

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Advanta Enterprises Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Advanta Enterprises Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint venture, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements/financial information of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint venture as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associate and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063



Independent Auditor's Report (Continued)

Advanta Enterprises Limited

Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Management and Board of Directors and the respective Board of Directors of its associate and joint venture are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint venture to cease to continue as a going concern.



Independent Auditor's Report (Continued)

Advanta Enterprises Limited

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

- a. We did not audit the financial statements / financial information of 16 subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs.14,254 crores as at 31 March 2023, total revenues (before consolidation adjustments) of Rs.2,260 crores and net cash flows (before consolidation adjustments) amounting to Rs.68 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs. 60 crores for the year ended 31 March 2023, in respect of one associate and one joint venture, whose financial statements/financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

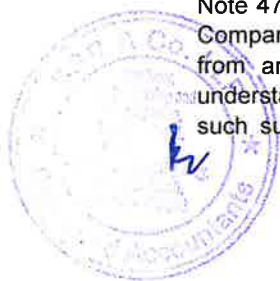
1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.



Independent Auditor's Report (Continued)

Advanta Enterprises Limited

- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate company and joint venture company incorporated in India, none of the directors of the Group companies, its associate company and joint venture company incorporated in India is disqualified as on 31 March 2023 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 Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associate and joint venture, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group, its associate and joint venture. Refer Note 34B to the consolidated financial statements.
 - b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 7B and 15 to the consolidated financial statements in respect of such items as it relates to the Group, its associate and joint venture.
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023.
 - d (i) The management of the Holding Company whose financial statements has been audited under the Act has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 47 to the consolidated financial statements, 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 Holding Company or any of such subsidiary companies, associate company and joint venture 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate company and joint venture company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company whose financial statements has been audited under the Act has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 47 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate company and joint venture company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate company and joint venture company shall directly or



Independent Auditor's Report (Continued)

Advanta Enterprises Limited

indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company have neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies, associate company and joint venture company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate company and joint venture company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, associate company and joint venture company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Bhavesh Dhupelia

Partner

Place: Dubai

Date: 26 June 2023

Membership No.: 042070

ICAI UDIN: 23042070BGYGMW5309

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Advanta Enterprises Limited for the year ended 31 March 2023

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

- (xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by its respective auditor in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/S subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1.	Advanta Enterprises Limited	U01100MH2022PLC383998	Holding Company	Clause 3 (i) (c) and 3 (vii) (a)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Bhavesh Dhupelia

Partner

Place: Dubai

Date: 26 June 2023

Membership No.: 042070

ICAI UDIN:23042070BGYGMW5309

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Advanta Enterprises Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

In conjunction with our audit of the consolidated financial statements of Advanta Enterprises Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. 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 Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were 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 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 consolidated 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 internal financial controls with reference to financial statements.



**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Advanta Enterprises Limited for the year ended 31 March 2023
(Continued)**

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 consolidated 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 consolidated 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 controls 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.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Bhavesh Dhupelia

Partner

Place: Dubai

Membership No.: 042070

Date: 26 June 2023

ICAI UDIN:23042070BGYGMW5309

ADVANTA ENTERPRISES LIMITED

Consolidated Financial Statements for the year ended March 31, 2023

Advanta Enterprises Limited
Consolidated Balance Sheet as at March 31, 2023

		As at March 31, 2023	As at March 31, 2022
	Note	INR Crores	INR Crores
Assets			
Non-current assets			
Property, plant and equipment	3	338	234
Capital work-in-progress	3	18	71
Goodwill	4	23	23
Right of use assets	45	125	92
Other intangible assets	4	8	8
Intangible assets under development	4	1	-
Investments accounted for using the equity method	5	343	310
<u>Financial assets</u>			
(i) Loans	6	865	951
(ii) Other financial assets	7	4	3
Non current tax assets (net)		5	10
Deferred tax assets (net)	17	151	115
Other non-current assets	8	2	4
Total non-current assets		1,883	1,821
Current assets			
Inventories	9	1,224	1,160
<u>Financial assets</u>			
(i) Trade receivables	10	952	905
(ii) Cash and cash equivalents	11	334	184
(iii) Bank balances other than cash and cash equivalents	11A	81	-
(iv) Loans	6	3	2
(v) Other financial assets	7	2	23
Current tax assets (net)		4	-
Other current assets	8	234	220
Total current assets		2,834	2,494
Total Assets		4,717	4,315



Advanta Enterprises Limited
Consolidated Balance Sheet as at March 31, 2023

	Note	As at March 31, 2023 INR Crores	As at March 31, 2022 INR Crores
Equity and Liabilities			
Equity			
Equity share capital	12	5	-
Share warrant	13	103	-
Other equity	13	2,824	1,789
Equity attributable to owners of the parent		2,932	1,789
Non-controlling interests		83	74
Total Equity		3,015	1,863
Liabilities			
Non-current liabilities:			
<u>Financial liabilities</u>			
Lease Liabilities	45	79	55
Provisions	16	29	29
Deferred tax liabilities (net)	17	46	11
Total non-current liabilities		154	95
Current liabilities:			
<u>Financial liabilities</u>			
(i) Borrowings	14	-	971
(ii) Lease liabilities	45	50	40
(iii) Trade payables	18		
Total outstanding dues of Micro enterprises and Small enterprises		10	6
Total outstanding dues of creditors other than Micro enterprises and Small enterprises		977	952
(iv) Other financial liabilities	15	179	235
Other current liabilities	19	259	123
Provisions	16	38	28
Current tax liabilities (net)		35	2
Total current liabilities		1,548	2,357
Total liabilities		1,702	2,452
Total Equity and Liabilities		4,717	4,315

Summary of significant accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements 1 - 49

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

B. H. Shumpeka

Bhavesh Dhupella
Partner

Membership No: 042070
Place: Dubai

For and on behalf of the Board of Directors of
Advanta Enterprises Limited

Vikram Shroff

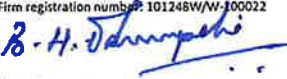


Vikram Shroff
Director
DIN.: 00191472
Place: Mumbai

Prashant Belgamwar

Prashant Belgamwar
Director
DIN.: 08567742
Place: Hyderabad

Date: June 26, 2023



Advanta Enterprises Limited			
Consolidated Statement of Profit or Loss for the year ended March 31, 2023			
		Year ended March 31, 2023	Year ended March 31, 2022
	Note	INR Crores	INR Crores
Revenue			
Revenue from operations	20	3,558	2,833
Other Income	21	85	18
Total Income		3,643	2,851
Expenses			
Cost of materials and components consumed (including (Increase)/decrease in Inventory of finished goods, work-in-progress and traded goods and purchase of stock-in-trade)		1,339	1,049
Employee benefits expenses	22	497	401
Finance costs	23	91	81
Impairment loss on trade receivables	10	14	7
Depreciation and amortisation expenses	24	93	74
Exchange Difference (net) on trade receivables and trade payables		109	15
Other expenses	25	810	679
Total Expenses		2,953	2,306
Profit before share of profit/loss of Associates and Joint ventures, exceptional Items and tax		690	545
Share of profit of associates and Joint ventures (net of tax)	31 & 32	60	72
Profit before exceptional Items and tax		750	617
Exceptional Items	26	12	13
Profit before tax		738	604
Tax expenses		110	(30)
Current tax	17	108	66
Adjustments of tax relating to earlier years	17	2	-
Deferred tax	17	-	(96)
Profit for the year		628	634
Other comprehensive Income/ (Loss) (OCI)			
A (i) Items that will not be reclassified subsequently to profit or loss	27	0	-
(ii) Income tax relating to Items that will not be reclassified to profit or loss	27, 17	(0)	-
B (i) Items that will be reclassified subsequently to profit or loss	27	(53)	53
(ii) Income tax relating to Items that will be reclassified to profit or loss	27, 17	-	-
Total Other Comprehensive Income/ (loss) for the year, net of tax		(53)	53
Total Comprehensive Income for the year		575	687
Profit for the year		628	634
Attributable to:			
Owners of the parent		623	625
Non-controlling interests		5	9
Other Comprehensive Income / (loss)		(53)	53
Attributable to:			
Owners of the parent		(57)	64
Non-controlling interests		4	(11)
Total comprehensive Income for the year		575	687
Attributable to:			
Owners of the parent		566	689
Non-controlling interests		9	(2)
Earnings per equity share	28		
Basic (INR)		1,061.81	1,064.37
Diluted (INR)		1,061.81	1,064.37
Summary of significant accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements.	1 - 49		
As per our report of even date attached.			
For B S R & Co, LLP Chartered Accountants Firm registration number: 101246W/W-100022		For and on behalf of the Board of Directors of Advanta Enterprises Limited	
			
Bhavesh Dhupella Partner Membership No: 042070 Place: Dubai		Vikram Shroff Director DIN.: 00191472 Place: Mumbai	Prashant Belgamwar Director DIN.: 08567742 Place: Hyderabad
Date: June 26, 2023			



Advanta Enterprises Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

	Equity Shares of INR 30 each
	Nos.
Issued, subscribed and fully paid	
Balance at March 31, 2021	-
Changes during the year	-
Balance at March 31, 2022	5,867,367
Changes during the year	5
Balance at March 31, 2023	5,867,372

B. Share Warrants

	Share Warrant of INR 10 each
	Nos.
Issued, subscribed and fully paid	
Balance at March 31, 2021	-
Changes during the year	-
Balance at March 31, 2022	-
Changes during the year	103
Balance at March 31, 2023	103

C. Other equity

Other equity	Attributable to the owners of the parent				Non-controlling Interest	Total other equity	
	Reserves and surplus						
	Capital Reserve	Securities premium	Retained earnings and Invested Equity	Items of OCI			
				Foreign currency translation reserve			Total
At March 31, 2021	-	-	1,087	(433)	664	808	
Profit for the year	-	-	625	-	9	634	
Other comprehensive income/(loss) (refer note 27)	-	-	-	-	(13)	53	
Total comprehensive income	-	-	625	-	64	587	
Net Contribution from/(distribution to) UPL Ltd	-	-	436	-	(68)	368	
At March 31, 2022	-	-	2,158	(359)	1,719	1,853	
Profit for the year	-	-	623	-	5	628	
Other comprehensive income/(loss) (refer note 27)	-	-	0	-	0	0	
Total comprehensive income	-	-	623	-	(57)	566	
Shares issued during the year	-	4,614	-	-	9	4,614	
Net Contribution distribution to UPL Limited	(16)	-	(2,643)	-	-	(2,659)	
Shareholding restructuring Cost	-	(1)	(89)	-	-	(90)	
Dividends paid during this year	-	-	(1,395)	-	-	(1,395)	
At March 31, 2023	(16)	4,613	(1,347)	(426)	83	2,907	

Notes:

For nature and purpose of above reserves (refer note 13)
The accompanying notes are an integral part of these consolidated financial statements.
As per our report on even date attached.

For B.S.R. & Co. LLP
Chartered Accountants
Firm registration number: 001248/W-100032
B. S. R. & Co. LLP

Bhavesh Dhupelia
Partner
Membership No: 043070
Place: Dubai

Date: June 26, 2023

For and on behalf of the Board of Directors of
Advanta Enterprises Limited

Vikram Shroff
Vikram Shroff
Director
DIN: 00191472
Place: Mumbai

Prashant Belgemwar
Prashant Belgemwar
Director
DIN: 08567742
Place: Hyderabad



Advanta Enterprises Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2023

Sr. No	Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
		INR Crores	INR Crores	INR Crores	INR Crores
A	Cash Flow from operating activities				
	Profit before tax		738		604
	Adjustments for:				
	Depreciation and amortization expense	93		74	
	Finance costs	91		81	
	Assets written off	1		0	
	Gain on disposal of property, plant and equipment	(0)		(0)	
	Interest income	(85)		(18)	
	Excess provisions in respect of earlier years written back (net)	(3)		(3)	
	Share of profit of associates and joint ventures (net of tax)	(60)		(72)	
	Allowance for doubtful debts and advances (net)	14		7	
			51		69
	Operating profit before working capital changes		789		673
	Working capital adjustments				
	Increase in inventories	(65)		(285)	
	Increase in non current and current trade receivables	(63)		(185)	
	Increase in other non current and current assets	(14)		(337)	
	Decrease in other non current and current financial assets	22		-	
	Increase in non current and current trade payables	27		13	
	Increase/ (decrease) in non current and current provisions	11		(23)	
	Increase in other current liabilities	137		94	
	(Decrease)/ Increase in other non current and current financial liabilities	(56)		99	
			(1)		(624)
	Cash generated from operations		788		49
	Income taxes paid (net)		(75)		(119)
	Net cash flow generated from/ (used in) operating activities		713		(70)
B	Cash flow from Investing activities				
	Purchase of Property, plant and equipment including Capital-work-in-progress and capital advances		(80)		(114)
	Purchase of intangible assets including assets under development		(2)		-
	Proceeds/ (purchase) from/of sale of property, plant and equipment		1		(0)
	Payment for acquisition of Seeds Business (refer note 38)		(667)		-
	Sundry loans taken		85		0
	Interest received		85		18
	Net cash flow (used in) Investing activities		(578)		(96)
C	Cash flow from financing activities				
	Short term borrowings (net)		(946)		(75)
	Proceeds from issue of share capital		4,723		-
	Interest paid and other financial charges		(109)		(52)
	Payment of principal portion of lease liabilities		(62)		(46)
	Shareholding restructuring Cost		(88)		-
	Net Contribution from/(distribution to) UPL Limited		(2,003)		377
	Dividends paid		(1,396)		-
	Net cash flow generated from financing activities		119		204
D	Exchange difference arising on conversion debited to foreign currency translation reserve		(23)		12
	Net Increase in cash and cash equivalents (A+B+C+D)		231		50
	Cash and cash equivalents as at the beginning of the year (Refer note 11)		184		134
	Cash and cash equivalents as at the end of the year (Refer note 11)		415		184



Advanta Enterprises Limited
Consolidated Statement of Cash Flows for the year ended March 31, 2023

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

INR Crores

Particulars	Notes	April 1, 2022	Cash flows	Non-cash changes				March 31, 2023
				Accruals	Foreign exchange movement	Fair value change	Other adjustments	
Loan From Others Unsecured								
From others (Unsecured)	14	946	(946)	-	-	-	-	-
Interest accrued and not due on borrowings	14	25	(109)	84	-	-	-	-
Total liabilities from financing activities		971	(1,055)	84	-	-	-	-

Particulars	Notes	April 1, 2021	Cash flows	Non-cash changes				March 31, 2022
				Accruals	Foreign exchange movement	Fair value change	Other adjustments	
Loan From Others Unsecured								
From others (Unsecured)	14	1,021	(75)	-	-	-	-	946
Interest accrued and not due on borrowings	14	1	(52)	76	-	-	-	25
Total liabilities from financing activities		1,022	(127)	76	-	-	-	971

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

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/V-100022

B. H. Shrivastava

Bhavesh Dhupella

Partner

Membership no.: 042070

Place: Dubai

For and on behalf of the Board of Directors of Advanta Enterprises Limited

Vikram Shroff

Vikram Shroff

Director

DIN.: 00191472

Place: Mumbai

Prashant Belgamwar

Prashant Belgamwar

Director

DIN.: 08567742

Place: Hyderabad

Date: June 26, 2023



1. Corporate Information

Advanta Enterprises Limited (Formerly known as Advanta Enterprises Private India) is a Public Company domiciled in India and is originally incorporated on 2 June 22 under the provisions of the Companies Act applicable in India. The registered office of the company is located at Uniphos House, Madhu Park, C.D. Marg, 11th Road, Khar West, Mumbai, Mumbai City, Maharashtra. The corporate office of the company is located at Krishnama House, Resham Bagh, Banjara Hills, Hyderabad, Telangana. The consolidated financial statements comprise the financial statements of Advanta Enterprises Limited ('the Company' or 'the holding Company' or 'the parent') and its subsidiaries (collectively, 'the Group'), its associates and joint ventures as at and for the year ended March 31, 2023.

The Group is principally engaged in the business of Seeds manufacturing and marketing. Information on the Group is provided in Note 29.

The consolidated financial statements were authorised for issue in accordance with the resolution of the Board of Directors on June 26, 2023.

2. Accounting Policies

2.1 Basis of Preparation

The Group's consolidated, combined and carve out financial statements as of 31 March 2023 are prepared under the presentation, recognition and measurement rules set out in the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") as amended thereafter and other relevant provision of the Act. The comparative information for the year ended 31 March 2022 and upto 30 November 2022 is derived from the Combined and carve out financial statements of seeds business which were the first set of combined and carve out financials of UPL Limited seeds Business prepared as per Ind AS.

The historical financial information in comparative information of Advanta Enterprises Limited represents the seeds business under the control of UPL Limited and provides general purpose historical information of the seeds business. Therefore, comparative information present only the historical financial information of those entities and business activities that are part of the seeds business. Further, transactions and balances prior to the completion of the restructuring of seeds business that were up to the finalization of the restructuring (30 November 2022) of seeds business, reported by UPL Limited and its subsidiaries (together referred to as "UPL India Group") have been attributed to Advanta Enterprises limited based on specific identification or allocation. The details of the allocation principles are discussed in section 2.2 (B) below.

For periods presented prior to the completion of the restructuring, the Consolidated, combined and carve out financial statements have been prepared as if the seeds business had been part of the Company for all such periods and as if the Company existed as a separate group.

Prior to the restructuring, the entities forming the seeds business were all direct or indirect subsidiaries under the common control of UPL Limited and were not a legal group for consolidated financial reporting purposes in accordance with Ind AS 110.

The consolidated financial statements:

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Consideration for business combination (including contingent consideration) and
- Assets and Liabilities acquired in business combination.
- Defined Benefits Plans

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Group conducts its business with customers in 80+ countries with manufacturing facilities in 9 locations" across the globe supplying Semifinished and or finished products which are further processed / packaged prior to sale. Given this Group structure, purchases could be in the form of semifinished or finished goods form and accordingly disclosing increase / decrease in inventory of finished goods, work-in-progress and traded goods and purchase of stock-in-trade is not practicable. Hence, cost of materials and components consumed is disclosed as a single figure.

The Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

The consolidated financial statements are presented in Indian Rupees ('INR') or ('Rs') which is also the Company's functional currency and all values are rounded to the nearest crores, except when otherwise indicated. Wherever an amount is represented as Rs. '0' (zero), it construes a value less than rupees fifty lakhs.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries, (collectively, 'the Group') and the Group's interest in associate and joint ventures as at and for the year ended March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control and until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of each of the subsidiaries, associates, and joint ventures, other than mentioned separately, used for the purpose of consolidation are drawn up to same reporting date as that of the Group, i.e., year ended on 31 March 2023. The audited financial statements of Serra Bonita Sementes S.A. for the year ended 31st December 2022 have been considered for the purpose of consolidation after making necessary adjustments for the effects of significant transactions or events, if any that occur till the reporting date of the group i.e. 31 March.

A Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The Business combinations policy explains how the group accounts for any related goodwill.



(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any interest retained in the form of subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the statement of profit or loss.

8 Prior period information/until the finalization of the restructuring (30 November 2022):

For the year ended 31 March 2022 and upto 30 November the seeds business did not form a separate legal group of companies in the periods presented. As a result, the financial information about the economic activities included in Combined and Carve out financial statements are extracted from Consolidated financial statements of UPL Limited prepared on the basis of Ind AS pertaining to seeds business for the purpose of presenting the historical financial position, results of operations and cash flows of seeds business.

In the current period, the transactions and balances prior up to the finalization of the restructuring of seeds business reported by UPL India group have been attributed to Advanta Enterprises Limited based on specific identification or allocation.

The historical financial information in Advanta Enterprise Limited's combined and carve out financial statements represents the seeds under the control of UPL Limited and provides general purpose historical financial information of those entities and business activities that are part of Advanta Enterprises Limited entity.

The following summarizes the accounting and combination principles applied in preparing the comparative information (financial statements for the year ended 31 March 2022) and period upto the finalization of the restructuring of seeds business (30 November 2022):

The transfer of seeds business from UPL Limited to Advanta Enterprises limited is classified as transactions under common control. The payables associated with the restructuring transaction mentioned above were recognized in payables to the UPL Limited.

All income, expenses, assets and liabilities economically attributable to the seeds business were included in the combined and carve out financial statements.

Group entities of UPL Limited which are part of restructuring are engaged in seeds business only and do not have any other material business activity. Thus, the income, expenses, assets and liabilities of those entities have been fully considered in seeds business. Further in this case, 100% equity shares of these entities have been transferred to Advanta Mauritius Ltd subsequent to year ended 31st March 2022 and hence there is no requirement to determine allocation basis for assets, liabilities, income and expenses.

In case of UPL Limited, management believes that the methodology used for allocation of income, expenses, assets and liabilities is reasonable and allocation are on a basis that reasonably reflects the services received by or the cost incurred on behalf of or assets and liabilities with respect to seeds business and as per the underlying agreement entered for the restructuring.

a) Invested Equity

The seeds business did not comprise a separate legal entity during the years ended 31 March 2023 (up to restructuring) and 31 March 2022. Therefore, it is not meaningful to present share capital or an analysis of reserves. Changes in net assets attributed to the seeds business are presented separately in the Combined and Carveout Statement of Changes in Invested Equity through the line item and include allocation of income, expenses, assets and liabilities of UPL India Group forming the seeds business as well as combined statement of cash flow through the line item", reflecting the internal equity financing between UPL Limited and the seeds business during the periods presented.

b) Income tax:

During the periods presented in these combined and carveout financial statements, the members of the Advanta entities have been established as separate legal entities and have operated as separate taxpayers. For these entities, tax expense and tax liabilities or tax receivables in these combined and carveout financial statements are based on actual taxation.

The tax charges recorded in the Combined and carve out statement of profit or loss and other comprehensive income are not necessarily representative of the tax charges that may arise in the future.

c) Foreign currency translation difference:

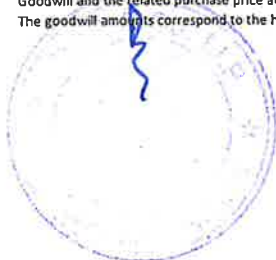
Combined and Carve out financial statements are presented in INR. In case of Combined and Carveout financial statements of seeds business, presentation currency is same as presentation currency of consolidated financial statements of UPL Limited. Hence, foreign currency translation reserve pertaining to the entities under restructuring is extracted from consolidated financial statements of UPL Limited.

d) Inter-company transactions

Intercompany transactions and corresponding balances for assets and liabilities are eliminated while preparing Combined and Carve out financial statements. Transactions with group entities other than the entities under the restructuring of seeds business previously considered as intercompany transactions and which were eliminated in Consolidated financial statements of UPL Limited have been treated as transactions with related parties. Inter-company balances that are expected to be settled in cash are reflected as "contribution to" or "due from" the UPL Limited in the Combined and Carve-out financial Statements.

e) Goodwill and fair value adjustment allocation

Goodwill and the related purchase price adjustments relating to seeds business are included in the combined and Carveout financial statements of the seeds business. The goodwill amounts correspond to the historically reported amounts for the entities (under seeds business) in the Ind AS consolidated financial statements of UPL Limited.



f) Pensions and similar obligations

The combined and carveout financial statements include the pension obligations and associated plan assets specifically assigned to seeds business. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. Both active employees and those previously employed by the UPL India Group legal entities were included in the obligations of the respective entities included in the seeds business.

2.3 Summary of significant accounting policies

a Business combinations and goodwill

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 non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling 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.

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values.

The consideration transferred does not include amount related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the statement of profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 *Financial Instruments*, is measured at fair value with changes in fair value recognised in statement of profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and any difference subsequent its settlement is accounted for within equity.

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 fair value of identifiable assets acquired net of fair value of liabilities assumed. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence, of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained. (Refer Note 2.3 (m) for more details).

Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

b. Investment in associates and joint ventures

The group's interest in equity in Investees comprise interests in associates and joint ventures.

An associate is an entity in which the group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the group has joint control and has right to the net assets of the arrangement, rather than the right to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the groups share of profit or loss and OCI of equity accounted investee until the date on which significant influence or joint control ceases.

c. Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for the purpose of current / non current classification of assets and liabilities.



2.3 Summary of significant accounting policies (continued)

d. Revenue recognition

The Company derives revenue primarily from sale of seeds and marketing of seeds and other products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the Company applies the following five step approach:

- identify the contract with a customer,
- identify the performance obligations in the contract,
- determine the transaction price,
- allocate the transaction price to the performance obligations in the contract, and
- recognize revenues when a performance obligation is satisfied.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Sale of goods

The Company recognizes revenue from sale of goods measured 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. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient under Ind AS 115 are measured at the transaction price.

Rendering of services

Income from services are recognized as and when the services are rendered.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Export Incentive

Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" as 'Export Incentive'.

Dividends and Royalties

Dividend income is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend. Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

e. Property, plant and equipment

Items of Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost, is not depreciated and is assessed for impairment. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

Depreciation:

The Group depreciates on a straight line method based on following estimated useful life of assets.

Sr.No.	Nature of tangible Assets	Useful Life (years)
1.	Building	15 - 60 Years
2.	Furniture, Fixtures & Equipments	2 - 20 Years
3.	Improvements-Building	2 - 10 Years
4.	Laboratory Equipments	10 Years
5.	Office Equipment	3 - 20 Years
6.	Plant and Equipment	3 - 25 Years
7.	Vehicles	3 - 10 Years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.



2.3 Summary of significant accounting policies (continued)

f. Intangible assets

i) Goodwill

- Goodwill is initially measured at cost, being the excess of the aggregate fair value of the consideration transferred over the net of fair value of identifiable assets acquired and liabilities assumed. (Refer 2.2(a) - Accounting policy for Business Combination and Goodwill)
- Subsequent measurement is at cost less accumulated impairment losses.
- Goodwill is not amortised and is tested for impairment annually.

ii) Other Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

The residual value, amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

The useful life of brands that the Group holds currently have been determined to be indefinite as there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of our brands and the level of marketing support. These assets are not amortised but are subject to a review for impairment annually, or more frequently if events or circumstances indicate this is necessary. Any impairment is charged to the Income statement as it arises. Intangible assets with indefinite lives are reviewed annually to determine whether indefinite-life assessment continues to be supportable. If not, the change in the useful-life assessment from indefinite to finite is made on a prospective basis.

Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure can be capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment loss.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

A summary of the policies applied to the Group's intangible assets is as follows

Intangible assets	Useful life	Amortisation method
Product Acquisitions	Fifteen years	Amortised on straight-line basis from the month of additions to match their future economic benefits
Germ plasm	Ten to Fifteen years	Amortised on straight-line basis
Other Intangible assets	Five years	Amortised on straight-line basis
Product Registrations	Five to Fifteen years	Amortised on straight-line basis
Software / License Fees	One to Five Years	Amortised on straight-line basis
Brand	Indefinite	To be tested for impairment

g Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h Foreign currencies

The Group's consolidated financial statements are presented in Indian Rupee (INR). For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit or loss except for exchange differences arising on a monetary item which, in substance, forms part of the Group's net investment in a foreign operation which is accumulated in OCI under Foreign Currency Translation Reserve until the disposal of the net investment. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Foreign exchange differences on foreign currency borrowings, loans given/taken, settlement gain/loss and fair value gain/losses on derivative contracts relating to borrowings are accounted and disclosed under 'finance cost'.



2.3 Summary of significant accounting policies (continued)

I. Foreign currencies continued

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

Translation of financial statements of foreign operations

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses a monthly average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the statement of profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

J. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date on a mark-to-market basis.

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

- Quantitative disclosures of fair value measurement hierarchy (note 42)
- Financial instruments (including those carried at amortised cost) (note 5, 6, 7, 10, 11, 11A, 15, 16, 18, 19, 41, 42, 43, 44)

K. Leases

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.



k. Leases continued

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

l. Inventories

- (i) Stocks of stores and spares, packing materials and raw materials are valued at lower of cost or net realisable value. Cost is determined on moving average basis. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.
- (ii) Semi-finished products, finished products and by-products are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are capitalized into inventory.
- (iii) Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

The group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower.

Any write-down of inventories is recognised as an expense during the year.

m. Impairment of non-financial assets

The Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill are not reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

n. Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.



o Taxes

Current income tax

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

Current income tax relating to items recognised outside statement of profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognised outside profit and loss is recognised outside the statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits recognised as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit or loss.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is in the nature of unused tax credit which can be carried forward and utilised when the Group will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in the specified future period.

Uncertainty over Income Tax Treatment

The group is subject to taxation in the many countries in which it operates. The tax legislation of these countries differs, is often complex and is subject to interpretation by management and the government authorities. These matters of judgement give rise to the need to create provisions for tax payments that may arise in future years with respect to transactions already undertaken. Provisions are made against individual exposures and take into account the specific circumstances of each case, including the strength of technical arguments, recent case law decisions or rulings on similar issues and relevant external advice. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

p Retirement and other employee benefits

i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

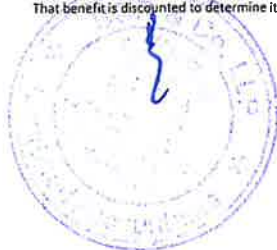
The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.



2.3 Summary of significant accounting policies (continued)

p Retirement and other employee benefits (continued)

v) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

vi) Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when employee rendered related services.

vii) Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit or loss in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

All subsidiaries:

The Companies contribute to a defined contribution plan (wherever applicable) which are charged to the statement of profit or loss as incurred.

q Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, are classified as at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Company initially measures a financial asset at its fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Debt Instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Equity Investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as 'contractual revenue receivables' in these consolidated financial statements)
- e) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



2.3 Summary of significant accounting policies (continued)

Impairment of financial assets continued

The Group recognises impairment loss allowance based on lifetime ECLs for the aforementioned items, at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms
- *Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables*: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

r. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings. For more information refer Note 14.

Derecognition

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

Offsetting of financial instruments

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

s. Derivative financial instruments

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps, foreign currency options to hedge its foreign currency risks and interest rate risks, respectively. The foreign exchange forward contracts and options are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

Profit or loss on these contracts are recorded in income statement and relevant asset or liability is recorded as per the valuation as on reporting date.

Hedge Accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk at the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

If the hedges are effective, changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges are recognised in OCI and accumulated under equity. If the hedges are ineffective, the gains or losses relating to the ineffective portion are recognised immediately in the statement of profit and loss.

t. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

u. Cash dividend

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.



2.3 Summary of significant accounting policies (continued)

v. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

w. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

x. Segment Reporting:

Based on "Management Approach" as defined in Ind AS 108-Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

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

y. Contingent Liability and Contingent Asset:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.4 Significant accounting estimates, assumptions and judgements

The preparation of the Group's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

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 tax 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. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plan (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 33 for details of the key assumptions used in determining the accounting for these plans.

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 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 fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41 and 42 for further disclosures.

Provision against obsolete and slow-moving inventories

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each balance sheet date.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.



Impairment of goodwill

Goodwill is tested annually for impairment. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of the CGUs have been determined based on the value in use, by discounting the future cash flows to be generated from the continuing use of the CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Useful lives of property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Discounts, rebates and sales returns

The Group recognises the accruals for discount / incentives and returns based on accumulated experience and underlying schemes and agreements with customers.

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the Incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.5 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 01 April 2023, as below. The Group has not early adopted any other standard, Interpretation or amendment that has been issued but is not yet effective

Ind AS 1 - Presentation of Financial Statements

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1 April 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently assessing the impact of the amendments.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 April 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Group's financial statements.

The Group is currently assessing the impact of the amendments.

Ind AS 12 - Income Taxes

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1 April 2023.

The Group is currently assessing the impact of the amendments.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022 to amend various Ind AS which are effective from April 01, 2022. These amendments had no significant impact on the consolidated financial statements of the Group.



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023

3. Property, plant and equipment and capital work-in-progress

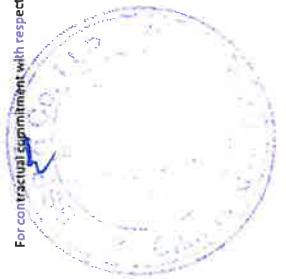
	Land-Freehold		Building		Plant and Laboratory Equipments		Furniture Fixtures and Equipments		Office Equipment		Vehicles		Building Improvements		Total Property, Plant and Equipment		Capital Work-In-Progress		Total	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Cost																				
At March 31, 2021	41	104	236	18	25	7	5	436	6	442										
Additions during the year	-	3	36	1	8	2	0	50	75	125										
Disposals during the year	-	(0)	(13)	(3)	(4)	(1)	(0)	(21)	-	(21)										
Transfers/Capitalised	-	-	-	-	-	-	-	-	-	(10)										
Exchange differences	1	1	2	0	0	0	0	4	0	4										
At March 31, 2022	42	108	261	16	29	8	5	469	71	540										
Additions during the year	-	44	76	2	10	4	0	136	15	151										
Disposals during the year	-	(1)	(6)	(1)	(2)	(1)	(0)	(11)	-	(11)										
Transfers/Capitalised	-	-	-	-	-	-	-	-	-	(73)										
Exchange differences	(1)	6	7	1	0	0	0	13	5	18										
At March 31, 2023	41	157	338	18	37	11	5	607	18	625										
Depreciation																				
At March 31, 2021	35	155	13	18	5	2	228	-	228											
Depreciation charge for the year (Refer Note 24)	4	17	1	4	1	0	27	-	27											
Disposals during the year	(0)	(13)	(3)	(4)	(1)	(1)	(21)	-	(21)	-										
Exchange differences	0	1	0	0	0	0	1	-	1	-										
At March 31, 2022	-	39	160	11	18	5	2	235	-	235										
Depreciation charge for the year (Refer Note 24)	5	22	1	6	1	0	35	-	35											
Disposals during the year	-	(0)	(5)	(1)	(2)	(1)	(9)	-	(9)	-										
Exchange differences	2	5	1	0	0	0	(0)	8	-	8										
At March 31, 2023	-	46	182	12	22	5	2	269	-	269										
Net book value																				
At March 31, 2023	41	111	156	6	15	6	3	338	18	356										
At March 31, 2022	42	69	101	5	11	3	3	234	71	305										
Net book value																				
At March 31, 2023	41	111	156	6	15	6	3	338	18	356										
At March 31, 2022	42	69	101	5	11	3	3	234	71	305										



Capital work-in-progress
Capital work in progress as at March 31, 2023 and March 31, 2022 comprises expenditure for the Building, Plant and equipment in the course of construction.

For capital expenditure on research and development (refer note 35)

For contractual commitment with respect to property, plant and equipment (refer note 34)



3. Property, plant and equipment and capital work-in-progress continued

Capital work in progress (CWIP) Ageing Schedule

As at March 31, 2023

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Projects in progress	18	-	-	-	18
Projects temporarily suspended	-	-	-	-	-
Total	18	-	-	-	18

As at March 31, 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Projects in progress	70	1	-	-	71
Projects temporarily suspended	-	-	-	-	-
Total	70	1	-	-	71

No CWIP exists as on March 31, 2023 and March 22 whose completion is overdue or has exceeded its cost compared to its original plan.



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023

4. Intangible assets	Goodwill**	Other Intangible Assets						Total	Intangible assets under development
		Product Registration	Software/License Fees	Brands/Trade Mark	Technical Know How	Germplasm	Others		
		INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Cost	23	170	9	63	11	91	(0)	344	-
At March 31, 2021		0	1	-	-	-	-	1	-
Additions during the year	-	-	-	-	-	-	-	-	-
Deductions during the year	-	-	-	-	-	-	-	-	-
Transfer/Capitalised	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Foreign Exchange Adjustment	-	(1)	0	-	-	4	(0)	3	-
At March 31, 2022	23	169	10	63	11	95	(0)	348	-
Additions during the year	-	0	1	-	-	-	-	1	-
Deductions during the year	-	-	-	-	-	-	-	-	-
Transfer/Capitalised	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Foreign Exchange Adjustment	-	10	0	-	-	8	0	18	-
At March 31, 2023	23	179	11	63	11	103	(0)	367	1
Amortisation / Impairment									
At March 31, 2021	-	163	7	63	11	91	0	335	-
Amortisation for the year (Note 24)	-	2	1	-	-	0	-	3	-
Amortisation on disposals	-	-	-	-	-	-	-	-	-
Transfer/Capitalised	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Foreign Exchange Adjustment	-	(1)	0	-	-	3	0	2	-
At March 31, 2022	-	164	8	63	11	94	0	340	-
Amortisation for the year (Note 24)	-	1	1	-	-	0	-	2	-
Amortisation on disposals	-	-	-	-	-	-	-	-	-
Transfer/Capitalised	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-
Foreign Exchange Adjustment	-	10	0	-	-	7	0	17	-
At March 31, 2023	-	175	9	63	11	101	0	359	-

Net book value	23	4	2	-	-	2	(0)	8	1
At March 31, 2023	23	5	2	-	-	1	(0)	8	-
At March 31, 2022									

Net book value

	March 31, 2023	March 31, 2022
Goodwill	INR Crores	INR Crores
Other Intangible assets	23	23
Intangible assets under development	8	8
Total	31	31

** Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell.

The Group generally uses discounted cash flows method to determine the recoverable amount. The discounted cash flow model uses specific estimates for five years that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future development.



4. Intangible assets continued

Intangible Asset under Development Ageing Schedule

As at March 31, 2023

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Projects in progress	1	-	-	-	1
Projects temporarily suspended	-	-	-	-	-
Total	1	-	-	-	1

As at March 31, 2022

	Amount in Intangible Asset under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

No Intangible asset under development exists as on March 31, 2023 and March 22 whose completion is overdue or has exceeded its cost compared to its original plan.



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

5. Investments accounted for using the equity method

As at
March 31, 2023 March 31, 2022

	INR Crores	INR Crores
Non-current		
Investments accounted for using the equity method		
(A) Investments in equity instruments		
a. Investment in Associates (Unquoted)		
105,519,781 [March 2022: 103,016,214] Equity shares, fully paid-up in Serra Bonita Sementes S.A. [includes goodwill of INR (11) Crores {March 2022: INR (11) Crores}]	215	195
b. Investment in Joint Ventures (Unquoted)		
88,223 [March 2022: 88,223] Equity shares of 1 AUD each fully paid-up in Longreach Plant Breeders Management Private Limited [includes goodwill of INR 20 Crores {March 2022: INR 21 Crores}]	128	115
Total non-current investments accounted as associate and Joint venture	343	310
Total Non-Current Investments	343	310
Total Investments	343	310
Aggregate amount of unquoted investments	343	310
Total investments accounted as associate and Joint venture	343	310



6. Loans

	Non-current		Current	
	As at		As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	INR Crores	INR Crores	INR Crores	INR Crores
(A) Loans and Advances to related parties (refer note 36)				
Unsecured, Considered good	865	951	-	-
	865	951	-	-
(B) Loans to employees				
Unsecured, Considered good	-	-	3	2
	-	-	3	2
Total loans	865	951	3	2

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group.

Details of loans granted to promoters, directors, KMPs and the related parties repayable on demand or without specifying any terms or period of repayment:

Type of Borrower	March 31, 2023		March 31, 2022	
	INR Crores	%	INR Crores	%
	Amount of loan or advance in the nature of loan outstanding	% of total loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total loans and Advances in the nature of loans
Loan to Promoters	-	-	-	-
Loan to Directors	-	-	-	-
Loan to KMPs	-	-	-	-
Loan to Related parties	-	-	-	-
Total	-	-	-	-

7. Other Financial Assets

	Non Current		Current	
	As at		As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	INR Crores	INR Crores	INR Crores	INR Crores
(A) Security Deposits				
Unsecured, Considered good	4	3	-	-
	4	3	-	-
(B) Derivative Instruments at fair value through profit or loss				
Derivative contracts (net) *	-	-	1	-
	-	-	1	-
(C) Interest receivable from related parties (refer note 36)				
Unsecured, Considered good	-	-	1	23
	-	-	1	23
Total Other Financial Assets	4	3	2	23

* Derivative contract corresponds to fair value gains/ losses on hedging instruments contracted with banks to manage foreign exchange currency. For details of classification of financial assets, refer note 41-Financial Instruments.

8. Other Assets

	Non Current		Current	
	As at		As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	INR Crores	INR Crores	INR Crores	INR Crores
(i) Statutory receivables	2	4	29	29
(ii) Advance recoverable In cash or kind	-	-	140	147
(iii) Advances to supplier	-	-	54	36
(iv) Advances to Employees	-	-	11	8
Total Other Assets	2	4	234	220



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

9. Inventories

	As at March 31, 2023 INR Crores	As at March 31, 2022 INR Crores
a. Raw materials and components	20	22
b. Work in progress	366	346
c. Finished goods	684	632
d. Traded goods	41	78
e. Store and spares (including fuel)	71	39
f. Packing material	42	43
Total inventories	1,224	1,160

Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit or loss as an expense is March 2023 INR 139 crores. (March 2022 INR 97 crores.)

10. Trade receivables

	Current	
	As at March 31, 2023 INR Crores	As at March 31, 2022 INR Crores
Trade receivables- Considered good, Unsecured		
- From related parties (refer note 36)	191	90
- From others	782	848
Trade Receivables – which have significant increase in credit risk		
Trade receivable – credit impaired	62	32
Less: Allowance for doubtful Trade receivables	(83)	(65)
Total Trade receivables	952	905

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows

	As at March 31, 2023 INR Crores	As at March 31, 2022 INR Crores
Particulars		
Opening balance	(65)	(62)
Foreign exchange movement	(4)	(1)
Provision (net of reversal) of Impairment	(14)	(7)
Less: Bad debts netted off with receivables	0	5
Closing balance	(83)	(65)

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. However, there are trade or other receivable that are due from firms or private companies respectively in which any director is a partner, a director or a member (Refer note 36).

- Trade receivables are non-interest bearing and are generally on terms of 45 to 270 days.
- For explanations on Group's Credit risk management process. (Refer note 43)

Trade receivables of holding company are hypothecated with the bankers against working capital limits (Refer note 14).

For terms and conditions of related party transactions refer Note 36.



10. Trade receivables continued

Trade receivables Ageing Schedule - Current
As at March 31, 2023

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Undisputed Trade Receivables – considered good	783	166	16	4	2	2	973
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	16	9	37	62
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	783	166	16	20	11	39	1,035
Less: Impairment allowance for trade receivables- Credit Impaired							(83)
Total (net of allowance for doubtful Trade receivables)	783	166	16	20	11	39	952

As at March 31, 2022

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Undisputed Trade Receivables – considered good	826	68	19	3	4	16	936
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	5	5	9	8	27
Disputed Trade receivables - considered good	1	1	-	-	-	-	2
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	0	4	-	1	5
Total	827	69	24	12	13	25	970
Less: Impairment allowance for trade receivables- Credit Impaired							(65)
Total (net of allowance for doubtful Trade receivables)	827	69	24	12	13	25	905

11. Cash and cash equivalents

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Balances with banks		
- Current accounts	28	-
- Current accounts outside India	242	156
- Fixed deposit accounts with original Maturity of less than 3 months	64	28
	334	184

11A. Other Bank Balances

- Deposits with original maturity for more than 3 months but less than 12 months	81	-
	81	-



12 Share Capital

i. Authorised Share Capital

	Equity Shares of INR 10 each	
	No.	INR Crores
At March 31, 2021	-	-
Increase/(decrease) during the year	-	-
At March 31, 2022	-	-
Increase/(decrease) during the year	10,000,000	10
At March 31, 2023	10,000,000	10

ii. Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid-up

	No.	INR Crores
At March 31, 2021	-	-
Increase during the year	-	-
At March 31, 2022	-	-
Increase during the year	5,867,367	5
At March 31, 2023	5,867,367	5

iii. Terms/ rights attached to equity shares

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

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

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

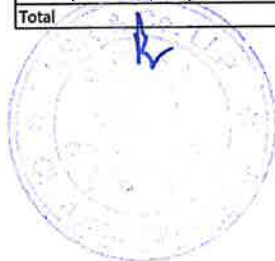
	March 31, 2023		March 31, 2022	
	No.	% holding in the class	No.	% holding in the class
Equity shares of INR 10 each fully paid				
UPL Ltd	5,067,561	86.37%	-	0.00%
Melwood Holdings II PTE Ltd	799,539	13.63%	-	0.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

v. Details of shares held by promoters

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
UPL Limited		5,067,561	5,067,561	86.37%	100.00%
Nitin Kolhatkar		1	1	0.00%	100.00%
Rajnikant D Shroff		1	1	0.00%	100.00%
Sandra R Shroff		1	1	0.00%	100.00%
Arun Chandrasen Ashar		1	1	0.00%	100.00%
Mukul Bhupendra Trivedi		1	1	0.00%	100.00%
Sandeep Mohan Deshmukh		1	1	0.00%	100.00%
Total	-	5,067,567	5,067,567	86.37%	



13. Other equity

(i) Shares Warrants

	No.	INR Crores
At April 1, 2021	-	-
Increase during the year	-	-
At March 31, 2022	-	-
Increase during the year	132,634	103
At March 31, 2023	132,634	103

Terms attached to Share Warrants

25% of the consideration is paid on the date of issuance of share warrant and balance 75% is payable upon the exercise of warrant at any time within 6 months from the exercise date. The maturity date of the warrant shall not be beyond 31 December 2024.

(ii) Securities premium

	INR Crores
At March 31, 2021	-
Additions / decrease during the year	-
At March 31, 2022	-
Additions during the year	4,614
Shareholding restructuring Cost	(1)
At March 31, 2023	4,613

(iii) Retained earnings

	INR Crores
At March 31, 2021	1,097
Add: Profit for the year	625
Add : Net Contribution from UPL Ltd	436
At March 31, 2022	2,158
Add: Profit for the year	623
Add : Net Contribution distribution to UPL Ltd	(2,643)
Add: Dividend on equity shares paid during the year	(1,396)
Shareholding restructuring Cost	(89)
Add: Employee benefits through OCI	0
At March 31, 2023	(1,347)

(iv) Other reserves

	INR Crores
Capital reserve	-
At March 31, 2021	-
Changes during the year	-
At March 31, 2022	-
Add : Net Contribution distribution to UPL Ltd (refer note 38)	(16)
At March 31, 2023	(16)



13. Other equity (continued)

	INR Crores
Foreign currency translation reserve	
At March 31, 2021	(433)
Changes during the year	64
At March 31, 2022	(369)
Changes during the year	(57)
At March 31, 2023	(426)

Retained earnings - The amounts represent profits that can be distributed by the Group as dividends to its equity shareholders.

Securities Premium - Where the Group issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium". The Group may issue fully paid-up bonus shares to its members out of the securities premium reserve and can use this reserve for buy-back of shares.

Capital reserve - The Group recognises profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

Foreign currency translation reserve - Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Securities premium	4,613	-
Retained earnings	(1,347)	2,158
Capital reserve	(16)	-
Foreign currency translation reserve	(426)	(369)
Total other equity	2,824	1,789



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023

14. Borrowings	Effective interest Rate	Maturity	As at	
			March 31, 2023	March 31, 2022
			INR Crores	INR Crores
Current borrowings				
Loan from banks				
Secured:	4.25% to 14.70%	on demand	-	1
Unsecured:				
Working capital loan repayable on demand from banks	4.33% to 16.13 %	on demand	-	260
Interest accrued and not due on borrowings			-	25
Loan from Related Parties (refer note 36)	5.5% and LIBOR 6 months + 2.5% / 2.25 %/ 4%	on demand	-	685
			-	971
Total current borrowings			-	971
Aggregate secured loans (current)			-	1
Aggregate unsecured loans (current)			-	970

15. Other financial liabilities

	Current	
	As at March 31, 2023	As at March 31, 2022
	INR Crores	INR Crores
Financial liabilities at fair value through profit or loss / other comprehensive income		
Derivative contracts (net)	1	9
Other financial liabilities carried at amortised cost		
Creditors for capital goods	4	2
Trade deposits	5	4
Accrued Payable	129	210
Employee benefits payables	40	10
Total other financial liabilities	179	235



16. Provisions

	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	INR Crores	INR Crores	INR Crores	INR Crores
Compensated absences	-	-	31	19
Claims	-	-	2	-
Provision for Gratuity	28	29	0	9
Provision for other defined benefits plans	1	-	5	0
	<u>29</u>	<u>29</u>	<u>38</u>	<u>28</u>

i) **Provision for gratuity :**

Some entities of the Group have a defined benefit gratuity plan. Every employee who has completed five years or more of a service gets a gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

ii) **Provision for other defined benefit plans :**

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.



17. Income Tax

The major components of income tax expense for the years ended March 31, 2023 and March 31, 2022 are:
Consolidated statement of profit or loss:

Profit or loss section

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Current income tax:		
Current income tax charge	108	66
Adjustments of tax relating to earlier years	2	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	(96)
Income tax expense reported in the statement of profit or loss	110	(30)

OCI section

Deferred tax related to items recognised in OCI during the year:

Gain on FVTOCI financial assets and net gain/loss on remeasurement of defined benefit plans.
Income tax charged to OCI

March 31, 2023	March 31, 2022
INR Crores	INR Crores
(0)	-
(0)	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 :

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Accounting profit before tax	738	604
Less: Profit from carve out period	(211)	(318)
Accounting profit before Income tax	527	286
At India's statutory income tax rate of 25.168 % (March 31, 2022: 25.168%)	133	72
Profit taxable at higher/lower/nil tax rates in certain jurisdictions	(69)	(57)
Additional deduction on expenditure on research and development	(2)	(6)
Adjustment of tax relating to previous years	2	-
Utilisation of previously unrecognised tax losses	(1)	(44)
Other non-deductible expenses	44	5
Unrecognised deferred tax asset	5	(0)
Others	(2)	0
At the effective income tax rate	110	(30)
Income tax expense reported in the statement of profit or loss	110	(30)

Deferred tax

Deferred tax relates to the following:

	Balance Sheet		Statement of Profit or Loss	
	As at	As at	Year ended	Year ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	INR Crores	INR Crores	INR Crores	INR Crores
Financial Assets	(4)	(3)	1	5
Intangible Assets	(0)	0	-	(0)
Provision	34	27	(7)	(4)
Tangible Assets	(39)	(19)	20	1
Unabsorbed Business Loss	129	92	(37)	(101)
Unrealised profits on Intercompany transactions	1	0	-	(0)
Others	(16)	7	23	3
Deferred tax expense/(income)			0	(96)
Net deferred tax assets/(liabilities)	105	104		

Reflected in the balance sheet as follows:

	As at	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Deferred tax assets	151	115
Deferred tax liabilities	(46)	(11)
Deferred tax liabilities (net)	105	104

Deferred tax assets

Deferred tax liabilities

Deferred tax liabilities (net)



17. Income tax continued

Reconciliation of deferred tax assets (net):

Opening balance as of April 1
Tax income/(expense) during the period recognised in profit or loss
Tax income/(expense) during the period recognised in OCI
Exchange impact
Closing balance as at 31 March

March 31, 2023	March 31, 2022
INR Crores	INR Crores
104	(8)
-	96
1	16
105	104

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has tax losses of INR 603 crores (March 31 2022 INR 521 crores) that are available for offsetting for period upto ten years against future taxable profits of the companies in which the losses arose.

Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group, they have arisen in subsidiaries that have been loss-making for some time, and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets of current year, the profit would increase by INR 5 Crores.

The temporary differences associated with investments in subsidiaries, associates and joint venture, for which a deferred tax liability has not been recognised in the periods presented, aggregate to INR 1,082 crore (31 March 2022 : INR 899 crore). The Group has not recognized deferred tax liability with respect to unremitted retained earnings and associated foreign currency translation reserve with respect to certain of its subsidiaries and joint ventures where the Group is in a position to control the timing of the distribution of profits and it is probable that the subsidiaries and joint ventures will not distribute the profits in the foreseeable future.

Break-up of tax assets and liabilities

Non-current tax assets (net)

Income tax assets

Current tax assets (net)

Income tax assets

Current tax liabilities (net)

Current tax liabilities (net)

March 31, 2023	March 31, 2022
INR Crores	INR Crores
5	10
5	10
4	-
4	-
35	2
35	2



18. Trade payables

Trade payables

Total outstanding dues of Micro enterprises and Small enterprises
Total outstanding dues of creditors other than Micro enterprises and small enterprises

Current	
As at March 31, 2023	As at March 31, 2022
INR Crores	INR Crores
10	6
977	952
987	958

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 90-360 days terms.
- For explanations on Group's Credit risk management process. Refer note 43.
- For terms and conditions of related party transactions refer Note 36.

Trade payables Ageing Schedule
As at March 31 2023

Total outstanding dues of micro enterprises and small enterprises
Total outstanding dues of creditors other than micro enterprises and small enterprises
Disputed dues of micro enterprises and small enterprises
Disputed dues of creditors other than micro enterprises and small enterprises
Total

Not due	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
10	-	-	-	-	-	10
845	122	8	2	0	-	977
-	-	-	-	-	-	-
-	-	-	-	-	-	-
855	122	8	2	0	0	987

As at March 31 2022

Total outstanding dues of micro enterprises and small enterprises
Total outstanding dues of creditors other than micro enterprises and small enterprises
Disputed dues of micro enterprises and small enterprises
Disputed dues of creditors other than micro enterprises and small enterprises
Total

Not due	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
4	2	-	-	-	-	6
803	142	7	0	0	-	952
-	-	-	-	-	-	-
-	-	-	-	-	-	-
807	144	7	0	0	0	958

19. Other current liabilities

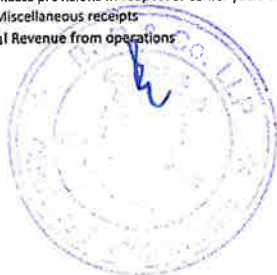
Advances against orders
Statutory liabilities
Total other current liabilities

As at	
March 31, 2023	March 31, 2022
INR Crores	INR Crores
244	113
15	10
259	123

20. Revenue from operations

Sale of products
Other operating revenues
Export incentives
Royalty income
Excess provisions in respect of earlier years written back (net)
Miscellaneous receipts
Total Revenue from operations

Year ended	
March 31, 2023	March 31, 2022
INR Crores	INR Crores
3,476	2,793
0	1
2	2
3	3
77	34
3,558	2,833



Disaggregation of revenue from contracts with customers

a. The management determines that the segment information reported under Note 37 Segment reporting is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

b. The Group's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270 days.

c. Contract balances

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Trade receivables (refer note 10)	952	905
Advance against orders (refer note 19)	244	113

Revenue recognised from amounts included in contract liabilities at the beginning of the year 113 7

d. Reconciliation of revenue from contract with customers with contracted price

Particulars

Revenue from contract with customer as per the contract price

Adjustments made to contract price on account of :-

a) Discounts / Rebates / Incentives (Refer note below)

b) Sales Returns (Refer note below)

Revenue from contract with customers

Sale of services

Other operating revenue

Revenue from operations

March 31, 2023	March 31, 2022
4,278	3,477
298	247
504	437
3,476	2,793
82	40
3,558	2,833

Discounts / Rebates / Incentives

The Group issues multiple discount schemes to its customers in order to capture market share. The Group makes an accrual for the discount it expects to give to its customers based on the terms of the scheme as at March 31, 2023. Revenue is adjusted for the expected value of discount to be given.

Sales returns

The Group recognizes an accrual based on the previous history of sales return. Revenue is adjusted for the expected value of return.

21. Other income

Interest Income on
Loans and others
Total

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
85	18
85	18

22. Employee benefits expense

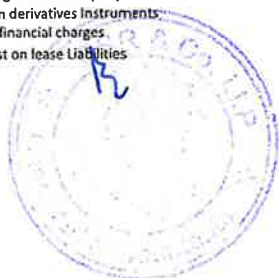
Salaries, wages and bonus
Contribution to provident and other funds (Refer note 33)
Gratuity and other retirement benefits (Refer note 33)
Staff welfare expenses

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
451	362
17	15
4	2
25	22
497	401

23. Finance costs

Interest:
- On Term Loans
- On Cash Credit and Working Capital Demand Loan Accounts
- On Fixed Deposits and Fixed Loans
- On Others
Exchange difference (net)
Loss on derivatives Instruments
Other financial charges
Interest on lease Liabilities
Total

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
-	31
24	16
2	-
13	5
12	(21)
17	34
16	11
7	5
91	81



24. Depreciation and amortization expense

Depreciation of property, plant and equipment
Amortization of intangible assets
Depreciation charge on the right-of-use asset
Total

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
35	27
2	3
56	44
93	74

25. Other expense

Power and fuel
Transport charges
Travelling and conveyance
Advertising and sales promotion
Legal and professional fees
Sales commission
Rent
Labour charges
Repairs and maintenance
Plant and machinery
Buildings
Others
Effluent disposal charges
Consumption of stores and spares
Rates and taxes
Warehousing costs
Insurance
Registration charges
Communication costs
Royalty charges
Charity and Donations
Research and development expenses
Other expenses
Total

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
3	3
113	124
86	49
93	73
43	30
52	38
26	30
90	74
15	16
4	3
16	12
1	0
20	23
29	32
16	17
22	17
4	3
12	9
41	50
1	-
25	14
98	62
810	679

26. Exceptional items

Severance pay
Litigation cost charges
Total

Year ended March 31, 2023	Year ended March 31, 2022
INR Crores	INR Crores
9	3
3	10
12	13



27. Components of Other comprehensive income (OCI), net of tax

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2023	Attributable to the owners of the parent		Attributable to non controlling interest	Total
	Foreign currency translation reserve	Retained earnings		
	INR Crores	INR Crores	INR Crores	INR Crores
Foreign exchange translation differences	(57)	-	4	(53)
Re-measurement gains on defined benefit plans	-	0	-	0
Total	(57)	0	4	(53)

During the year ended 31 March 2022	Attributable to the owners of the parent		Attributable to non controlling interest	Total
	Foreign currency translation reserve	Retained earnings	Interest	
	INR Crores	INR Crores	INR Crores	INR Crores
Foreign exchange translation differences	64	-	(11)	53
Re-measurement gains/(losses) on defined benefit plans	-	-	-	-
Total	64	-	(11)	53

Foreign exchange translation differences

These comprise of all exchange differences arising from translation of financial statements of foreign operations.

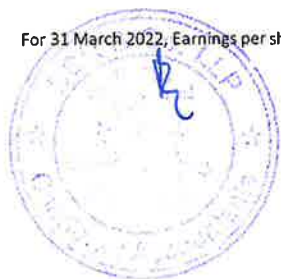
Re-measurement gains/(losses) on defined benefit plans

Remeasurement of defined benefit plans comprises actuarial gains and losses and return on plan assets (excluding interest income).

28. Earnings per share (EPS)

	Year ended March 31, 2023	Year ended March 31, 2022
	INR Crores	INR Crores
Profit for the year	623	625
Profit attributable to equity holders of the parent	623	625
Weighted average number of Equity shares for basic and diluted EPS	5,867,367	5,867,367
Effect of dilution: Share warrant	-	-
Weighted average number of Equity shares adjusted for the effect of dilution	5,867,367	5,867,367
Earnings per Equity share (In INR)		
Basic	1,061.81	1,064.37
Diluted	1,061.81	1,064.37

For 31 March 2022, Earnings per share has been calculated for indicative purposes using 58,67,367 shares which were the number of shares outstanding on 31 March 2023.



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

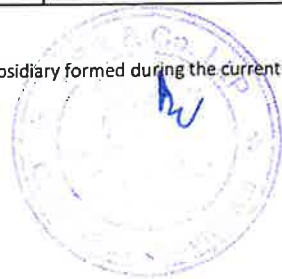
29 Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Sr No	Name	Principal activities	Country of incorporation/ Principal place of business	% equity interest	
				March 31, 2023	March 31, 2022
1	Advanta Holdings BV, Netherland	Seed Business	Netherlands	98.43%	98.43%
2	Advanta Netherlands Holdings BV, Netherlands	Seed Business	Netherlands	98.43%	98.43%
3	Advanta Seeds Holdings UK Ltd	Seed Business	U.K.	99.45%	99.45%
4	Advanta Seeds Ukraine LLC	Seed Business	Ukraine	98.43%	98.43%
5	Advanta US, LLC (Formerly Known as Advanta US Inc, USA)	Seed Business	USA	99.45%	99.45%
6	Advanta Holdings US Inc.	Seed Business	USA	99.45%	99.45%
7	Advanta Seeds International, Mauritius	Seed Business	Mauritius	99.45%	99.45%
8	Advanta Seeds DMCC	Seed Business	UAE	99.45%	99.45%
9	Advanta Biotech General Trading Ltd	Seed Business	UAE	99.45%	99.45%
10	Advanta Mauritius Limited [#]	Seed Business	Mauritius	100.00%	0.00%
11	Advanta Comercio De Sementes Ltda, Brazil	Seed Business	Brazil	98.43%	98.43%
12	Advanta Semillas SAIC, Argentina	Seed Business	Argentina	98.43%	98.43%
13	Advanta Seeds Pty Ltd, Australia	Seed Business	Australia	98.43%	98.43%
14	Pacific Seeds (Thai) Ltd, Thailand	Seed Business	Thailand	98.43%	98.43%
15	Pacific Seeds Holdings (Thai) Ltd, Thailand	Seed Business	Thailand	98.43%	98.43%
16	Pt. Advanta Seeds Indonesia	Seed Business	Indonesia	98.93%	98.93%
17	Advanta Seeds Romania S.R.L. [#]	Seed Business	Romania	99.45%	0.00%

Subsidiary formed during the current year



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

29 Group information continued

Information about associates

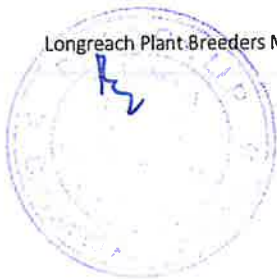
The Group's interest in associates is summarised as below

Name	Country of incorporation/Principal place of business	% equity interest	
		March 31, 2023	March 31, 2022
Serra Bonita Sementes S.A.	Brazil	33%	33%

Joint arrangement in which the group is venturer

The Group's Interest in Joint ventures is summarised below

Name	Country of incorporation/Principal place of business	% equity interest	
		March 31, 2023	March 31, 2022
Longreach Plant Breeders Management Pty Limited	Australia	70%	70%



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023

30. Material partly owned subsidiary

The Group does not have any material partly owned subsidiary as at March 31, 2023 and as at March 31, 2022



31. Investment in Joint Ventures

- a) The Group has a 70% (March 31, 2022 : 70%) interest in Longreach Plant Breeders Management Pty Limited, a joint venture incorporated in Australia. Longreach Plant Breeders Management Pty Limited is involved in the development of wheat seeds. The Group's interest in Longreach Plant Breeders Management Pty Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

INR Crores		
Summarised balance sheet	March 31, 2023	March 31, 2022
Non-current assets	45	41
Current assets including cash and cash equivalents INR 47 Crores. (March 31, 2022: INR 72 Crores).	160	204
Non-current liabilities	(1)	(2)
Current liabilities	(50)	(108)
Equity	154	135
Proportion of the Group's ownership	70%	70%
Carrying amount of the investment before Goodwill	108	95
Add: Goodwill	20	21
Carrying amount of the investment	128	115

INR Crores		
Summarised statement of profit or loss	March 31, 2023	March 31, 2022
Revenue	85	123
Depreciation and amortization	5	5
Interest income	1	3
Finance costs	4	5
Profit before tax	27	65
Income tax expense	4	13
Profit for the year	23	52
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	23	52
Group's share of total comprehensive income(70%)	16	36

The joint venture had no contingent liabilities or capital commitments as at March 31, 2023 and March 31, 2022.



32. Investment in Associates

- a) The Group has 33.33% (March 31, 2022 : 33.33%) interest in Serra Bonita Sementes S.A, which is mainly engaged in producing certified soy beans & crop seeds, producing soy beans, corn grains, sorghum grains, millet grains & beans. The Group's interest in Serra Bonita Sementes S.A. is accounted for using the equity method in the consolidated financial statements. The following table summarises the financial information of Serra Bonita Sementes S.A. as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The following table illustrates the summarised financial information of the Group's investment in Serra Bonita Sementes S.A:

INR Crores		
Summarised balance sheet	March 31, 2023	March 31, 2022
Non-current assets	703	673
Current assets	404	355
Non-current liabilities	(201)	(185)
Current liabilities	(225)	(220)
Non-controlling interest	-	-
Equity*	681	619
Proportion of the Group's ownership	33%	33%
Carrying amount of the investment excluding Goodwill	227	206
Goodwill**	(11)	(11)
Carrying amount of the investment	215	195
INR Crores		
Summarised statement of profit or loss	March 31, 2023	March 31, 2022
Revenue	480	364
Profit for the year	132	107
Other Comprehensive Income(OCI)	-	-
Total comprehensive income for the year	132	107
Group's share of profit for the year	44	36

* Changes in equity also includes movement on account of foreign exchange differences impact of INR 4 Crore (March 22: INR 31 Crore)

** The increase/ (decrease) in the amount of goodwill is on account of foreign exchange differences of INR (0) crore (March 22: INR (-2) Crore)

The associate had contingent liabilities of 25 Crores (March 31, 2022: 25 Crores). The associate had no capital commitments as at March 31, 2023 and March 31, 2022.



33: Net employee defined benefit liabilities

	INR Crores	
	March 31, 2023	March 31, 2022
Net employee defined benefit liabilities	29	38
- Gratuity Plan (Note 33 (b) to (h))	29	38

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

a) The amounts recognised in the statement of Profit or Loss are as follows:

(i) Defined Benefit Plan	INR Crores	
	Gratuity	
	March 31, 2023	March 31, 2022
Current service cost	2	1
Past Service Cost	0	-
Interest cost on benefit obligation	1	0
Expenses recognised in Profit and Loss (under the head Employee Benefit Expenses in Note 22)	3	1
Return on plan assets	-	-
Actuarial losses arising from experience adjustments	-	-
Net actuarial (gain)/loss recognised during the year	(0)	0
Remeasurements recognised in Other Comprehensive Income (OCI)	(0)	0
Total Expenses recognised in total comprehensive Income	3	1
Actual return on plan assets	-	-

(ii) Defined Contribution Plan	INR Crores	
	Provident Fund	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Current service cost included under the head Employee Benefit Expense in Note 22	17	15

(iii) Defined Contribution Plan	INR Crores	
	Superannuation Fund	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Current service cost included under the head Employee Benefit Expense in Note 22	-	0

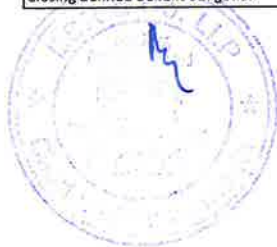
(iv) Defined Contribution Plan	INR Crores	
	Pension Fund	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Current service cost included under the head Employee Benefit Expense in Note 22	1	1

b) The amounts recognised in the Balance Sheet are as follows:

	INR Crores	
	Defined Benefit Plan - Gratuity (Funded)	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Present value of funded obligation	38	38
Less: Fair value of plan assets	10	-
Net Liability	28	38

c) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:

	INR Crores	
	Gratuity	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Opening defined benefit obligation	35	34
Interest cost	1	0
Current service cost	3	1
Benefits paid	(4)	(0)
Actuarial losses (gains)	(3)	(0)
Exchange difference	4	-
Closing defined benefit obligation	36	35



33: Net employee defined benefit liabilities (continued)

d) Changes in the fair value of plan assets are as follows:

	Gratuity	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Opening fair value of plan assets	-	-
Fund Transferred in / (out)	10	-
Actuarial (losses) / gains	(0)	-
Return on plan assets	0	-
Closing fair value of plan assets	10	-

	INR Crores	
	Gratuity	
	March 31, 2023	March 31, 2022
	INR Crores	INR Crores

e) Expected contribution to defined benefit plan in future years 0 7

f) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Gratuity	
	March 31, 2023	March 31, 2022
	%	%
Investments with insurer under: Funds managed by insurer	100	100

g) The principal actuarial assumptions at the Balance Sheet date.

	March 31, 2023	March 31, 2022
Discount rate	7.30%	6.80%
Return on plan assets	7.30%	6.80%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012- 14) Ult.
Annual increase in salary costs	7.00%	7.50%
Attrition rate	8.00%	8.00%

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions Sensitivity Level	March 31, 2023		March 31, 2022	
	1% Increase	1% decrease	1% Increase	1% decrease
	INR Crores		INR Crores	
<u>Impact on defined benefit obligation</u>				
Discount rate	8	9	-	-
Future salary increases	9	8	-	-
Withdrawal rate	9	9	-	-

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

h) Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

	March 31, 2023	March 31, 2022
Expected future cashflows	INR in Crores	INR in Crores
Expected benefit payments in Financial Year + 1	2	1
Expected benefit payments in Financial Year + 2	3	1
Expected benefit payments in Financial Year + 3	7	1
Expected benefit payments in Financial Year + 4	2	0
Expected benefit payments in Financial Year + 5	3	1
Expected benefit payments in Financial Year + 6 to + 10	38	5
	55	9



34. Commitments and contingencies

A. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

INR Crores	INR Crores
March 31, 2023	March 31, 2022
7	4

B. Contingent liabilities:

Amount in respect of other claims

Nature of Claim	INR Crores March 31, 2023	INR Crores March 31, 2022
Claims payable to growers	28	22
Other Claims (claims related to contractual and other disputes)	1	0

Management is generally unable to reasonably estimate a range of possible loss for proceedings or disputes other than those included in the estimate above, including where:

- plaintiffs / parties have not claimed an amount of money damages, unless management can otherwise determine an appropriate amount;
- the proceedings are in early stages;
- there is uncertainty as to the outcome of pending appeals or motions or negotiations;
- there are significant factual issues to be resolved; and/or
- there are novel legal issues presented.

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Group's financial condition, though the outcomes could be material to the Group's operating results for any particular period, depending, in part, upon the operating results for such period.

35. Research and development costs

Research and Development costs, as certified by the Management.	March 31, 2023 INR Crores	March 31, 2022 INR Crores
a) Revenue expenses debited to appropriate heads in statement of Profit or Loss	216	177
b) Capital Expenditure	19	22



36. Related Party Disclosures:

a) Name of other related parties with whom transactions have taken place during the year.

i) Holding Company
UPL Limited

ii) Fellow Subsidiaries

UPL Corporation Limited, Mauritius
UPL Australia Pty Limited
UPL New Zealand Limited
UPL Global Business Services Limited
SWAL Corporation Limited
UPL Sustainable Agri Solutions Limited
Nurture Agtech Pvt Ltd.
UPL Holdings Cooperatief U.A
UPL France
UPL Agricultural Solutions Romania SRL
UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság.
UPL Mauritius Limited
UPL Global Limited (FKA Arysta LifeScience Global Limited)
Limited Liability Company "UPL"
UPL NA Inc.
Arysta LifeScience S.A.S.
UPL Management DMCC
UPL Limited, Hong Kong
Arysta LifeScience Kenya Ltd.
Calli Ghana Ltd.
Callivoire SGFD S.A.
UPL IBERIA, SOCIEDAD ANONIMA
UPL Argentina S.A
UPL Colombia SAS(Formerly Known as Evofarms Colombia SA)
PT.UPL Indonesia
United Phosphorus (India) LLP
UPL South Africa (Pty) Ltd
UPL (T) Ltd (FKA Arysta LifeScience Tanzania Ltd)
UPL Zambia Ltd
UPL GLOBAL SERVICES DMCC
UPL Agro SA DE CV.
UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi
UPL Philippines Inc.
UPL Vietnam Co. Ltd
UPL Holdings BV
Arysta LifeScience Chile S.A.
Arysta LifeScience Peru S.A.C
UPL Japan GK
UPL NA Inc. (formerly known as United Phosphorus Inc.)
UPL Do Brasil - Indústria e Comércio de Insumos Agropecuários
UPL Australia Limited
PT Catur Agrodarya Mandiri, Indonesia
UPL Polska Sp. z o.o
Arysta LifeScience de Guatemala, S.A.
UPL Costa Rica S.A.
UPL Do Brasil - Indústria e Comércio de Insumos Agropecuários S.A.
Arysta LifeScience Cameroun SA

iii) Joint Venture Companies:
Longreach Plant Breeders Management Services Private Limited

iv) Associate Companies:
Serra Bonita Sementes S.A.

v) Enterprises in which group having significant influence in the form of associates
3SB Productos Agrícolas S.A.
Sinagro Productos Agropecuarios S.A.

vi) Enterprises over which key management personnel and their relatives have significant influence
(Other Related Parties):
Benchbio Pvt Ltd.

vii) Key Management Personnel and their relatives :
Directors and their relatives
Mr.Hardeep Singh(with effect from 16-12-2022)
Mr.Jaldev Shroff(with effect from 16-12-2022)
Mr.Vikram Shroff(with effect from 16-12-2022)
Mr.Davor Plisk(with effect from 11-01-2023)
Mr.Gaurav Trehan(with effect from 16-12-2022)
Mr.Prashant Kumar(with effect from 16-12-2022)
Mr.Peter Deane Scala(with effect from 11-01-2023)
Mr.Prashant Balaji Belagumwar(with effect from 02-06-2022)
Mr. Arun C Ashar (with effect from 12-09-2022 till 17-12-2022)
Mr. Gopi Krishna (With effect from 02-05-2022 till 17-12-2022)



(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

Nature of Transactions		March 31, 2023						March 31, 2022						TOTAL
		Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	
1. INCOME														
a) SALE OF GOODS		6	134	-	-	24	164	1	109	-	18	-	128	
358 Productos Agrícolas S.A.						1	1						0	
Serra Bonita Sementes S.A.													0	
Sinagro Productos Agropecuarios S.A.						23	23		8			18	18	
Anytia LifeScience Kenya Ltd.			27				27						8	
Anytia LifeScience S.A.S.			4				4						1	
Anytia LifeScience S.A.			1				1						1	
Cali Ghana Ltd.			11				11		3				3	
Limited Liability Company "UPL"			0				0						1	
Limited Phosphorus (India) LLP			0				0						16	
UPL (T) Ltd (FKA Anytia LifeScience Tanzania Ltd)			6				6		27				27	
UPL Agricultural Solutions Romania SRL			32				32						-	
UPL Agro SA DE CY			3				3						0	
UPL Colombia S/S (Formerly Known as Evofarms Colombia SA)			0				0						0	
UPL France			0				0						4	
UPL Japan GK		6	0				6						-	
UPL Limited, India			1				1						-	
UPL Philippines Inc.			0				0		11				11	
UPL South Africa (Pty) Ltd			34				34		25				25	
UPL Vietnam Co. Ltd			14				14		9				9	
UPL Zambia Ltd			1				1		0				0	
UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi			1				1		1				1	
Anytia LifeScience Cameroon SA									2				2	
Callivoire SGFD SA													1	
UPL Limited, India													-	
b) ROYALTY RECEIVED														
Longreach Plant Breeders Management Services Private Limited			-	12		-	12			15			15	
c) GROUP RECHARGE														
Longreach Plant Breeders Management Services Private Limited			-	2		-	2			2			2	
d) OTHER INCOME														
UPL Agricultural Solutions Romania SRL			0				0		0				0	
UPL Australia Pty Limited			0				0		0				0	
UPL New Zealand Limited			0				0		0				0	
UPL Limited													0	
e) MANAGEMENT FEES														
UPL GLOBAL SERVICES DMCC			31				31							

INR Crores



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

Note 36 Related Party Disclosure (continued)

(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

Nature of Transactions		March 31, 2023						March 31, 2022					
		Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL
2. EXPENSES													
a) PURCHASES OF GOODS			25	-	-	-	25		26	0		-	26
Longreach Plant Breeders Management Services Private Limited													
Anyta LifeScience Kenya Ltd.			1				1						
Anyta LifeScience S.A.S.			0				0						
PT Catur Agrodava Mandiri, Indonesia			1				1						
UPL Agricultural Solutions Romania SRL			6				6		14				14
UPL Australia Limited			1				1		1				1
UPL Do Brasil - Industria e Comercio de Insumos Agropecuario			0				0		1				1
UPL NA Inc. (Formerly known as United Phosphorus Inc.)			10				10		10				10
UPL SUSTAINABLE AGRI SOLUTIONS LIMITED			6				6		0				0
UPL (T) Ltd (FKA Anyta LifeScience Tanzania Ltd)													
b) GROUP RECHARGE				2		-	2			0		-	0
Longreach Plant Breeders Management Services Private Limited				2			2			0			0
c) MANAGEMENT FEES			27	-	-	-	27		12				12
UPL Agricultural Solutions Romania SRL			2				2		3				3
UPL Agro SA DE CV.			7				7						
UPL Argentina SA			5				5						
UPL France			10				10		9				9
UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű			0				0						
UPL Management DMCC			3				3						
d) PROFESSIONAL FEES			1				1						
UPL Global Business Services Limited			1				1						
e) OTHER EXPENSES			4				4		3				3
UPL IBERIA, SOCIEDAD ANONIMA			1				1						
UPL Mauritius Limited			2				2						
UPL South Africa (Pty) Ltd			1				1						
Anyta LifeScience Peru S.A.C													
UPL Polska Sp. z o.o.									0				0
UPL South Africa (Pty) Ltd									0				0
UPL Holdings Corporation Ltd			0				0		3				3
UPL Holdings Corporation Ltd													



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023
Note 36 Related Party Disclosure (continued)

(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

Nature of Transactions		March 31, 2023					March 31, 2022					INR Crores	
		Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates		
3.	FINANCE												
a)	INTEREST INCOME	0	22	4	-	-	26		23	5	-	-	28
	Longreach Plant Breeders Management Services Private Limited			4			4			5			5
	UPL Agricultural Solutions Romania SRL		0				0		1				1
	UPL Argentina S A		0				0						
	UPL Corporation Limited - Mauritius		22				22		22				22
	UPL Limited	0					0						
b)	INTEREST EXPENSE	-	11	0	-	-	11		23	3	-	-	26
	Longreach Plant Breeders Management Services Private Limited			0			0			3			3
	Arysta LifeScience Chile S A		1				1						
	UPL Corporation Limited, Mauritius		9				9		12				12
	UPL Holdings BV		1				1		4				4
	Arysta LifeScience Chile S.A.								1				1
	UPL Do Brasil - Industria e Comércio de Insumos Agropecuários S.A.								1				1
	UPL NA Inc.								5				5
c)	ADVANCES/ DEPOSIT / LOANS RECEIVED BACK			36	-	-	36			-	-	-	-
	Longreach Plant Breeders Management Services Private Limited			36			36						
d)	DIVIDEND RECEIVED			-	27	-	27			-	14	-	14
	Serra Bonita Sementes S A				27		27				14		14



(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

INR Crores												
Nature of Transactions	March 31, 2023					March 31, 2022						
	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL
4. OUTSTANDINGS AS AT BALANCE SHEET DATE												
a) PAYABLES	19	98	34	-	4	155	2	67	41	-	1	111
Sinagro Productos Agropecuarios S.A.					4	4					1	1
Longreach Plant Breeders Management Services Private Limited			34			34			41			41
Anystra LifeScience de Guatemala, S.A.								1				1
Anystra LifeScience Kenya Ltd.		1				1						
Anystra LifeScience S.A.S		0				0		0				0
Calli Ghana Ltd.		0				0		0				0
Calivoire SGFD S.A.		0				0		0				0
Limited Liability Company "UPL"		1				1		1				1
Nurture Agtech Pvt. Ltd.		0				0		0				0
PT.UPL Indonesia		0				0		0				0
UPL Agricultural Solutions Romania SRL		13				13		13				13
UPL Argentina S.A		0				0						
UPL Australia Pty Limited		0				0		0				0
UPL Colombia SASI Formerly Known as Evolarms Colombia SA)						-						
UPL Corporation Limited, Mauritius		38				38		35				35
UPL France		12	7			12		7				7
UPL Global Business Services Limited		0				0		0				0
UPL Global Limited (FKA Anystra LifeScience Global Limited)		0				0		0				0
UPL Holdings Cooperative U.A		0				0		0				0
UPL Hungary Kereskedelmi és Szolgáltató Korlátolt Felelősségű		0				0						0
UPL IBERIA, SOCIEDAD ANONIMA		0				0						0
UPL Limited, India	19					19	2					2
UPL Limited Hong Kong		0				0		0				0
UPL Management DMCC		4				4						
UPL Mauritius Limited		4				4		4				4
UPL NA Inc		17				17		7				7
UPL Sustainable Agri Solutions Limited		8				8						
UPL (T) Ltd (FKA Anystra LifeScience Tanzania Ltd)								0				0
UPL Costa Rica S.A.						-		0				0
UPL Do Brasil - Indústria e Comércio de Insumos Agropecuários S.A.						-		1				1
UPL Polska Sp. z o.o						-		0				0
UPL South Africa (Pty) Ltd						-		2				2
UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirkeci						-		0				0



(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

Nature of Transactions	March 31, 2023						March 31, 2022					
	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL
b) RECEIVABLES	3	166	0	-	22	191	7	68	1	14	-	90
3SB Productos Agrícolas S.A.					1	1						-
Sinagro Productos Agropecuarios S.A.					20	20					14	14
Longreach Plant Breeders Management Services Private Limited			0		1	1			1			1
Benchbio Pvt Ltd.												-
Anyta LifeScience Kenya Ltd.		42				42		14				14
Anyta LifeScience S.A.S.		1				1						-
Calli Ghana Ltd.		1				1						-
Limited Liability Company "UPL"		11				11		9				9
UPL (T) Ltd (FKA Anyta LifeScience Tanzania Ltd)		1				1		1				1
UPL Agricultural Solutions Romania SRL		13				13		16				16
UPL Agro SA DE CV		7				7		6				6
UPL Australia Pty Limited		1				1		0				0
UPL Colombia SAS (Formerly known as Evofarms Colombia SA)		33				33						-
UPL GLOBAL SERVICES DMCC												-
UPL Limited India	3					3	7					7
UPL New Zealand Limited		0				0		0				0
UPL Philippines Inc.		1				1						-
UPL South Africa (Pty) Ltd		6				6		9				9
UPL Vietnam Co. Ltd		24				24						-
UPL Zambia Ltd		24				24		9				9
UPL Ziraat Ve Kimya Sanayi Ve Ticaret Limited Sirketi		1				1		0				0
Callivoire SGFD S.A.								0				0
SWAL Corporation Limited		0				0						0
UPL France												0
UPL Japan GK								4				4



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023
Note 36 Related Party Disclosure (continued)

(b) The following transactions were carried out with related parties in the ordinary course of business as disclosed in the audited accounts of the individual companies in the Group, associate companies and joint ventures.

INR Crores												
Nature of Transactions	March 31, 2023					March 31, 2022					TOTAL	
	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates	Other related parties	TOTAL	Holding Company	Fellow Subsidiaries	Joint Ventures	Associates		Other related parties
c)												
LOANS / INTER CORPORATE DEPOSITS GIVEN												
Longreach Plant Breeders Management Services Private Limited	50	786	29	-	-	865	0	884	67	-	-	951
UPL Argentina S.A		62	29			29			67			67
UPL Corporation Limited, Mauritius		724				724		876				826
UPL Limited, India	50					50	0					0
UPL Agricultural Solutions Romania SRL								50				50
UPL Philippines Inc.								8				8
d)												
INTEREST RECEIVABLES												
UPL Corporation Limited, Mauritius	-	1	0	-	-	1	-	23	-	-	-	23
UPL Agricultural Solutions Romania SRL	-	1	-	-	-	1	-	22				22
Longreach Plant Breeders Management Services Private Limited	-		0	-	-	-	-	1				1
e)												
LOANS TAKEN												
Anyssa LifeScience Chile S.A.								685				685
UPL Corporation Limited, Mauritius								26				26
UPL Holdings BV								469				469
								190				190



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

Note 36 Related Party Disclosure (continued)

c) Transactions with key management personnel of the Holding Company and their relatives

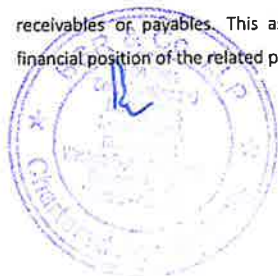
Nature of Transactions	Year ended March 31, 2023	Year ended March 31, 2022
	INR Crores	INR Crores
Remuneration (refer note 1 below)		
Short term benefits	33	-
Post-Employment benefits	-	-
	33	-
Rent paid	2	1
Outstandings as at the Balance Sheet Date	4	3

Note

1 This includes short term employee benefits and key management personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19- Employee Benefits. As these employee benefits are lumpsum such amounts provided on the basis of actuarial valuation, the same is not included above.

2 Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



37. Segment information

(A) Primary Segment Reporting (by Business Segment)

The Group is engaged in the Manufacturing and Marketing of Agriculture Seeds Products and all activities are revolved around the said activities. Hence, Agriculture Seeds Segment is the Primary Segment of the Group.

(B) Secondary Segment Reporting (by Geographical location of the customers)

Particulars	As at 31st March 2023					
	India	Europe	North America	Latin America	ROW	Total
Revenue by geographical market	946	44	133	1,240	1,195	3,558
Carrying amount of Non Current Operating Assets (Non Current Assets for this purpose consists of property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets, intangible assets under development and other non current assets)	69	5	118	141	186	519

Particulars	As at 31st March 2022					
	India	Europe	North America	Latin America	ROW	Total
Revenue by geographical market	826	37	169	911	890	2,833
Carrying amount of Non Current Operating Assets (Non Current Assets for this purpose consists of property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets, intangible assets under development and other non current assets)	64	8	96	100	168	436

Countries in excess of 10 percent of consolidated revenue consisted of India, Argentina, Australia and Thailand Revenue for the years ended March 31 2023 and March 31 2022 for India Aggregated to INR 918 Crores and INR 813 crore respectively, for Argentina aggregated to INR 545 crores and 407 crores, for Australia aggregated to INR 380 Crores and INR 275 Crores respectively and for Thailand aggregated to INR 381 Crores and INR 259 crores respectively

Countries with non current operating assets in excess of 10 percent of consolidated Non current operating Assets as March 31 2023 are Argentina, Australia, India, Thailand and USA which aggregated to INR 124 Cores, INR 110 Crores, INR 69 Crores, INR 68 Crores and INR 118 crores respectively. Further, Countries with non current operating assets in excess of 10 percent of consolidated Non current operating Assets March 31 2022 are Argentina, Australia, India, Thailand and USA which aggregated to INR 88 Crores, INR 112 Crores, INR 64 Crores, INR 52 crores and INR 96 Crores respectively.

Notes

- (1) Segment Revenue in the geographical segments considered for disclosure are as follows:
 - a) Revenue in India includes sales to customers located within India.
 - b) Revenue in Europe includes sales to customers located within Europe.
 - c) Revenue in North America includes sales to customers located within North America.
 - d) Revenue in Latin America includes sales to customers located within Latin America.
 - e) Revenue in Rest of world includes sales to customers located other than above Geographic segments.
- (2) Based on "management approach" defined under Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the group's performance and allocates resources based on an analysis of various performance indicators by business segments.



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

38 Transaction with UPL Limited

On 30 November 2022, UPL Limited has transferred its net assets related to seeds business to Advanta Enterprises Limited ('AEL') for a consideration of Rs 667 crores as part of seeds business consolidation. Thereafter, private equity investor Kohlberg Kravis Roberts & Co (KKR) has invested Rs 2,474 Crores for minority stake of 13.63% in Advanta Enterprises Limited.

Following assets and liabilities were transferred on reorganisations-

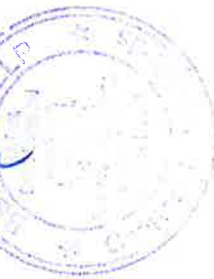
	INR Crores
Assets	
Property, plant and equipment	33
Capital work-in-progress	7
Other intangible assets	4
Right of use assets	1
Goodwill	870
Inventories	407
Trade receivables	209
Other financial assets	2
Other current assets	33
Total Assets (A)	1,566
Liabilities	
Borrowings	661
Lease liability	1
Trade payables	210
Other payables	13
Provisions	30
Total Liabilities (B)	915
Net Assets transferred (C)=(A-B)	651
Consideration Paid (D)	667
Capital Reserve (C - D)	(16)



Notes to consolidated financial statements

39. Information required for consolidated financial statement pursuant to Schedule III of The Companies Act, 2013:

39. Information required for consolidated financial statement pursuant to Schedule III of The Companies Act, 2013:															
S.No	Particulars	Co code	Name of the Entity in the Group	March 31, 2023				March 31, 2022							
				Net Assets i.e. total assets minus total liabilities		Share in total comprehensive income		Share in total comprehensive income		Share in total comprehensive income					
				%	Amount	%	Amount	%	Amount	%	Amount				
1	Parent		Advanta Enterprises Limited	10%	297	42%	263	46%	263	18%	327	50%	318	46%	318
2	Subsidiaries Foreign		Advanta Holdings BV, Netherlands	-54%	(1,618)	0%	2	0%	2	-97%	(1,815)	-5%	(31)	-5%	(31)
			Advanta Netherlands Holdings BV, Netherlands	11%	317	-2%	(13)	-2%	(13)	15%	278	-3%	(18)	-3%	(18)
			Advanta Seeds Ukraine LLC	0%	2	-2%	(10)	-2%	(10)	0%	8	-2%	(12)	-2%	(12)
			Advanta US, LLC (Formerly Known as Advanta US Inc, USA)	4%	108	-23%	(145)	-25%	(145)	6%	119	-7%	(47)	-7%	(47)
			Advanta Seeds International, Mauritius	13%	387	41%	257	45%	257	69%	1,294	30%	191	28%	191
			Advanta Seeds DMCC (Formerly Advanta Seeds LLC), UAE	1%	21	-9%	(59)	-10%	(59)	8%	143	-6%	(37)	-5%	(37)
			Advanta Biotech General Trading Ltd	0%	7	1%	4	1%	4	0%	3	0%	1	0%	1
			Advanta Comercio De Sementes Ltda, Brazil	7%	206	-6%	(37)	-6%	(37)	-8%	(143)	-5%	(34)	-5%	(34)
			Advanta Semillas SAIC, Argentina	11%	329	7%	43	7%	43	14%	265	13%	80	12%	80
			Advanta Seeds Pty Ltd, Australia	12%	366	12%	78	14%	78	17%	309	10%	63	9%	63
			Paotic Seeds (Thai) Ltd, Thailand	27%	808	25%	155	27%	155	35%	652	11%	71	10%	71
			Paotic Seeds Holdings (Thai) Ltd, Thailand	0%	(3)	0%	(0)	0%	(0)	0%	(2)	0%	(0)	0%	(0)
			Pt. Advanta Seeds Indonesia	1%	43	1%	5	1%	5	2%	43	1%	7	1%	7
			Advanta Seeds Holdings UK Ltd	-10%	(250)	-1%	(4)	-1%	(4)	0%	(0)	0%	3	0%	3
			Advanta Holdings US Inc	1%	23	5%	28	5%	28	0%	(2)	0%	(2)	0%	(2)
			Advanta Mauritius Limited	53%	1,586	0%	(2)	0%	(2)	0%	-	-	-	-	-
3	Non-controlling Interest			3%	83	1%	5	2%	9	4%	74	1%	9	0%	(2)
4	Associates Foreign		Seara Bonita Sementes SA	7%	215	7%	44	8%	44	10%	195	6%	36	5%	36
5	Joint Venture Foreign		Longresch Plant Breeders Management Pty Ltd, Australia	4%	128	3%	16	3%	16	6%	115	6%	36	5%	36
6	Other Comprehensive Income					108%	(57)	-10%	(57)					122%	64
				100%	3,015	100%	628	100%	575	100%	1,853	100%	634	100%	687



40. Hedging activities and derivatives

Derivatives not designated as hedging instruments

The Group uses full currency interest rate swaps and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are

		31-Mar-23 (in '000)	31-Mar-23 (INR Crores)	31-Mar-22 (in '000)	31-Mar-22 (INR Crores)	
Nature of Instrument	Currency	Amount outstanding	Amount outstanding	Amount outstanding	Amount outstanding	Purpose - Hedging/ Speculation
(a) Forward contracts - Sell	USD	101,530	834	76,848	582	Hedging
Forward contracts - Buy	USD	1,023	8	5,019	38	Hedging
Forward contracts - Buy	USD	-	-	-	-	Hedging (refer note 1 below)
Note 1:- Hedging against the underlying USD FX risk linked to Sales Orders and probable sales returns in Brazil						
(c) Un-hedged Foreign Currency Exposure on:						
1 Payables	USD	155,546	1,278	123,698	937	
	EUR	-	-	752	6	
	MUR	-	-	1,513	0	
	AUD	28,209	155	4,051	23	
	ARS	2,015,306	79	1,394,242	95	
	ZAR	-	-	2,908	2	
	KES	14,987	1	26,097	2	
2 Receivable	USD	19,675	162	31,208	236	
	EUR	62,528	560	27,839	234	
	RON	-	-	21,855	37	
	TZS	149,623	1	27,739	0	
	ZMK	-	-	2,389	0	



NOTE 41 : CATEGORY-WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS	Refer note	Non-Current		Current	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
(A) Accounting, classification and Fair Value :					
Investments accounted for using the equity method	5	343	310	-	-
Financial assets measured at fair value through profit or loss (FVTPL)					
Derivative contracts (net)	7	-	-	1	-
		343	310	1	-
Financial assets measured at amortised cost					
Security Deposits	7	4	3	-	-
Loans and advances to related party	6	865	951	-	-
Loans to employees	6	-	-	3	2
Trade receivables	10	-	-	952	905
Cash and cash equivalents	11	-	-	334	184
Other bank balances	11A	-	-	81	-
Interest receivable from related parties	7	-	-	1	23
		869	954	1,371	1,114
Financial liabilities measured at fair value through profit or loss (FVTPL)					
Derivative contracts	15	-	-	1	9
		-	-	1	9
Financial liabilities measured at amortised cost					
From Bank					
- Interest accrued and not due on borrowings	14	-	-	-	25
- Borrowings	14	-	-	-	946
Capital goods creditors	15	-	-	4	2
Trade Deposits	15	-	-	5	4
Trade payables	18	-	-	987	958
Accured Payable	15	-	-	129	210
Employee benefits payables	15	-	-	40	10
		-	-	1,165	2,155

(B) Measurement of fair value:

Valuation techniques and significant unobservable inputs:

(i) Financial Instruments measured at fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

- The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2023 was assessed to be insignificant.

The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

The carrying amount of financial assets and financial liability measured at amortized cost in the consolidated financial statements are a reasonable approximation of their fair value since the Group does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.



42. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
		INR Crores	INR Crores	INR Crores	INR Crores
Assets measured at fair value:					
FVTPL Derivative Contracts (Refer note 7):					
Derivative contracts	March 31, 2023	1	-	1	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
		INR Crores	INR Crores	INR Crores	INR Crores
Assets measured at fair value:					

There are no reportable assets as at 31 March 2022

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2023:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
		INR Crores	INR Crores	INR Crores	INR Crores
Financial liabilities at fair value through profit or loss / other comprehensive income:					
Derivative financial liabilities					
Derivative contracts	March 31, 2023	1	-	1	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
		INR Crores	INR Crores	INR Crores	INR Crores
Financial liabilities at fair value through profit or loss / other comprehensive income:					
Derivative financial liabilities					
Derivative contracts	March 31, 2022	9	-	9	-

There are no transfers between Level 1 and Level 2 financial instruments.

There are no financial instruments which has been classified as Level 3. Hence Movement disclosure is not applicable.



43. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds FVTOCI investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings and by using interest rate swaps.

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

	March 31, 2023	March 31, 2022
	INR crores	INR crores
Fixed rate Instruments		
Borrowings from banks and others		734
	-	734
Variable rate Instruments		
	March 31, 2023	March 31, 2022
	INR crores	INR crores
Borrowings from banks and other financial institutions		237
	-	237

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease in basis points	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2023			
Others	+100	-	-
	-100	-	-
	Increase/ decrease in basis points	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2022			
Others	+100	(2.37)	(1.88)
	-100	2.37	1.88

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of actual sales and purchases and 12-month period for foreign currency loans.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Group hedges its exposure to fluctuations on the foreign currency loan by using foreign currency swaps and forwards.

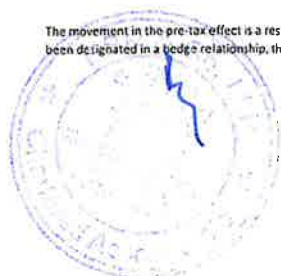
At March 31, 2023, the Group hedge position is stated in Note 40. This foreign currency risk is hedged by using foreign currency forward contracts and full currency interest rate swaps.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2023	1%	(11)	(9)
	-1%	11	9
	Change in EURO rate	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2023	1%	6	4
	-1%	(6)	(4)
	Change in USD rate	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2022	1%	(7)	(8)
	-1%	7	8
	Change in EURO rate	Effect on profit or loss	Effect on equity
		INR Crores	INR Crores
March 31, 2022	1%	2	3
	-1%	(2)	(3)

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars, where the functional currency of the entity is a currency other than US dollar. Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.



43. Financial risk management objectives and policies (continued)

Equity price risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The investment in listed and unlisted equity securities are not significant.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company assesses impairment based on expected credit losses (ECL) model. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

March 31, 2023						
	Current	0-60 Days	61-180 days	181-270 days	Trade Receivables Days past due > 270 Days	Total
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Gross carrying amount for exposure at default	782	146	21	7	74	1,030
Expected credit loss	14	1	2	1	65	83
Average %	1.8%	0.7%	7.9%	18.9%	88.5%	

March 31, 2022						
	Current	0-60 Days	61-180 days	181-270 days	Trade Receivables Days past due > 270 Days	Total
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Gross carrying amount for exposure at default	816	56	23	16	57	968
Expected credit loss	11	1	1	3	49	65
Average %	1.3%	2.3%	6.3%	19.8%	86.5%	

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

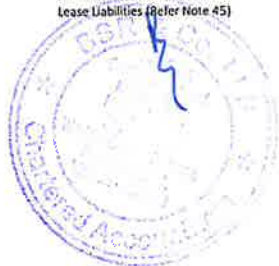
The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as illustrated in Note 10 except for derivative financial instruments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Carrying amount	Less than 1 year	1 to 5 years	> 5 years	Total
	INR Crores	INR Crores	INR Crores	INR Crores	INR Crores
Year ended					
March 31, 2023					
Borrowings (Refer Note 14)	-	-	-	-	-
Other financial liabilities (Refer Note 15)	178	178	-	-	178
Trade and other payables (Refer Note 18)	987	987	-	-	987
Derivative contracts (Refer Note 15)	1	1	-	-	1
Lease Liabilities (Refer Note 45)	129	56	84	-	140
	<u>1,295</u>	<u>1,222</u>	<u>84</u>	<u>-</u>	<u>1,306</u>
Year ended					
March 31, 2022					
Borrowings (Refer Note 14)	971	971	-	-	971
Other financial liabilities (Refer Note 15)	226	226	-	-	226
Trade and other payables (Refer Note 18)	958	958	-	-	958
Derivative contracts (Refer Note 15)	9	9	-	-	9
Lease Liabilities (Refer Note 45)	95	46	72	-	118
	<u>2,259</u>	<u>2,210</u>	<u>72</u>	<u>-</u>	<u>2,282</u>



44. Capital management

Capital includes equity attributable to the equity holders of the Parent. Capital management is to ensure that Group maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

	March 31, 2023	March 31, 2022
	INR Crores	INR Crores
Borrowings (Note 14)	-	971
Less: Cash and cash equivalents (Note 11)	(334)	(184)
Net debt	(334)	787
Total Equity	3,015	1,863
Total capital	3,015	1,863
Capital and net debt	2,681	2,650
Gearing ratio	-12%	30%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.



45 Leases

The Group has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery generally have lease terms between 1 and 20 years, while motor vehicles and other equipment generally have lease terms between 1 and 10 years. The Group recognized a right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

i. Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Land and Buildings	Plant and Machinery	Vehicles	Office equipment	(INR Crores) Total
Balance at March 31, 2021	54	1	34	2	91
Additions to right of use assets	15	4	24	2	45
Deletions of right of use assets	(2)	-	(0)	(1)	(3)
Amortisation of right of use assets	(17)	(1)	(24)	(2)	(44)
Foreign exchange impact	2	1	(0)	0	3
Balance at March 31, 2022	52	5	34	1	92
Additions to right of use assets	29	55	0	6	90
Deletions of right of use assets	(1)	(0)	-	-	(1)
Amortisation of right of use assets	(28)	(27)	(0)	(1)	(56)
Foreign exchange impact	0	1	0	(1)	0
Balance at March 31, 2023	52	34	34	5	125

ii. Set out below are the carrying amounts of lease liabilities and the movements during the period:

	March 31, 2023 INR crores	March 31, 2022 INR crores
Current	50	40
Non-current	79	55
Total lease liability	129	95

iii. Maturity analysis of lease liability - undiscounted contractual cash flows:

	March 31, 2023 INR crores	March 31, 2022 INR crores
Less than one year	56	46
One to three years	72	53
More than three years	12	19
Total undiscounted cash flows	140	118



Advanta Enterprises Limited
Notes to consolidated financial statements for the year ended March 31, 2023

45 Leases (continued)

B. Leases as lessee

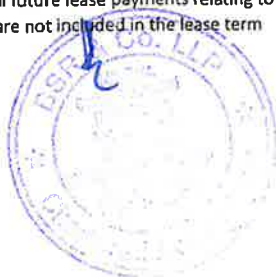
<i>iv. Amount recognised in profit or loss (INR Crores)</i>	March 31, 2023	March 31, 2022
General and administrative expenses		
Short-term lease rent expense	20	22
Low value asset lease rent expense	6	8
Depreciation and impairment losses		
Depreciation of right of use lease asset	56	44
Finance cost		
Interest expense on lease liability	7	5
	<u>89</u>	<u>79</u>

<i>v. Amount recognised in statement of cash flows (INR Crore)</i>	March 31, 2023	March 31, 2022
Total cash outflow for leases	<u>62</u>	<u>46</u>

<i>vi. Lease commitments for short term leases - (INR Crore)</i>	March 31, 2023	March 31, 2022
Lease commitments for short term leases	2	3

<i>vii. Extension options</i>	March 31, 2023	March 31, 2022
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The potential future lease payments relating to exercise the extension option that are not included in the lease term



Advanta Enterprises Limited

Notes to consolidated financial statements for the year ended March 31, 2023

46 Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Parent towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Parent is in the process of carrying out the evaluation and will give appropriate impact in the consolidated financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

47 Other Statutory Information

(i) The Group have not any such transaction which is not recorded in the books of accounts 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

(ii) The Group does not have transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) All the entities in the group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies Restriction on number of Layers) Rules, 2017 except (Name and CIN of the company that has not complied with the same).

(vi) The Group has not entered any Scheme(s) of arrangement during the year in terms of sections 230 to 237 of the Companies Act, 2013.

(vii) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(viii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

48 Event After Reporting Period

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the annual consolidated financial statements for the year ended 31 March 2023.

49 Rounding off

The Group has opted to round off its financial information to the nearest crores in accordance with Ind AS compliant Schedule III.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

B. H. Shimpshi

Bhavesh Dhupelia

Partner

Membership No: 042070

Place: Dubai

For and on behalf of the Board of Directors of
Advanta Enterprises Limited

Vikram Shroff

Vikram Shroff

Director

DIN.: 00191472

Place: Mumbai

Prashant Belgamwar

Prashant Belgamwar

Director

DIN.: 08567742

Place: Hyderabad

Date: June 26, 2023

