amount transferred to unspent CSR account last year	33	-
Provision for shortfall in books of accounts	900	1,049
<b>Total</b>	<b>1,549</b>	<b>1,488</b>
Amount required to be spent as per Section 135 of the Act		
Amount spent during the year on -		
(a) amount required to be spent by the company during the year	1,516	1,488
(b) amount of expenditure incurred	616	439
(c) shortfall/(excess) at the end of the year	900	1,049
(d) Interest accrued on amount transferred to unspent account last year	33	-
(e) total of previous years shortfall/(excess)	1,049	189
(f) reason for shortfall,	On going project	On going project
(g) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	Ishanya Foundation	Ishanya Foundation
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Not Applicable	Not Applicable

**Note 35(c): Donations**

	31 March 2025	31 March 2024
<b>Donations to Political Paty</b>		
-Bharatiya Janata Party	1,000	-
<b>Total</b>	<b>1,000</b>	<b>-</b>



# **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## **Note 36: Fair value measurements**

### **(i) Financial instruments by category**

	31 March 2025			31 March 2024		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments						
- Equity instruments at fair value	3	-	-	3	-	-
- Mutual funds	-	-	-	9,991	-	-
Trade receivables	-	-	1,22,930	-	-	92,875
Cash and cash equivalents	-	-	14,599	-	-	18,177
Other bank balances	-	-	2,328	-	-	1,851
Loans	-	-	40	-	-	31
Other financial assets	-	-	-	-	-	-
- Derivative financial asset, designated as hedge	-	-	-	118	2,146	-
- Interest receivable	-	-	37	-	-	31
- Financial Guarantee Asset	-	-	38	-	-	190
- Security deposits	-	-	248	-	-	264
- Incentive Receivable	-	-	10,401	-	-	8,894
- Others	-	-	2,106	-	-	-
<b>Total financial assets</b>	<b>3</b>	<b>-</b>	<b>1,52,727</b>	<b>10,112</b>	<b>2,146</b>	<b>1,22,313</b>
<b>Financial liabilities</b>						
Borrowings	-	-	70,322	-	-	1,76,459
Lease Liabilities	-	-	14,048	-	-	5,229
Trade payables	-	-	1,27,339	-	-	1,17,501
Other financial liabilities	-	-	-	-	-	-
- Capital creditors	-	-	720	-	-	626
- Security deposits	-	-	12,081	-	-	9,953
- Interest accrued	-	-	1,252	-	-	1,698
- Others	237	-	2,240	-	-	7,046
<b>Total financial liabilities</b>	<b>237</b>	<b>-</b>	<b>2,28,002</b>	<b>-</b>	<b>-</b>	<b>3,18,512</b>



(ii) Fair value hierarchy

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

The different levels have been defined as follows:

Level 1 - Quoted market prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level-1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

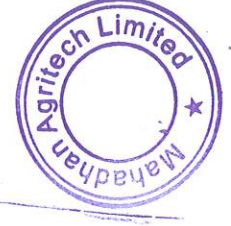
Financial assets and liabilities measured at fair value	31 March 2025			Total	31 March 2024			Total
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
<i>Financial Investments at FVPL</i>								
Equity shares	3	-	-	3	3	-	-	3
Mutual funds	-	-	-	-	9,991	-	-	9,991
<b>Derivatives</b>								
Foreign exchange forward contracts/option contracts	-	-	-	-	118	2,146	-	2,264
<b>Total financial assets</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>10,112</b>	<b>2,146</b>	<b>-</b>	<b>12,258</b>
<b>Financial liabilities</b>								
<b>Derivatives</b>								
Foreign exchange forward contracts/option contracts	237	-	-	237	-	-	-	-
<b>Total financial liabilities</b>	<b>237</b>	<b>-</b>	<b>-</b>	<b>237</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2025 and 31 March 2024.

(iii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- (a) The fair values of investments in debt and government securities is based on the current bid price of respective investment as at the Balance Sheet date.
- (b) The fair values of investments in mutual fund units is based on the net asset value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from investors.





## Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

### Note 37: Financial risk management

#### 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 Company, through three layers of defence namely policies and procedures, review mechanism and assurance aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Audit Committee of the Board with top management oversees the formulation and implementation of the risk management policies. The risks are identified at business unit level and mitigation plans are identified, deliberated and reviewed at appropriate forums.

The Company has exposure to the following risks arising from financial instruments:

- (i) credit risk;
- (ii) liquidity risk; and
- (iii) market risk.

#### (i) Credit risk

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

The carrying amount of financial assets represents the maximum credit risk exposure.

#### Trade receivables and other financial assets

The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected credit loss for trade receivables:

The Company based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. The balance past due for more than 6 month (net of expected credit loss allowance), excluding receivable from group companies is Rs. 7,851 Lakhs (31 March 2024: Rs. 1,820 Lakhs).

Movement in the expected credit loss allowance of trade receivables is as follows:

	31 March 2025	31 March 2024
Balance at the beginning of the year	1,848	1,700
Add: Provided during the year	419	148
Less: Amount utilised	-	-
Balance at the end of the year	2,267	1,848

Expected credit loss on financial assets other than trade receivables:

With regards to all financial assets with contractual cash flows other than trade receivables, the management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and hence the risk of default is negligible and accordingly, no provision for excepted credit loss has been made on these financial assets.



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**(ii) Liquidity Risk**

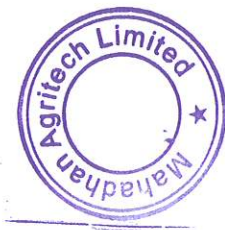
Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury department is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily by treasury. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

31 March 2025	Carrying Amount	Payable within 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Non-derivatives financial liabilities</b>					
Borrowings	62,473	55,551	6,923	-	62,473
Obligations under finance lease	14,048	2,811	9,347	1,890	14,048
Trade payables	29,803	29,803	-	-	29,803
Interest accrued	80	80	-	-	80
Security deposits	12,081	2,183	9,898	-	12,081
Other financial liabilities	3,197	3,197	-	-	3,197
<b>Total non-derivative liabilities</b>	<b>1,21,682</b>	<b>93,624</b>	<b>26,167</b>	<b>1,890</b>	<b>1,21,682</b>
<b>Derivatives financial liabilities</b>					
Borrowings	7,849	3,206	4,644	-	7,849
Interest accrued	1,172	1,172	-	-	1,172
Trade payables	97,536	97,536	-	-	97,536
<b>Total derivative liabilities</b>	<b>1,06,557</b>	<b>1,01,914</b>	<b>4,644</b>	<b>-</b>	<b>1,06,557</b>



# **Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

31 March 2024	Carrying Amount	Payable within 1 year	More than 1 year	More than 5 years	Total
<b>Non-derivatives financial liabilities</b>					
Borrowings	1,65,675	75,500	62,241	27,934	1,65,675
Obligations under finance lease	5,229	940	4,289	-	5,229
Trade payables	45,774	45,774	-	-	45,774
Interest accrued	582	582	-	-	582
Security deposits	9,953	2,042	7,911	-	9,953
Other financial liabilities	7,672	7,672	-	-	7,672
<b>Total non-derivative liabilities</b>	<b>2,34,885</b>	<b>1,32,510</b>	<b>74,441</b>	<b>27,934</b>	<b>2,34,885</b>
<b>Derivatives financial liabilities</b>					
Borrowings	10,784	3,128	7,656	-	10,784
Interest accrued	1,116	1,116	-	-	1,116
Trade payables	71,727	71,727	-	-	71,727
<b>Total derivative liabilities</b>	<b>83,627</b>	<b>75,971</b>	<b>7,656</b>	<b>-</b>	<b>83,627</b>

## (iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates that will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

## **Currency risk**

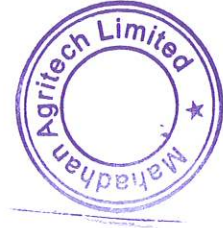
The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the functional currency of the Company. The currencies in which the Company is exposed to risk are USD, GBP and EUR.

The Company follows a natural hedge driven currency risk mitigation policy to the extent possible. Any residual risk is evaluated and appropriate risk mitigating steps are taken, including but not limited to, by entering into forward contracts.

## **Exposure to currency risk**

- (i) The Company's exposure to foreign currency risk at the end of the reporting period is presented in Note 44.
- (ii) The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and forward contracts.

	Impact on profit after tax	
	31 March 2025	31 March 2024
<b>USD sensitivity</b>		
INR/USD -appreciated by 1% (31 March 2024-1%)	1,066	838
INR/USD -depreciated by 1% (31 March 2024-1%)	(1,066)	(838)
<b>EURO sensitivity</b>		
INR/EURO -appreciated by 1% (31 March 2024-1%)	0.26	0.02
INR/EURO -depreciated by 1% (31 March 2024-1%)	(0.26)	(0.02)
<b>GBP sensitivity</b>		
INR/GBP -appreciated by - 1% (31 March 2024-1%)	0.02	0.05
INR/GBP -depreciated by - 1% (31 March 2024-1%)	(0.02)	(0.05)





## Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at variable interest rates linked to Marginal Cost of Lending Rate i.e. MCLR and Foreign currency loans are linked to SOFR. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees. The Company has exposure to interest rate risk, arising principally on changes in lending rates i.e. MCLR/SOFR.

### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	31 March 2025	31 March 2024
Variable rate borrowings	70,322	1,48,525
Fixed rate borrowings	-	27,934
<b>Total borrowings</b>	<b>70,322</b>	<b>1,76,459</b>

### Sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for floating rate liabilities assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease / increase by Rs. 351 Lakhs (for the year ended 31 March 2024: decrease / increase by Rs. 742 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

### Note 38. Capital Management

#### Risk Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for its shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents and other bank balances) and divided by Total 'equity' (as shown in the Balance Sheet).

The gearing ratios were as follows:

	31 March 2025	31 March 2024
Net debt	53,788	1,56,502
Total equity	1,86,647	1,43,963
<b>Net debt to equity ratio</b>	<b>0.29</b>	<b>1.09</b>



# Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

## Note 39(a) : Names of the related parties and relationships

### NAMES OF THE RELATED PARTIES AND RELATIONSHIPS

#### A Holding Company

Deepak Fertilisers and Petrochemicals Corporation Limited

#### B Fellow Subsidiaries

- 1 Deepak Mining Solutions Limited
- 2 Performance Chemiserve Limited
- 3 SCM Fertilchem Limited
- 4 Ishanya Brand Services Limited
- 5 Deepak Nitrochem Pty Limited
- 6 Ishanya Realty Corporation Limited
- 7 Platinum Blasting Services Pty Limited [PBS]
- 8 Platinum Blasting Services (Logistics) Pty Limited (Formerly Australian Mining Explosives Pty Limited (Subsidiary of PBS))

#### C Jointly Controlled Entity of Ultimate Holding Company

- 1 Yarrowda Investments Limited

#### D Key management personnel

##### (a) Executive directors

- 1 Mr. Sailesh Chimanlal Mehta
- 2 Mr. Yeshil S Mehta

##### (b) Non-executive Directors

- 1 Mrs. Parul Sailesh Mehta
- 2 Mr. Madhumilan Parshuram Shinde
- 3 Dr. T K Chatterjee

#### (c) Non-executive Independent directors

- 1 Mr. Bhuwan C Tripathi
- 2 Mr. Partha Bhattacharyya
- 3 Mr. Alok Perti (Up to 31.10.2024)

#### (d) Chief Financial Officer

Mr. Deepak Rastogi (Up to 31.07.24)  
Mr. Gaurav Goel (From 01.08.24)

#### (e) Company Secretary

Mr. Pankaj Gupta (Upto 31.08.2024)  
Mr. Gaurav Munoli (From 1.09.2024)

#### E Names of the related parties and relationships

(a) Private Companies in which a Director is Director or Member, or Public Companies in which Director is a Director and holds along with his relatives, more than 2% of its paid-up share capital or Firm or Association of Individuals:

- 1 Ishanya Foundation
- 2 Deepak Nitrite Limited

#### (b) Close member of Key management personnel

- 1 Ms. Rajveen Mehta



# Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## Note 39(b) Related Party transactions:

		31 March 2025								31 March 2024				
Sr. No.	Nature of Transactions	Holding Company	Subsidiaries	Key Management Personnel	Relative of Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises over which Key Management Personnel are able to exercise significant influence	Total	Holding Company	Subsidiaries	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises over which relatives of Key Management Personnel are able to exercise significant influence	Total
1	<b>Sale of goods and services</b> Deepak Fertilisers and Petrochemicals Corporation Limited Performance Chemiserve Limited Deepak Mining Solutions Limited Deepak Nitrite Limited	16,320	-	-	-	-	-	16,320	25,887	-	-	-	-	25,887
2	<b>Purchases of goods and services</b> Deepak Fertilisers and Petrochemicals Corporation Limited Deepak Mining Solutions Limited Performance Chemiserve Limited	(10,477)	-	-	-	-	-	(10,477)	(51,819)	-	-	-	-	-
3	<b>Receiving of services/reimbursement of expenses</b> Deepak Fertilisers and Petrochemicals Corporation Limited Platinum Blasting Services Pty Ltd Mr. Madhumilan Parshuram Shinde SCM Fertilchem Limited Performance Chemiserve Limited	(16,046)	-	(12)	-	-	(370)	(91,545)	-	(149)	-	-	-	(149)
4	<b>Rendering of services/reimbursement if expenses</b> Deepak Fertilisers and Petrochemicals Corporation Limited Deepak Mining Solutions Ltd	643	-	-	-	3,391	-	643	-	-	-	-	-	-
5	<b>Interest on loans taken</b> Deepak Fertilisers and Petrochemicals Corporation Limited	(4,687)	-	-	-	-	-	(4,687)	(2,803)	-	-	-	-	(2,803)
6	<b>Interest on loans given</b> Performance Chemiserve Limited	-	-	-	-	1,224	-	1,224	-	-	-	-	-	-
7	<b>CSR contribution</b> Ishanya Foundation	-	-	-	-	-	(742)	(742)	-	-	-	-	(429)	-
8	<b>Remuneration (including perquisites)**</b> Mr. Yeshil Mehta Mr. Pankaj Gupta Mr. Sailesh Mehta Mr Gaurav Goel Ms. Rajvee Mehta Other Directors' Commission	-	(125) (23) (103) (48)	- - - (13)	- - - -	- - - -	- - - -	(125) (23) (103) (13) (48)	- - - -	- - - -	(2,974) (80) (64) (180)	- - - -	- - - -	(2,974) (80) (64) (180)





# Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## Note 39(b) Related Party transactions:

		31 March 2025							31 March 2024					
Sr. No.	Nature of Transactions	Holding Company	Subsidiaries	Key Management Personnel	Relative of Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises over which Key Management Personnel are able to exercise significant influence	Total	Holding Company	Subsidiaries	Key Management Personnel	Entities over which Key Management Personnel are able to exercise significant Influence	Enterprises over which relatives of Key Management Personnel are able to exercise significant influence	Total
9	Loans taken Deepak Fertilisers and Petrochemicals Corporation Limited Inter-Corporate Deposits Mahadhan AgriTech Limited [Compulsory Convertible Debentures] Converted Mahadhan AgriTech Limited [Equity Shares] Converted	49,700 29,512 (29,512)	- - -	- - -	- - -	- - -	- - -	49,700 29,512 (29,512)	- 26,734 -	- - -	- - -	- - -	- - -	- 26,734 -
10	Investment in debenture Performance Chemiserve Limited (NCD)	-	-	-	-	(25,000)	-	(25,000)	-	-	-	-	-	-
11	Redemption of Debenture Performance Chemiserve Limited (NCD)	-	-	-	-	25,000	-	25,000	-	-	-	-	-	-
11	Loans repaid Deepak Fertilisers and Petrochemicals Corporation Limited -ICD	(49,700)	-	-	-	-	-	(49,700)	-	-	-	-	-	-
12	Amounts outstanding Trade Receivables Deepak Mining Solutions Limited Deepak Nitrite Limited SCM Fertilchem Limited	- - - -	- - - -	- - - -	- - - -	2,787 - - -	- 1 -	2,787 1 -	- - - -	- - - -	- - - -	- - 3 -	- 82 -	- 82 3
	Trade Payables Deepak Fertilisers and Petrochemicals Corporation Limited Performance Chemiserve Limited Deepak Mining Solutions Limited	(1,024) - - -	- - - -	- - - -	- - - -	- (8,962) - -	- - - -	(1,024) (8,962) - -	(7,445) - - -	- - - -	- - - -	- - (22,126) -	- - -	(7,445) - (22,126)
	Standby letter of credit given Performance Chemiserve Limited	-	-	-	-	-	-	-	-	-	-	18,906	-	18,906
	Remuneration payable Mr. Yeshil Mehta Mr. Sailesh Mehta Other Directors' Commission	- - - -	- - - -	- - - (48)	- - - -	- - - -	- - - -	- - - (48)	- - - -	- - - -	(2,828) - (180) -	- - - -	- - -	(2,828) - (180)
	Loans repayable Deepak Fertilisers and Petrochemicals Corporation Limited Compulsorily Convertible Debentures	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - (27,934)

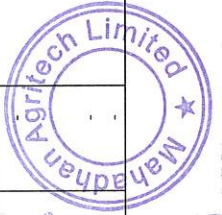
Note : Figures in bracket are outflows.

All transactions are in ordinary course and on an arm's length basis.

\*\*Remuneration does not include sitting fees paid to non-executive directors of Rs. 13.35 Lakhs (31 March 2024 : Rs. 17.70 Lakhs).

Also Refer Note 43 for corporate guarantee given to a subsidiary.

Previous Year transactions have been restated and reconciled to give effect of the same (Refer Note 49)



## Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

### Note 40: Contingent liabilities

Particulars	31 March 2025	31 March 2024
<b>A. Contingent liabilities</b>		
Claims against the Company not acknowledged as debts	7,739	6,446
Income Tax demands (Refer Note 42)	17,248	55,129
Local Body Tax	598	598
Sales Tax/ VAT Demand/ Goods and Service Tax Demand	5,950	4,001
Custom Act , 1962	1	1
	<b>31,536</b>	<b>66,174</b>
<b>B. Commitments</b>		
Other capital commitments	9,565	3,673
<b>Total</b>	<b>9,565</b>	<b>3,673</b>

### Note 41

Gas Authority of India Limited (GAIL) has claimed an amount of Rs. 35,700 Lakhs in respect of supply of domestic natural gas for the period July 2006 to May 2014 (inclusive of interest till 2016), alleging usage for manufacture of products other than Urea. As per two contracts entered into 2006 and 2010 between the Company and GAIL, the purchase of gas was clearly intended, supplied and utilised for industrial applications. It has been in the full knowledge of the Department of Fertilisers, Government of India that the Company; as per the industrial license, since its inception was never engaged in the manufacture of Urea and the dispute was referred to Arbitration.

Claims by GAIL were divided into two parts by the Company while challenging arbitration. Claim under Gas Sales and Transportation Agreement of 2006 is non-arbitrable. Similarly, the claim for the period from 2011 to 2013; are barred by limitation. Accepting the Company's stand, the Arbitration Tribunal has rejected the claims of GAIL vide orders dated 5 September 2017 and 13 December 2017. Thereafter, GAIL filed Arb Appeal (COMM) NO. 3/2018 challenging the Order dated 5 September 2017 and OMP (COMM) No. 31/2018 before Hon'ble Delhi High Court, which dismissed both the appeals vide its Order dated 20 December 2018 and upheld the Order of Arbitrator.

Consequently, GAIL has preferred a Special Leave Petition before the Hon'ble Supreme Court against dismissal of Arb Appeal (COMM) 3/2018 and also preferred an appeal before Divisional bench of Hon'ble Delhi High Court against dismissal of OMP (COMM) No 31/2018. Both the petitions are pending adjudication as at the reporting date.

### Note 42

The Appeals filed by M/s Mahadhan AgriTech Limited (MAL) (Formerly Smartchem Technologies Limited), against the order/s of the Commissioner of Income Tax (Appeals), Mumbai, for the period AY 2015-16 to AY 2019-20, confirming additions/ disallowance resulting in demand aggregating to Rs. 58,052 Lakhs, are being heard by the Income tax Appellate Tribunal (ITAT).

Further during the year, the Company received the orders passed by the Assessing Officer imposing penalties aggregating to Rs.47,886 Lakhs for AY 2015-16 to AY 2018-19 in relation to the above quantum additions. The Company has filed applications for rectifications of mistakes seeking correction/reduction in the amounts of penalties imposed and also appeals challenging these levies on merits.

The management continues to believe, based on an expert opinion, various favourable judgements, and amendments in the Income-tax Act, 1961, that it has a good case, on merits, both in the quantum appeals and the appeals against orders levying penalties and is therefore confident of its positive outcome in respect of both sets of appeals.

Contingent liabilities in respect of TAN business amounting to Rs. 91,187 Lakhs transferred to demerged entity- DMSL on account of transfer of obligation as per the approved scheme.





**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 43: Foreign currency balances outstanding**

	31 March 2025		31 March 2024	
	Amount in Foreign Currency Lakhs	Equivalent Amount in INR Lakhs	Amount in Foreign Currency Lakhs	Equivalent Amount in INR Lakhs
<b>Hedged Position*</b>				
Creditors (in USD)	1,138	97,536	860	71,727
Interest accrued (in USD)	14	1,172	13	1,116
ECB Loan Borrowing	94	7,849	131	10,948
<b>Total</b>	<b>1,245</b>	<b>1,06,557</b>	<b>1,004</b>	<b>83,791</b>
<b>Un-hedged Position</b>				
Creditors (in AUD)	0.28	15.07	-	-
Creditors (in EURO)	0.28	26	0.02	2
Creditors (in GBP)	0.02	2	0.05	5
<b>Total</b>	<b>1</b>	<b>43</b>	<b>0</b>	<b>7</b>

\*The above transactions are hedged by the following derivative contracts:

Particulars	31 March 2025		31 March 2024	
	Amount in Foreign Currency Lakhs	Equivalent Amount in INR Lakhs	Amount in Foreign Currency Lakhs	Equivalent Amount in INR Lakhs
Forward Contracts - USD	399	34,066	3	269
Options Contracts - USD	844	72,103	1,001	83,522
<b>Total - A</b>	<b>1,242</b>	<b>1,06,169</b>	<b>1,004</b>	<b>83,791</b>
Forward Contracts - USD (Based on POs in Hand)	369	31,505	416	34,689
Forward Contracts - USD (Booked under Anticipated Exposure Facility)	160	13,677	40	3,336
<b>Total - B</b>	<b>529</b>	<b>45,181</b>	<b>456</b>	<b>38,026</b>
<b>Grand Total (A+B)</b>	<b>1,771</b>	<b>1,51,351</b>	<b>1,460</b>	<b>1,21,816</b>

The Company has chosen to not designate the foreign exchange forward contracts and options contracts as hedges under IND AS 109.

**Note 44: Income Taxes**

Components of Income Tax Expenses	31 March 2025	31 March 2024
<b>I. Tax expense recognised in the Statement of Profit and Loss</b>		
Current Tax	3,470	1,500
<b>Total (A)</b>	<b>3,470</b>	<b>1,500</b>
Deferred tax charge/(credit)	(801)	(9,271)
<b>Total (B)</b>	<b>(801)</b>	<b>(9,271)</b>
<b>Total (A+B)</b>	<b>2,669</b>	<b>(7,771)</b>
<b>II. Tax on Other Comprehensive Income</b>		
Deferred Tax		
(Gain)/Loss on remeasurement of net defined benefit plans	41	12
Cash Flow hedge	751	(751)
<b>Total</b>	<b>792</b>	<b>(739)</b>

**Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate 31 March 2025 and 31 March 2024**

Particulars	31 March 2025	31 March 2024
Accounting profit before tax	17,313	(24,875)
At India's statutory income tax rate of 34.944% (31 March 2024: 34.944%) (A)	6,050	(8,692)
MSME Interest	81	130
Donation	269	446
Deferred tax recognised on reasonable certainty	(3,710)	(2,703)
Tax Related to Earlier years	-	3,216
Others	(21)	(168)
<b>Total (B)</b>	<b>(3,381)</b>	<b>921</b>
<b>Income Tax expense reported in the statement of profit or loss (A+B)</b>	<b>2,669</b>	<b>(7,771)</b>

**Note 45 Other Statutory Information**

[A] Below disclosures are not given since there are no such transactions for the financial year ended 31st March 2025 ( 31st March 2024 : Not applicable )

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(iii) The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(iv) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

[B] Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account.





# Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## Note 46: Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
R K PROINFRA PRIVATE LIMITED	Recovery of GST Credit and interest thereon	Rs. 1.34 Lakhs	Vendor

## Note 47: Ratios

Particulars	31 March 2025	31 March 2024	Items included in numerator	Items included in denominator	Change in the ratio by more than 25% as compared to the preceding year	Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year
(a) Current Ratio (in times)	1.15	1.37	Total current assets	Total current liabilities	-16%	Not Applicable
(b) Debt-Equity Ratio (in times)	0.45	1.26	Total Debt (Long Term Borrowings, Short Term Borrowings and Lease liabilities)	Shareholder's Equity (Share capital and Other Equity)	-64%	Reduction in Debt-Equity Ratio due to repayment of borrowings during the year
(c) Debt Service Coverage Ratio (in times)	0.62	0.36	Earnings available for Debt Service (Net profit after tax + Non cash operating expenses + Interest + other non cash adjustments)	Debt Service = Interest and lease payments + Principal repayments	70%	Variation is due to increase in repayments and net profit compared to last year.
(d) Return on Equity Ratio (in %)	9%	-11%	Profit after tax for the current year less preference dividend (if any)	Average Shareholder's Equity	-179%	Variation is due to Substantial improvement in Profit after Tax
(e) Inventory turnover ratio (in times)	5.56	3.96	Cost of goods sold	Average inventory	40%	Increase in Inventory Turnover Ratio due to increase in turnover and decrease in inventory
(f) Trade Receivables turnover ratio (in times)	5.02	4.08	Revenue from operations	Average trade receivables	23%	Not Applicable
(g) Trade payables turnover ratio (in times)	3.27	2.18	Purchase of materials and stock in trade	Average trade payables	50%	Improvement in ratio on account of COGS increased by around 18% compared to previous year, where as trade payable increased around 8%
(h) Net capital turnover ratio (in times)	17.39	6.02	Revenue from operations	Working Capital = Current Assets - Current Liabilities	189%	Substantial increase in net working capital as compared to increase in revenue from operation
(i) Net profit ratio (in %)	2.70%	-4.11%	Profit after tax for the current year	Revenue from operations	-166%	Increase in Net Profit Ratio as sales and net margin increase compared to last year
(j) Return on Capital employed (in %)	17.05%	0.39%	Profit before tax and finance costs	Capital Employed = Tangible Net Worth + Total Debt + Deferred tax liability	4225%	Increase in return on capital employed ratio due to margin as a percentage of PBT increase as compared to previous year
(k) Return on investment. (in %)	5.86%	9.48%	Income generated from investment of funds	Average invested funds in treasury investments	-38%	Decrease in return on investment ratio due to reduction in average investment during the year



**Note 48: Earnings per Share**

Basic Earnings per Share is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted Earnings per Share is calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year and the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. There are no dilutive potential equity shares and accordingly, Basic Earnings per Share and Diluted Earnings per Share are the same. Earnings per Share has been calculated as under:

Particulars	31 March 2025	31 March 2024
Profit after tax for calculation of Basic and Diluted Earnings per Share (Rs. Lakhs)	14,644	-17,104
Weighted average number of equity shares (Face Value per share Rs. 10)	1,85,40,439	1,70,50,000
Basic Earnings per Share (in Rs.)	78.99	-100.32
Diluted Earnings per Share (in Rs.)	78.99	-100.32

(i) Company does not have any potential equity shares and thus average number of shares for computation of basic EPS and diluted EPS remains the same.



**Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)**

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

**Note 49: Reorganization**

The Composite Scheme between Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited) ("Demerged Company" or "Transferee Company" or "MAL"), Deepak Mining Solutions Limited (Formerly Deepak Mining Solutions Private Limited) ("Resulting Company" or "DMSL") and Mahadhan Farm Technologies Private Limited ("Transferor Company" or "MFTPL") and their respective shareholders ("Scheme") approved by the Mumbai Bench of the Hon'ble National Company Law Tribunal (NCLT) on June 28, 2024 and made effective from August 1, 2024. The Appointed date of Scheme was January 1, 2022.

Consequently, the Technical Ammonium Nitrate business including all movable and immovables assets, liabilities, related party transactions, licenses, registrations, contracts, legal proceedings, tax credits and employees, workers were transferred, assigned and novated to DMSL as an going concern basis on the Appointed date and relevant assets and liabilities of MFTPL are acquired by the Company.

As per requirement of IND-AS 103 "Business Combination" figures of previous period (from appointed date) are restated and reconciliation is tabulated below:

**Balance Sheet Items for the year ended 31 March, 2024:**

Particulars	Audited Balance Sheet - March 24 (Before effect of business combination)	Effects of De-merger as stated above	Revised Balance Sheet - March 24 (Post effect of business combination)
Non current Assets	1,83,407	(7,749)	1,75,658
Current Assets	2,37,566	60,445	2,98,011
Asset classified as held for sale on account of discontinuing operation	5,32,838	(5,32,838)	-
<b>Total Assets</b>	<b>9,53,811</b>	<b>(4,80,142)</b>	<b>4,73,669</b>
Equity Share Capital	1,705	-	1,705
Other Equity	4,41,339	(2,99,081)	1,42,258
<b>Total Equity</b>	<b>4,43,044</b>	<b>(2,99,081)</b>	<b>1,43,963</b>
Non Current Liabilities	1,11,597	43	1,11,640
Current liabilities	2,04,516	13,550	2,18,066
Liabilities directly associated with discontinued operation	1,94,654	(1,94,654)	-
<b>Total Liabilities</b>	<b>5,10,767</b>	<b>(1,81,061)</b>	<b>3,29,706</b>
<b>Total Equity and liabilities</b>	<b>9,53,811</b>	<b>(4,80,142)</b>	<b>4,73,669</b>

<b>Impact on Profit/(Loss) for the FY 2023-2024</b>	
Profit from audited financials of FY 2023-24	23,844
Less: Profit adjustments on account of Composite Scheme	(40,948)
<b>Revised profit/ (loss) for FY 2023-24 post effect of the Composite Scheme stated above</b>	<b>(17,104)</b>





# Mahadhan AgriTech Limited (Formerly Smartchem Technologies Limited)

Notes to the financial statements for the year ended 31 March 2025

(All amounts in Rs. Lakhs unless otherwise stated)

## Note 50: Segment Reporting

Sr No	PARTICULARS	CHEMICALS	FERTILISERS	OTHERS	COMMON	TOTAL
1	Revenue					
	(a) External Sales					
	(i) Manufactured	24,347	4,34,488	-	-	4,58,835
	Previous Year	29,851	2,77,080	-	-	3,06,931
	(ii) Traded	5,787	77,549	-	-	83,336
	Previous Year	-	1,08,990	-	-	1,08,990
	(b) Unallocated Corporate other income	-	-	3,178	-	3,178
	Previous Year	-	-	4,322	-	4,322
	<b>Total Revenue</b>	<b>30,134</b>	<b>5,12,037</b>	<b>3,178</b>	<b>-</b>	<b>5,45,349</b>
	Previous Year	29,851	3,86,070	4,322	-	4,20,243
2	Segment Result	2,208	42,522	-	-	44,730
	Previous Year	-	(128)	-	-	(128)
3	Unallocated Corporate expenses	-	-	-	27,417	27,417
	Previous Year	-	-	-	24,747	24,747
4	Net profit	-	-	-	-	17,313
	Previous Year	-	-	-	-	(24,875)
5	Other Information					
	(a) Segment Assets	-	3,63,597	-	59,046	4,22,643
	Previous Year	-	3,59,005	-	1,14,664	4,73,669
	(b) Segment Liabilities	-	2,35,972	-	24	2,35,996
	Previous Year	-	3,26,697	-	3,009	3,29,706
	(c) Capital Expenditure incurred during the year	-	6,195	-	-	6,195
	Previous Year	-	6,739	-	-	6,739
	(d) Depreciation/ Amortisation	-	10,756	-	-	10,756
	Previous Year	-	8,819	-	-	8,819

## Segment information

### 1. Primary segment reporting (by business segments)

#### Composition of business segment

Segment	Products covered
(a) Chemicals	DNA
(b) Bulk Fertilisers	NP, NPK, MOP, DAP, Ammonium Sulphate, Mixtures, SSP, Sulphur, Micronutrients, SSF, Bio Fertilisers.

### 2. Secondary Segment Information: There are no reportable geographical segments since the Company caters mainly to needs of Indian Markets.

**Note 51:** The Company has changed its name from Smartchem Technologies Limited to Mahadhan AgriTech Limited with effect from 20 April 2023.

**Note 52:** Previous year's figures have been reclassified/regrouped wherever necessary.

**Note Nos. 1 to 52 form an integral part of the financial statements.**

As per our report of even date attached

For and on behalf of the Board of Directors

For B. K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W

Himanshu Goradia  
Partner  
Membership No: 045668

Place: Pune  
Date: 21st May 2025



S. C. Mehta  
Chairman  
DIN: 00128204  
Place: Pune

Madhumilan Shinde  
Director  
DIN: 06533004

Place: Pune  
Date: 21st May 2025

Gaurav Goel  
Chief Financial Officer

Place: Pune

Gaurav Munoli  
Company Secretary  
Membership No: A24931

Place: Pune

