

## INDEPENDENT AUDITOR'S REPORT

To the Partners of SKIPPER-METZER INDIA LLP

### Opinion

We have audited the accompanying financial statements of SKIPPER-METZER INDIA LLP ("the LLP Firm"), which comprise the Balance Sheet as at March 31 2021, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Limited Liability Partnership Act, 2008 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the LLP Firm as at March 31, 2021, its profit including other comprehensive income and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Responsibilities of Designated partners for the Financial Statements

The LLP Firm's designated partners are responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and Limited Liability Partnership Act, 2008 ("the Act"). This responsibility also includes maintenance of adequate internal controls which partner determine is necessary to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, designated partners are responsible for assessing the LLP Firm's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless partners either intends to liquidate the LLP or to cease operations, or has no realistic alternative but to do so.

Partners of the LLP Firm's are also responsible for overseeing the LLP 's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP 's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of partner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP 's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**For Singhi & Co.**  
*Chartered Accountants*  
Firm's Registration No.302049E

(Navindra Kumar Surana)  
*Partner*  
Membership No. 053816  
UDIN : 21053816AAAADS8784

Date: May 3, 2021

Place: Kolkata



Third

Annual Report

2020-21

**SKIPPER-METZER INDIA LLP**

Plant & HO: 44-67, IDA Moula-Ali, Hyderabad-500040, Telangana.  
Regd Off: 3A, Loudon Street, 2nd Floor, Mayur Apartment, Kolkata-700017.  
LLP Identification No.AAM-2052

## Audited Balance Sheet

AS AT 31ST MAR, 2021

Particulars	Note No	Amount in Rs.		
		As at 31st Mar, 2021	As at 31st Mar, 2020	
<b>I ASSETS</b>				
<b>A. NON-CURRENT ASSETS</b>				
Property, Plant and Equipment	2	31,29,44,117	27,87,02,654	
Capital Work-in-Progress	2	-	-	
Financial Assets	3	81,29,368	91,79,557	
(i) Loans	4	-	-	
Deferred Tax Assets (Net)	5	17,690	1,87,038	
Other Non-Current Assets				
<b>Total Non-Current Assets</b>		<b>32,10,91,175</b>	<b>28,80,69,249</b>	
<b>B. CURRENT ASSETS</b>				
Inventories	6	5,63,96,729	8,43,09,770	
Financial Assets	7	24,70,29,739	13,63,28,275	
(i) Trade Receivables	8	2,23,88,533	1,31,13,694	
(ii) Cash & Cash Equivalents	9	-	5,13,750	
(iii) Loans	10	3,40,10,600	4,47,93,760	
Other Current Assets				
<b>Total Current Assets</b>		<b>35,98,25,601</b>	<b>27,90,59,249</b>	
<b>TOTAL ASSETS</b>		<b>68,09,16,776</b>	<b>56,71,28,498</b>	
<b>II CONTRIBUTION &amp; LIABILITIES</b>				
<b>A. PARTNER'S FUND</b>				
Contribution	11	18,92,00,978	18,92,00,978	
Other Equity	12	11,20,982	-59,24,660	
<b>Total Partner's Fund</b>		<b>19,03,21,960</b>	<b>18,32,76,318</b>	
<b>B. LIABILITIES</b>				
<b>NON-CURRENT LIABILITIES</b>				
Financial Liabilities	13	11,69,16,678	5,43,40,156	
(i) Borrowings	14	6,21,97,882	6,71,86,383	
(ii) Lease Liabilities	15	42,50,100	26,85,000	
Deferred Tax Liabilities	16	-	-	
Provisions	17	31,45,183	15,72,396	
<b>Total Non-Current Liabilities</b>		<b>18,65,09,843</b>	<b>12,57,83,935</b>	
<b>CURRENT LIABILITIES</b>				
Financial Liabilities	18	16,96,60,510	11,26,11,979	
(i) Borrowings	19	47,22,926	45,60,806	
(ii) Lease Liabilities				
(iii) Trade & Other Payables	20	29,77,915	70,04,410	
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises; and	20	7,36,08,419	7,80,24,296	
b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	21	2,99,86,319	3,77,43,233	
(iv) Other Financial Liabilities	22	1,69,39,872	1,27,65,416	
Contract Liabilities	23	61,21,385	53,19,269	
Other Current Liabilities	24	67,627	38,836	
<b>Total Current Liabilities</b>		<b>30,40,84,973</b>	<b>25,80,68,245</b>	
<b>TOTAL CONTRIBUTION &amp; LIABILITIES</b>		<b>68,09,16,776</b>	<b>56,71,28,498</b>	

The accompanying notes are an integral part of the unaudited balance sheet.

1

As per our Report of even date attached

**For Singhi & Co**  
Chartered Accountants  
Firm's Regn No.302049E

**For SKIPPER-METZER INDIA LLP**

**Sharan Bansal**  
Designated Partner

**Devesh Bansal**  
Designated Partner

**(Navindra Kumar Surana)**  
Partner  
Membership No.053816

Place: Kolkata  
Date: 03-05-2021

**K Radha Krishna**  
Chief Executive Officer

**M Surendra Kumar**  
Chief Financial Officer

Place: Kolkata  
Date: 03-05-2021

## Audited Statement of Profit & Loss

FOR THE PERIOD FROM 01ST APR, 2020 TO 31ST MAR, 2021

Amount in Rs

Particulars	Note No	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
<b>A. INCOME</b>			
Revenue from Operations	25	54,34,39,233	32,42,78,249
Other Income	26	35,28,106	6,22,414
<b>Total Income</b>		<u>54,69,67,339</u>	<u>32,49,00,663</u>
<b>B. EXPENDITURE</b>			
Cost of Materials consumed	27	25,54,08,676	23,33,25,892
Change in Stock & Finished Goods & Work-in-Progress	28	3,19,71,872	-7,56,61,291
Employee Benefit Expense	29	8,64,10,702	5,97,37,689
Finance Costs	30	2,75,58,668	1,35,56,765
Depreciation & Amortization Expenses	2	2,61,21,494	2,21,70,168
Other Expenses	31	11,24,69,165	7,64,69,523
<b>Total Expenditure</b>		<u>53,99,40,577</u>	<u>32,95,98,746</u>
<b>C. Profit Before Exceptional Items and Tax</b>	A-B	70,26,762	-46,98,083
<b>D. Exceptional Items</b>		-	-
<b>E. Profit Before Tax</b>	C-D	<u>70,26,762</u>	<u>-46,98,083</u>
<b>F. Tax Expense</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expense</b>		<u>-</u>	<u>-</u>
<b>G. Profit After Tax</b>	E-F	70,26,762	-46,98,083
<b>H. Other Comprehensive Income (Net of Taxes)</b>		18,880	-9,02,977
<b>I. Total Profit for the year</b>	G+H	<u>70,45,642</u>	<u>-56,01,060</u>

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

As per our Report of even date attached

**For Singhi & Co**

Chartered Accountants  
Firm's Regn No.302049E

**For SKIPPER-METZER INDIA LLP**

**Sharan Bansal**  
Designated Partner

**Devesh Bansal**  
Designated Partner

**(Navindra Kumar Surana)**

Partner  
Membership No.053816

**K Radha Krishna**  
Chief Executive Officer

**M Surendra Kumar**  
Chief Financial Officer

Place: Kolkata  
Date: 03-05-2021

Place: Kolkata  
Date: 03-05-2021

## Audited Statement of Cash Flow

FOR THE YEAR ENDED 31ST MAR, 2021

Particulars	Amount in Rs.	
	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	70,26,762	-46,98,083
Adjustment for		
Depreciation	2,61,21,494	2,21,70,168
Unrealised Foreign Exchange Fluctuations	3,19,185	14,86,628
Interest on Discounting of Financial Assets	-2,37,821	-2,09,857
Interest Income	-76,018	-1,91,277
Finance Costs	2,75,58,668	1,35,56,765
<b>Operating profit before Working Capital Changes</b>	<b>6,07,12,270</b>	<b>3,21,14,344</b>
Changes in Working Capital		
(Increase) / Decrease in Trade Receivables	-11,07,01,464	-13,63,28,275
(Increase) / Decrease in Inventories	2,79,13,041	-7,61,18,172
(Increase) / Decrease in Other Financial Assets & Other Assets	1,28,40,788	-1,26,13,661
Increase / (Decrease) in Trade Payables	-87,61,557	6,52,29,815
Increase / (Decrease) in Contract Liabilities	41,74,456	1,22,59,882
Increase / (Decrease) in Other Financial Liabilities & Other Liabilities	-1,74,57,627	2,73,49,092
<b>Cash Generated from Operations</b>	<b>-3,12,80,093</b>	<b>-8,81,06,976</b>
Direct Taxes Paid	-1,44,267	-11,33,530
<b>NET CASH GENERATED / (USED IN) OPERATING ACTIVITIES</b>	<b>A</b>	<b>-3,14,24,360</b>
		<b>-8,92,40,506</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-5,82,73,911	-3,42,58,569
Increase / (Decrease) in Capital Advances	1,69,348	33,63,424
(Increase) / Decrease in Creditors for Capital Goods	-5,34,366	-4,71,53,428
<b>NET CASH GENERATED / (USED IN) INVESTING ACTIVITIES</b>	<b>B</b>	<b>-5,86,38,929</b>
		<b>-7,80,48,573</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	-2,84,64,613	-1,17,73,763
Proceeds from Long-Term Borrowings	8,87,78,662	10,54,69,672
Repayment of Long-Term Borrowings	-1,37,22,406	-4,00,00,000
Payment of Principal Lease Obligations	-43,02,046	-33,14,057
Proceeds from Partner's Contribution	-	1,03,36,159
Increase / (Decrease) in Short-Term Borrowings	5,70,48,531	11,26,11,979
<b>NET CASH GENERATED / (USED IN) FINANCING ACTIVITIES</b>	<b>C</b>	<b>9,93,38,128</b>
		<b>17,33,29,990</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>A + B + C</b>	<b>92,74,839</b>
		<b>60,40,911</b>
<b>ADD: OPENING CASH &amp; CASH EQUIVALENTS</b>		<b>1,31,13,694</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS</b>		<b>2,23,88,533</b>
		<b>1,31,13,694</b>

### Supplemental Information

Notes on Cash Flow Statement.

- (a) Cash and cash equivalents consist of cash on hand and balance with banks and deposits with banks.
- |                       |                    |                    |
|-----------------------|--------------------|--------------------|
| Balance with Banks in |                    |                    |
| Current Account       | 2,23,42,340        | 1,30,90,819        |
| Cheque in Hand        | -                  | -                  |
| Cash on hand          | 46,193             | 22,875             |
|                       | <b>2,23,88,533</b> | <b>1,31,13,694</b> |
- Cash and cash equivalents (Refer Note 8)
- (b) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard on 'Statement of Cash Flows (Ind AS-7)'.
- (c) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities
- | Particulars             | Year ended 31st Mar, 2021 |                       |                 | Year ended 31st Mar, 2020 |                       |                  |
|-------------------------|---------------------------|-----------------------|-----------------|---------------------------|-----------------------|------------------|
|                         | Long-Term Borrowings      | Short-Term Borrowings | Finance Cost    | Long-Term Borrowings      | Short-Term Borrowings | Finance Cost     |
| <b>Opening Balance</b>  | 6,52,08,187               | 11,26,11,979          | 17,83,002       | -                         | -                     | -                |
| Cash Flow Changes (net) | 7,53,17,741               | 5,70,48,531           | -               | 6,54,69,672               | 11,26,11,979          | -                |
| Fair Value Changes      | -2,25,902                 | -                     | -               | -2,61,485                 | -                     | -                |
| Interest Expense        | -                         | -                     | 2,75,58,668     | -                         | -                     | 1,35,56,765      |
| Interest Paid           | -                         | -                     | -2,84,64,613    | -                         | -                     | -1,17,73,763     |
| <b>Closing Balance</b>  | <b>14,03,00,026</b>       | <b>16,96,60,510</b>   | <b>8,77,057</b> | <b>6,52,08,187</b>        | <b>11,26,11,979</b>   | <b>17,83,002</b> |

As per our Report of even date attached

**For Singhi & Co**  
 Chartered Accountants  
 Firm's Regn No.302049E

**(Navindra Kumar Surana)**  
 Partner  
 Membership No.053816

Place: Kolkata  
 Date: 03-05-2021

**For SKIPPER-METZER INDIA LLP**  
 Sharan Bansal  
 Designated Partner

Devesh Bansal  
 Designated Partner

K Radha Krishna  
 Chief Executive Officer

M Surendra Kumar  
 Chief Financial Officer

Place: Kolkata  
 Date: 03-05-2021

### Statement of Changes in Partner's Fund

FOR THE YEAR ENDED 31ST MAR, 2021

Amount in Rs.

Particulars	Partner's Contribution	Retained Earnings	TOTAL
Balance as at 01st Apr, 2020	18,92,00,978	-59,24,660	18,32,76,318
Transactions during the period	-	70,45,642	70,45,642
Balance as at 31st Mar, 2021	<b>18,92,00,978</b>	<b>11,20,982</b>	<b>19,03,21,960</b>
Balance as at 01st Apr, 2019	17,88,64,820	-3,23,600	17,85,41,220
Transactions during the period	1,03,36,158	-56,01,060	47,35,098
Balance as at 31st Mar, 2020	<b>18,92,00,978</b>	<b>-59,24,660</b>	<b>18,32,76,318</b>

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

As per our Report of even date attached

**For Singhi & Co**

Chartered Accountants  
Firm's Regn No.302049E

**For SKIPPER-METZER INDIA LLP**

**Sharan Bansal**  
Designated Partner

**Devesh Bansal**  
Designated Partner

**(Navindra Kumar Surana)**

Partner  
Membership No.053816

**K Radha Krishna**  
Chief Executive Officer

**M Surendra Kumar**  
Chief Financial Officer

Place: Kolkata  
Date: 03-05-2021

Place: Kolkata  
Date: 03-05-2021

**NOTE 1: NOTES TO FINANCIAL STATEMENTS for the year ended 31<sup>st</sup> March, 2021**

**1. Corporate & General Information**

**Skipper-Metzer India LLP (LLP Firm)** was incorporated on 9<sup>th</sup> March, 2018 pursuant to Limited Liability Partnership Act, 2008, as a 50:50 Joint Venture between M/s Skipper Limited, India and M/s Metzerplas Co-operative Agricultural Organization Limited, Israel to foray into Micro Irrigation market in India and bring in new technologies in the growing irrigation market. The LLP has set up Manufacturing Plant in Hyderabad, Telangana with primary objective of Manufacturing and Supply of Micro Irrigation products to Farming Community in India and globally.

**2. Significant Accounting Policies**

**2.1 Statement of Compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the financial statements of the LLP Firm have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

Ministry of Corporate Affairs on July 24, 2020 notified the Companies (Indian Accounting Standards) Amendment Rules, 2020, thereby amending the Rules of 2015. The LLP Firm has applied the following Indian accounting standards and its amendment for the first time for annual reporting period commencing 1st April, 2020:

The amendment introduces following changes to the Rules:

IND AS 103- Business Combination: Have defined “business” in more detail, an optional test to identify concentration of fair value, element of Businesses and Assessing whether an acquired process is substantive.

IND AS 107-Disclosures to be made in respect of financial instruments: Introducing a provision specifying the disclosures to be made where there is uncertainty due to Interest Rate Benchmark Reform

IND AS 109-Financial reporting of financial assets and financial liabilities: Providing detailed provisions for temporary exceptions from applying specific hedge accounting requirements and transition for hedge accounting

IND AS 116 -Accounting for Leases: Related Rent concession- a clarification has been provided on accounting of Rent concessions, whether to treat as a lease modification or not.

IND AS 1 & 8 -Presentation of Financial Statements and Accounting Policies, Changes in Accounting Estimates and Errors: Changes have been made to the definition of 'material' in relation to material information

IND AS 10 -Events after the Reporting Period: Apart from disclosure of non-adjusting event, the disclosure of an estimate of its financial effect should be made, or a statement that such an estimate cannot be made.

IND AS 37 -Provisions, Contingent Liabilities and Contingent Assets: Clarification on accounting for restructuring plans.

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current and future periods.

**2.2 Basis of accounting and preparation of financial statements**

The financial statements have been prepared on the historical cost basis except for the following:

- (i) certain financial instruments that are measured at fair value
- (ii) defined benefit plans- plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the LLP Firm considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the LLP Firm can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

### **2.3 Use of estimates and judgement**

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

The LLP uses the following critical accounting estimates in preparation of its financial statements-

a) **Estimation uncertainty relating to the global health pandemic on COVID-19:**

SMIL's plant and offices were under lockdown from March 24, 2020 till last week of April 2020 due to COVID 19 Pandemic. Subsequently, the operations are being resumed in a phased manner considering directives from the Government. Partners believe that they have taken into accounts all the possible impact of known events arising from COVID 19 pandemic in the preparation of the financial statement. The LLP Firm has made detailed assessment of its liquidity position and the recoverability of carrying value of its assets comprising property and equipment, intangible assets. Trade receivable, inventory and other financial assets and the LLP Firm expects to recover the carrying amount of these assets. The LLP Firm will continue to closely monitor any material changes to future economic conditions owing to the nature and duration of COVID-19 Pandemic.

b) **Employee retirement plans** – The LLP provides both defined benefit employee retirement plans and defined contribution plans. and obligations under such plans require numerous assumptions and estimates that can have a significant impact on the recognized costs and obligation, such as future salary level, discount rate, attrition rate and mortality.

Government bond yield is considered as discount rate. Assumptions for salary increase in the remaining service period for active plan participants are based on expected salary increase. Changes in these assumptions can influence the net asset or liability for the plan as well as the pension cost.

- c) **Useful lives of Property, Plant and Equipment and Intangible assets** - LLP reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of IT equipment, software and other plant and equipment.
- d) **Contingent Assets and Liabilities, Uncertain Assets and Liabilities**- Liabilities that are uncertain in timing or amount are recognized when a liability arises from a past event and an outflow of cash or other resources is probable and can be reasonably estimated. Contingent liabilities are possible obligations where a future event will determine whether the LLP will be required to make a payment to settle the liability, or where the size of the payment cannot be determined reliably. Material contingent liabilities are disclosed unless a future payment is considered remote. Evaluation of uncertain liabilities and contingent liabilities and assets requires judgment and assumptions regarding the probability of realisation and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.
- e) **Recoverability of Advances/Receivables**- At each Balance Sheet date, based on discussions with the respective counter-parties and internal assessment of their credit worthiness, the LLP assesses the recoverability of outstanding receivables and advances. Such assessment requires significant management judgment based on financial position of the counter-parties, market information and other relevant factors.
- f) **Taxes** – The LLP calculates income tax expense based on reported income. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on LLP's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

## **2.4 Property, Plant and Equipment**

### **(a) Measurement**

#### **Property, Plant and Equipment**

Items of property, plant and equipment are measured at cost less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### ***Construction in progress***

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

### **(b) Component of costs**

The cost of an item of property, plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

**(c) Depreciation**

Depreciation is calculated on the straight-line method and to write off the cost of the assets over their estimated useful lives as follows:

Buildings	30 years
Plant, equipment and machinery	15 years
Motor vehicles	10 years
Furniture and fittings	10 years
Computer and appliances	3 to 6 years
Right of Use assets	2 to 10 years

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets. Useful lives, residual values and depreciation methods are reviewed annually. Accelerated depreciation is provided when the useful life of the asset become shorter than that initially expected.

**(d) Subsequent expenditure**

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in profit or loss during the financial period in which it is incurred.

**(e) Disposal**

On disposal of an item of property, plant and equipment, the difference between the net disposals proceeds and its carrying amount is taken to the profit and loss.

## 2.5 Intangible Assets

Intangible assets that are acquired by the LLP Firm which have finite useful lives, are stated at cost less accumulated amortisation and impairment losses. Intangible assets are amortised in profit or loss on a straight-line basis over their estimated useful lives of intangible assets from the date that they are available for use for below intangible assets.

Intangible Asset with indefinite useful lives, are not amortised, but are tested annually, either individually or at the cash- generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not change in indefinite life to finite life is to be done prospectively

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

### Impairment

#### Impairment of tangible and intangible assets

At the end of each reporting period, the LLP reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the LLP estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

## 2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

## 2.7 Revenue Recognition

### Goods and services sold

Revenue from sale of goods and services in the ordinary course of business is recognised when the LLP Firm satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer, i.e. when the LLP Firm completes the installation of the micro irrigation system and in case where installation is not in LLP's scope on completion of delivery of goods to the dealer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods and services. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it specifically relates to those performance obligations.

Transaction price is the amount of consideration in the contract to which the LLP Firm expects to be entitled in exchange for transferring the promised goods or services.

### Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### Interest income

Interest income on financial asset is accrued on a time proportion basis by reference to the principal amount outstanding and the applicable effective interest rate.

## **2.8 Cash and Cash Equivalents in the Statement of Cash Flows**

Cash and cash equivalents in statement of cash flows comprise cash on hand and demand deposits, bank overdrafts, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

## **2.9 Employee Benefit Plans**

Employee benefits consist of provident fund, gratuity fund, compensated absences.

### **Post-employment benefit plans**

#### **Defined contribution plans**

Retirement benefit in the form of provident fund contribution to Statutory Provident Fund is defined contribution scheme. The LLP Firm has no obligation, other than the contribution payable to the provident fund. The LLP Firm recognizes contribution payable to this scheme as an expense, when an employee term renders the related service.

#### **Defined benefit plans**

For defined benefit schemes in the form of gratuity fund, the cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date.

The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of scheme assets.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds of equivalent term and currency to the liability. The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability is recognised in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (if any), are recognised immediately in the Balance Sheet with a corresponding charge or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

#### **Short-term employee benefits**

The short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service. These benefits include compensated absences such as paid annual leave and performance incentives which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

The cost of compensated absences is accounted as under:

- (a) In case of accumulating compensated absences, when employees render service that increase their entitlement of future compensated absences; and
- (b) In case of non-accumulating compensated absence, when the absences occur.

#### **Other long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognised in the Statement of Profit and Loss.

## **2.10 Foreign currency transactions and translations**

The functional currency of the LLP Firm is Indian rupee (Rs.).

Foreign currency transactions are initially recorded at the spot rates on the date of the transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year-end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign currency transactions are recognized in the Statement of Profit and Loss.

## **2.11 Borrowing costs**

Borrowing costs are generally expensed as incurred. Borrowing costs are capitalised if they are directly attributable to the acquisition, of a qualifying asset. Capitalisation of borrowing cost commences, when the activities to prepare the asset for its intended use and expenditure and borrowing costs are being incurred. Borrowings costs are capitalised until the assets are ready for their intended use.

## **2.12 Leases**

### **The LLP Firm as a lessee.**

The LLP's lease asset classes primarily consist of leases for land. The LLP Firm assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the LLP Firm assesses whether: (1) the contract involves the use of an identified asset (2) the LLP Firm has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the LLP Firm has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the LLP Firm changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## **2.13 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **a) Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Balance Sheet date.

The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

### **b) Deferred tax**

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow the manner in which the LLP Firm expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities. The LLP Firm intends to settle its current tax assets and liabilities on a net basis.

Alternate Minimum Tax (AMT) is recognised as an asset only when and to the extent there is convincing evidence that the LLP Firm will pay normal income tax during the specified period. In the year in which the AMT credit becomes eligible to be recognised as an asset, the said asset is created by way of credit to the Statement of Profit and Loss and included in deferred tax assets. The LLP Firm reviews the same at each Balance Sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that the LLP Firm will pay normal income tax during the specified period.

#### **Current and Deferred Tax for the Period**

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

#### **Provisions**

Provisions are recognised when the LLP Firm has a present obligation (legal or constructive) as a result of a past event, it is probable that the LLP Firm will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **2.14 Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LLP. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When changes in the probability of an outflow occur so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the LLP. Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

### **2.15 Operating Cycle**

Based on the nature of products / activities of the LLP Firm and the normal time between acquisition of assets and their realization in cash or cash equivalents, the LLP Firm has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## **2.16 Event after the Reporting Period**

Events after the reporting period that provide additional information about the LLP's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the end of the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

## **2.17 Financial Instrument**

Financial assets and financial liabilities are recognized when the LLP Firm becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the Statement of Profit and Loss.

### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

- a) Financial Assets
- b) Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount of outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

### **a) Equity Instruments and Financial Liabilities**

#### **(i) Classification as equity and debt**

Equity instruments and debt issued by a LLP Firm entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(ii) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all off its liabilities. Equity instruments issued by a LLP Firm entity are recognised at the proceeds received.

***Foreign exchange gains and losses***

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

***Derecognition of financial liabilities***

The LLP Firm derecognises financial liabilities when, and only when, the LLP's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

**b) Derivative financial instruments**

The LLP Firm enters into forward contracts to manage its exposure to interest rate and foreign exchange rate risks. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

**c) Offsetting Arrangements**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the LLP Firm and the LLP Firm has a legally enforceable right to set off recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

**Financial Guarantee Contract**

Financial guarantee contract provided to the lenders of the LLP by its Parent Company is measured at their fair values and benefit of such financial guarantee is recognised to equity as a capital contribution from the parent.

**2.18 Recent pronouncements.**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:-

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

- If a LLP has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non Current Assets instead of Long term Loan & Advances.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of LLP, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios-Following Ratios to be disclosed: -
  - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment.

**Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive and the LLP will evaluate the same to give effect to them as required by law.

**SKIPPER-METZER INDIA LLP**  
**SCHEDULES TO ASSETS AS OF 31ST MAR, 2021**

**2 PROPERTY, PLANT & EQUIPMENT**

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1st Apr, 2020	Additions	Deductions/ Adjustments	As at 31st Mar, 2021	As at 1st Apr, 2020	For the Year	Deductions/ Adjustments	As at 31st Mar, 2021	As at 31st Mar, 2021	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>TANGIBLE ASSETS</b>											
Land	-			-	65,26,366	1,89,680	2,06,670	-	3,96,350	61,30,016	-
Buildings	65,26,366	-	-	65,26,366	1,89,680	2,06,670	-	3,96,350	61,30,016	63,36,686	
Plant and Machinery	21,02,31,642	5,71,49,973	-	26,73,81,615	1,23,58,475	1,50,55,023	-	2,74,13,498	23,99,68,117	19,78,73,167	
Furniture and Fixtures	40,58,851	1,04,194	-	41,63,045	3,15,154	3,93,934	-	7,09,088	34,53,957	37,43,697	
Office Equipments	19,12,945	1,91,272	-9,500	20,94,717	2,97,932	3,78,277	-1,395	6,74,814	14,19,903	16,15,013	
IT Equipment	30,81,772	8,63,408	-35,000	39,10,180	7,64,052	11,73,068	-8,169	19,28,951	19,81,229	23,17,720	
<b>Total (A)</b>	<b>22,58,11,576</b>	<b>5,83,08,847</b>	<b>-44,500</b>	<b>28,40,75,923</b>	<b>1,39,25,293</b>	<b>1,72,06,972</b>	<b>-9,564</b>	<b>3,11,22,701</b>	<b>25,29,53,222</b>	<b>21,18,86,283</b>	
<b>RIGHT OF USE ASSETS</b>											
Leasehold Land & Buildings	7,50,61,246	20,89,046	-	7,71,50,292	82,44,875	89,14,522		1,71,59,397	5,99,90,895	6,68,16,371	
<b>Total (B)</b>	<b>7,50,61,246</b>	<b>20,89,046</b>	<b>-</b>	<b>7,71,50,292</b>	<b>82,44,875</b>	<b>89,14,522</b>	<b>-</b>	<b>1,71,59,397</b>	<b>5,99,90,895</b>	<b>6,68,16,371</b>	
<b>TOTAL (A + B)</b>	<b>30,08,72,822</b>	<b>6,03,97,893</b>	<b>-44,500</b>	<b>36,12,26,215</b>	<b>2,21,70,168</b>	<b>2,61,21,494</b>	<b>-9,564</b>	<b>4,82,82,098</b>	<b>31,29,44,117</b>	<b>27,87,02,654</b>	
<b>CAPITAL WORK IN PROGRESS</b>	-	-	-	-					-	-	-
<b>PREVIOUS YEAR</b>											
ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 1st Apr, 2019	Additions	Deductions/ Adjustments	As at 31st Mar, 2020	As at 1st Apr, 2019	For the Year	Deductions/ Adjustments	As at 31st Mar, 2020	As at 31st Mar, 2020	As at 31st Mar, 2020	As at 31st Mar, 2019
<b>TANGIBLE ASSETS</b>											
Land	-			-	-	1,89,680	-	1,89,680	-	-	-
Buildings	-	65,26,366	-	65,26,366	-	1,23,58,475	-	1,23,58,475	19,78,73,167	-	-
Plant and Machinery	-	21,10,41,642	-8,10,000	21,02,31,642	-	3,15,154	-	3,15,154	37,43,697	-	-
Furniture and Fixtures	-	40,58,851	-	40,58,851	-	2,97,932	-	2,97,932	16,15,013	-	-
Office Equipments	-	19,12,945	-	19,12,945	-	7,64,052	-	7,64,052	23,17,720	-	-
<b>Total (A)</b>	-	<b>22,66,21,576</b>	<b>-8,10,000</b>	<b>22,58,11,576</b>	-	<b>1,39,25,293</b>	-	<b>1,39,25,293</b>	<b>21,18,86,283</b>	-	-
<b>RIGHT OF USE ASSETS</b>											
Leasehold Land & Buildings	7,29,10,068	21,51,178	-	7,50,61,246	-	82,44,875	-	82,44,875	6,68,16,371	7,29,10,068	
<b>Total (B)</b>	<b>7,29,10,068</b>	<b>21,51,178</b>	<b>-</b>	<b>7,50,61,246</b>	<b>-</b>	<b>82,44,875</b>	<b>-</b>	<b>82,44,875</b>	<b>6,68,16,371</b>	<b>7,29,10,068</b>	
<b>TOTAL (A + B)</b>	<b>7,29,10,068</b>	<b>22,87,72,754</b>	<b>-8,10,000</b>	<b>30,08,72,822</b>	<b>-</b>	<b>2,21,70,168</b>	<b>-</b>	<b>2,21,70,168</b>	<b>27,87,02,654</b>	<b>7,29,10,068</b>	
<b>CAPITAL WORK IN PROGRESS</b>	<b>19,15,53,007</b>	<b>3,50,68,569</b>	<b>22,66,21,576</b>	<b>-</b>					-	-	<b>19,15,53,007</b>

SKIPPER-METZER INDIA LLP  
SCHEDULES TO ASSETS AS OF 31ST MAR, 2021

Amount in Rs.

Note	Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>3</b>	<b>NON-CURRENT FINANCIAL ASSETS - LOANS</b>		
	Security Deposits	56,74,118	69,32,022
	Margin Money maturity of more than 12 months	24,13,750	19,00,000
	Other Deposits	41,500	3,47,535
		<b>81,29,368</b>	<b>91,79,557</b>
	* Margin money with banks held as margin money deposits against guarantees issued by them on behalf of LLP.		
<b>4</b>	<b>DEFERRED TAX ASSETS (NET)</b>		
	The balance comprises temporary differences attributable to:		
	<b>Deferred Tax Assets (A)</b>		
	Unabsorbed Business Loss Carried Forward	2,24,65,702	
	43B and other items	43,97,590	
		<b>2,68,63,292</b>	<b>2,09,93,498</b>
	<b>Set off of Deferred Tax Liabilities pursuant to set off provisions (B)</b>		
	Property, Plant and Equipment and Intangible Assets		
		<b>(2,68,63,292)</b>	<b>(2,09,93,498)</b>
	<b>Net Deferred Tax Assets (A-B)</b>		
	The LLP has recognized deferred tax assets in respect of brought forward losses and unabsorbed depreciation to the extent of deferred tax liability only, as there is no reasonable certainty supported by convincing evidence that sufficient taxable profits will be available against which the unused tax losses can be utilized.		
<b>5</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	<b>Capital Advances</b>		
	Unsecured, Considered good	17,690	1,87,038
		<b>17,690</b>	<b>1,87,038</b>
<b>6</b>	<b>CURRENT ASSETS - INVENTORIES</b>		
	(As valued and certified by the Management)		
	Raw Materials	1,19,29,614	75,23,217
	Packing Materials & Others	7,77,696	11,25,262
	Intermediates / Re-process / WIP	4,95,334	12,43,215
	Finished Goods	87,31,075	2,23,57,886
	Bought-out Goods	1,24,67,199	2,04,62,159
	Stock-in-Transit		
		<b>3,44,00,918</b>	<b>5,27,11,739</b>
	<b>Stocks with Third Parties</b>		
	Finished & Bought-out Goods with Farmers (Installation pending)	2,19,95,811	3,15,98,031
		<b>2,19,95,811</b>	<b>3,15,98,031</b>
		<b>5,63,96,729</b>	<b>8,43,09,770</b>
	Inventories are hypothecated/pledged against short term borrowings - Refer Note-18.		
<b>7</b>	<b>CURRENT FINANCIAL ASSETS - ACCOUNTS RECEIVABLE</b>		
	Unsecured, Considered Good	24,70,29,739	13,63,28,275
	Unsecured, Considered Doubtful	-	-
		<b>24,70,29,739</b>	<b>13,63,28,275</b>
	Less: Provision For Doubtful Receivables	-	-
	<b>Total</b>		
	Trade receivables are hypothecated against short term borrowings - Refer Note-18.		
<b>8</b>	<b>CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS</b>		
	Balances with Banks:		
	In Current Accounts	2,23,42,340	1,30,90,819
	Cash in Hand	46,193	22,875
		<b>2,23,88,533</b>	<b>1,31,13,694</b>
<b>9</b>	<b>CURRENT FINANCIAL ASSETS - LOANS</b>		
	<b>a) Security Deposits</b>		
	Margin Money maturity of less than 12 months	-	5,13,750
		-	<b>5,13,750</b>
<b>10</b>	<b>OTHER CURRENT ASSETS</b>		
	<b>Advances other than Capital Advances</b>		
	Unsecured, Considered good		
	Advances to Vendors	1,05,383	3,54,402
	<b>Other Advances</b>		
	Balances with Government Authorities *	3,25,69,680	4,33,59,970
	Other Advances	13,35,537	10,79,388
		<b>3,40,10,600</b>	<b>4,47,93,760</b>

\* Balances with Government Authorities primarily consists of GST Input Tax Credits.

**SKIPPER-METZER INDIA LLP**  
**SCHEDULES TO LIABILITIES AS OF 31ST MAR, 2021**

**Amount in Rs.**

PARTICULARS	As at 31st Mar, 2021	As at 31st Mar, 2020	
<b>11 PARTNERS' FUND - CONTRIBUTION</b>			
Skipper Limited	9,46,00,489	9,46,00,489	
Metzerplas Cooperative Agricultural Organization Ltd	9,46,00,489	9,46,00,489	
	<b>18,92,00,978</b>	<b>18,92,00,978</b>	
<b>12 PARTNERS' FUND - OTHER EQUITY</b>			
Retained Earnings	-59,24,660	-3,23,600	
Surplus in the Statement of Profit and Loss	70,45,642	-56,01,060	
	<b>11,20,982</b>	<b>-59,24,660</b>	
<b>13 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>			
	Non-Current Portion	Current Maturities	
	As at INR Rs.	As at INR Rs.	As at INR Rs.
<b>SECURED LOANS</b>			
<b>From Banks</b>			
Rupee Term Loans	11,69,16,678	5,43,40,156	2,33,83,348
	<b>11,69,16,678</b>	<b>5,43,40,156</b>	<b>2,33,83,348</b>
	<b>11,69,16,678</b>	<b>5,43,40,156</b>	<b>2,33,83,348</b>
<b>Security for Long Term Borrowings</b>			
<b>Rupee Term Loans</b>			
i) The above loan carry an interest rate of 1 Yr MCLR + 0.25% p a and are secured by first and exclusive charge by way of hypothecation on the movable assets for manufacturing of Micro Irrigation products.			
ii) Second charge on stocks, book debts and other current assets of the unit for manufacturing of Micro Irrigation Products.			
iii) Corporate Guarantee of Skipper Limited, Kolkata			
iv) The above term loan is repayable in 24 quarterly installments commencing from June 2021 and ending on March 2027.			
<b>Working Capital Term Loans (GECL)</b>			
i) The above loan carry an interest rate of existing rate (1 Yr MCLR + 0.25% pa) subject to maximum of 9.25% p a			
ii) Secured by first and exclusive charge by way of hypothecation on the movable assets and Second charge on stocks, book debts and other current assets of the unit for manufacturing of Micro Irrigation Products.			
iii) Corporate Guarantee of Skipper Limited, Kolkata			
iv) The above term loan is repayable in 36 monthly installments commencing from October 2021 and ending on September 2024.			
<b>14 NON-CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES</b>			
Non Current Maturities of Lease Obligation	6,21,97,882	6,71,86,383	
	<b>6,21,97,882</b>	<b>6,71,86,383</b>	
Information about leases for which the LLP is as lessee is presented below			
<b>(i). Amounts recognised in the statement of profit or loss</b>			
The statement of profit or loss shows the following amounts relating to leases:			
<b>Depreciation charge of right-of-use assets</b>			
Land and building	85,89,573	82,44,875	
Interest expense (included in finance cost)	69,55,704	72,73,443	
	<b>1,55,45,277</b>	<b>1,55,18,318</b>	
<b>(ii). Amounts recognised in the statement of cash flow</b>			
Total cash outflow for leases	1,12,57,750	97,77,500	
<b>15 NON-CURRENT FINANCIAL LIABILITIES - OTHERS</b>			
Deposits from Dealers	42,50,100	26,85,000	
	<b>42,50,100</b>	<b>26,85,000</b>	
<b>16 DEFERRED TAX LIABILITIES (NET)</b>			
The balance comprises temporary differences attributable to:			
<b>Deferred Tax Assets (A)</b>			
Unabsorbed Business Loss Carried Forward		-	
		-	
<b>Set off of Deferred Tax Liabilities pursuant to set off provisions (B)</b>			
Property, Plant and Equipment and Intangible Assets		-	
		-	
<b>Net Deferred Tax Liabilities (A-B)</b>			
		-	
		-	

**SKIPPER-METZER INDIA LLP**  
**SCHEDULES TO LIABILITIES AS OF 31ST MAR, 2021**

**Amount in Rs.**

<b>PARTICULARS</b>	<b>As at</b>	
	<b>31st Mar, 2021</b>	<b>As at 31st Mar, 2020</b>
<b>17 NON-CURRENT LIABILITIES - PROVISIONS</b>		
Gratuity Liability	17,21,196	8,98,938
Compensated Absences	14,23,987	6,73,458
	<b>31,45,183</b>	<b>15,72,396</b>

**DEFINED BENEFIT PLAN - GRATUITY**

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables summarize the components of net employee benefit expenses of Gratuity recognized in the Statement of Profit and Loss.

**At the beginning of the period**

Current service cost	9,08,919	-
Past Service Cost	9,02,977	-
Interest Cost (Net)	57,154	-
Total amount recognised in statement of profit & Loss Account	9,66,073	-

**Remeasurements**

Actuarial changes arising from changes in financial assumptions	-18,880	9,02,977
Experience adjustments	-	-
Actuarial changes arising from changes in demographic assumptions	-	-
Total amount recognised in other comprehensive income	-18,880	-
Contributions to Fund	-1,24,935	-

**At the closing of the period**

Current Liability	17,25,235	-
Non-Current Liability	8,600	4,039
	17,16,635	8,98,938

The principal assumptions used in determining gratuity and other defined benefits for the Company are shown below:

<b>Discount rate</b>	<b>7.00%</b>	<b>6.80%</b>
<b>Future salary increases</b>	<b>6.00%</b>	<b>6.00%</b>

**Disclosures:**

**I) Amounts recognised in the Balance Sheet**

<b>Net Asset/(Liability) recognised in the Balance Sheet</b>		
Present value of Defined Benefit Obligation	18,54,731	9,02,977
Fair Value of Plan Assets	(1,29,496)	-
<b>Net Asset/(Liability) in the Balance Sheet</b>	<b>17,25,235</b>	<b>9,02,977</b>

**II) Expenses recognized in Profit or Loss**

Current Service Cost	9,08,919	
Interest Cost	57,154	
<b>Total</b>	<b>9,66,073</b>	-

**III) Remeasurements recognized in other comprehensive income**

Actuarial (gain)/ Loss on defined benefit obligation	9,02,977	9,02,977
Experience adjustments		
Actuarial changes arising from changes in demographic assumptions	(18,880)	
Return on plan assets (greater)/ lesser than discount rate		
<b>Total</b>	<b>8,84,097</b>	<b>9,02,977</b>

A Quantitative Sensitivity Analysis for significant assumption as at 31st Mar, 2021 and 31st Mar, 2020 is as shown below:

<b>Particulars</b>	<b>31st Mar, 2021</b>		<b>31st Mar, 2020</b>	
	<b>Decrease</b>	<b>Increase</b>	<b>Decrease</b>	<b>Increase</b>
Discount Rate (-/+1%)	20,95,116	16,54,667	10,11,497	8,12,008
% change compared to base due to sensitivity	6.0%	8.0%	5.8%	7.8%
Salary Growth Rate (-/+1%)	16,66,907	20,75,537	8,18,296	10,01,830
% change compared to base due to sensitivity	5.0%	7.0%	5.0%	7.0%
Attrition Rate (-/+1%)	18,32,012	18,74,367	8,95,172	9,09,725
% change compared to base due to sensitivity	0.0%	2.0%	1.0%	3.0%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

PARTICULARS	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>Demographic Assumption</b>		
Mortality Rate	IALM(2012-14) ult	IALM(2012-14) ult
Withdrawal rates based on age: (per annum)		
Up to 30 years	1%	2%
31-40 years	1%	2%
41-50 years	1%	2%
Above 50 years	1%	2%

**RISK EXPOSURE:**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

**Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

**Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

**Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

**Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

**Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g.Increase in the maximum limit on gratuity of Indian Rs. 20,00,000).

**Asset Liability Mismatching or Market Risk:** The duration of the liability is longer compared to duration of assets,exposing the Company to market risk for volatilities/fall in interest rate.

**Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

**18 CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**Secured Loans from Banks**

Working Capital & Cash Credit Facilities	15,66,60,510	11,26,11,979
<b>Unsecured Loans from Related Parties</b>		
	1,30,00,000	-
	<b>16,96,60,510</b>	<b>11,26,11,979</b>

**Security for Short Term Borrowings from Banks**

i) The above loan carry an interest rate of 1 Yr MCLR + 0.25% p a and are secured by entire current assets for manufacturing of Micro Irrigation products.

ii) Second charge on movable assets of the unit for manufacturing of Micro Irrigation Products.

iii) Corporate Guarantee of Skipper Limited, Kolkata

iv) These are payable on demand.

**19 CURRENT FINANCIAL LIABILITIES - LEASE LIABILITIES**

Current Maturities of Lease Obligation

47,22,926	45,60,806
<b>47,22,926</b>	<b>45,60,806</b>

**SKIPPER-METZER INDIA LLP**  
**SCHEDULES TO LIABILITIES AS OF 31ST MAR, 2021**

**Amount in Rs.**

PARTICULARS	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>20 CURRENT FINANCIAL LIABILITIES - TRADE &amp; OTHER PAYABLES</b>		
a) Total Outstanding Dues of Micro Enterprises and Small Enterprises	29,77,915	70,04,410
b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	7,36,08,419	7,80,24,296
	<b>7,65,86,334</b>	<b>8,50,28,706</b>
<b>Details of dues to Micro and Small enterprises (MSMED):</b>		
	31st Mar, 2021	31st Mar, 2020
(i) The amount remaining unpaid to any supplier as at the end of the accounting year : - Principal	Principal 29,77,915	Principal 70,04,410
(ii) the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during accounting year;	Interest -	Interest -
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under section 23.	-	-
The above information has been compiled in respect of parties to the extent to which they could be identified as Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 on the basis of information available with the LLP.		
<b>21 CURRENT FINANCIAL LIABILITIES - OTHERS</b>		
Current Maturities of Long Term Loans	2,33,83,348	1,08,68,031
Interest accrued	8,77,057	17,83,002
Liability for Capital Expenditure	27,25,914	32,60,280
Commission Payable on Corporate Guarantee	30,00,000	-
Advance from related party	-	2,18,31,920
	<b>2,99,86,319</b>	<b>3,77,43,233</b>
<b>22 CONTRACT LIABILITIES</b>		
Contract Liabilities	1,69,39,872	1,27,65,416
	<b>1,69,39,872</b>	<b>1,27,65,416</b>
<b>23 OTHER CURRENT LIABILITIES</b>		
Other Payables		
Payable to Employees	43,11,682	35,03,836
Statutory dues	18,09,703	18,15,433
	<b>61,21,385</b>	<b>53,19,269</b>
<b>24 PROVISIONS - CURRENT</b>		
Gratuity Liability	8,600	4,039
Compensated Absences	59,027	34,797
	<b>67,627</b>	<b>38,836</b>

PARTICULARS	Amount in Rs	
	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
<b>25 REVENUE FROM OPERATIONS</b>		
Sales Revenue	54,25,48,092	32,28,19,759
Installation and Commissioning charges	5,06,201	7,70,962
Transportation charges recovered	3,84,940	6,87,528
	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**Disaggregation of revenue**

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition. The disaggregation of the Company's revenue from contracts with customers is as under:

**A. Primary Geographical Markets**

1 India	53,92,88,327	32,42,78,249
2 Outside India	41,50,906	-
<b>Total</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**B. Major Products**

1 Drip Irrigation	52,05,13,904	27,79,66,761
2 Sprinkler Irrigation	2,29,25,329	4,63,11,488
<b>Total</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**C. Timing of Revenue**

1 At a point in time	54,34,39,233	32,42,78,249
2 Over time	-	-
<b>Total</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**D. Contract Duration**

1 Long Term	-	-
2 Short Term	54,34,39,233	32,42,78,249
<b>Total</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**i) Sales Channel**

1 Direct to Customers	36,02,36,373	28,87,77,774
2 Through Intermediaries	18,32,02,860	3,55,00,475
<b>Total</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

**Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

1 Receivables, which are included in 'Trade and other receivables'	24,70,29,739	13,63,28,275
2 Contract assets	-	-
2 Contract liabilities	(1,69,39,872)	(1,27,65,416)
<b>Total</b>	<b>23,00,89,867</b>	<b>12,35,62,859</b>

**ii) Reconciliation of revenue recognised with contract price.**

Contract Price	54,34,39,233	32,42,78,249
Less: Adjustment for Discount/Schemes	-	-
<b>Revenue from Contract with Customers</b>	<b>54,34,39,233</b>	<b>32,42,78,249</b>

The Company presented disaggregated revenue based on the type of goods sold to customers and sales channel. Further the Company's sales are made within India and outside India and the revenue is recognised for goods transferred at a point of time. The Company believes that the revenue disaggregation best depicts point in time.

**Other Information**

- a. Transaction price allocated to the remaining performance obligations- NIL
- b. The amount of revenue recognised in the current period from performance obligations satisfied (or partially satisfied) in previous periods - Rs.5,75,95,893/-
- c. Performance obligations- The Company satisfy the performance obligation on shipment/delivery.
- d. Significant payment terms- The contract does not have any financing component and variable consideration.

## SKIPPER-METZER INDIA LLP

## SCHEDULES TO STATEMENT OF PROFIT &amp; LOSS FOR THE PERIOD FROM 01ST APR, 2020 TO 31ST MAR, 2021

PARTICULARS	Amount in Rs	
	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
<b>26 OTHER INCOME</b>		
Scrap or Waste Income	5,80,424	1,79,280
Provisions no longer required written back	26,33,843	-
Interest Income	76,018	1,91,277
Discount Received	-	42,000
Interest on Discounting of Financial Assets	2,37,821	2,09,857
	<b>35,28,106</b>	<b>6,22,414</b>
<b>27 MATERIAL CONSUMPTION</b>		
Polymers	14,28,56,369	12,26,14,468
Drippers	1,86,47,840	1,23,46,601
Bought-out Goods, Packing & Others	9,39,04,467	9,83,64,823
	<b>25,54,08,676</b>	<b>23,33,25,892</b>
<b>28 CHANGE IN STOCK &amp; FINISHED GOODS &amp; WORK-IN-PROGRESS</b>		
<u>Opening Inventory</u>		
Work in Progress	12,43,215	-
Finished Goods	7,44,18,076	-
<u>Closing Inventory</u>		
Work in Progress	4,95,334	12,43,215
Finished Goods	4,31,94,085	7,44,18,076
<b>Net Increase/(Decrease) in Inventory</b>	<b>3,19,71,872</b>	<b>-7,56,61,291</b>
<b>29 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages, Bonus and Allowances	8,20,73,454	5,73,63,070
Contribution to Provident and Other Funds	39,58,205	21,06,739
Workmen and Staff Welfare Expenses	3,79,043	2,67,880
	<b>8,64,10,702</b>	<b>5,97,37,689</b>
<b>30 FINANCE COSTS</b>		
Interest on Unsecured Loans	6,88,192	10,47,672
Interest on Term Loans	65,72,766	19,31,045
Interest on CC Accounts	1,33,06,424	32,83,790
Lease Interest (IND AS 116)	69,55,704	72,73,443
Amortization Cost	35,582	20,815
	<b>2,75,58,668</b>	<b>1,35,56,765</b>

## SKIPPER-METZER INDIA LLP

SCHEDULES TO STATEMENT OF PROFIT &amp; LOSS FOR THE PERIOD FROM 01ST APR, 2020 TO 31ST MAR, 2021

PARTICULARS	Amount in Rs	
	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
<b>31 OTHER EXPENSES</b>		
Power and Fuel	1,15,87,738	99,69,256
Rents and Leases	19,850	3,77,136
Repair & Maintenance	44,61,116	22,58,958
Insurance	16,08,812	8,25,004
Tours, Travel & Conveyance	29,98,184	38,93,074
Telephone, Mobile and Internet Charges	3,25,966	3,48,543
Postage & Courier Charges	31,078	41,238
Printing & Stationary	4,24,429	2,80,419
Rates , Taxes & Fee	15,26,628	13,64,508
Hire Charges	15,70,576	16,15,013
Bank charges and others	8,03,867	5,54,411
Foreign Exchange Fluctuation - Loss / (Gain)	-10,14,908	12,78,396
Security Service Charges	17,13,119	14,50,748
Sales & Distribution Expenses	7,57,76,626	4,37,72,000
Professional & Consultancy Charges	12,90,870	16,37,170
Audit Fee & Other charges ##	5,85,000	5,88,592
Business Development Expenses	31,73,291	33,39,538
Office General and Maintenance Expenses	25,86,923	28,75,519
Guarantee Commission **	30,00,000	-
	<b>11,24,69,165</b>	<b>7,64,69,523</b>

\*\* This relates to fair valuation of corporate guarantee given by the joint venturers.

**## Audit Fee & Other charges includes the following**

**As Auditors :**

	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
Statutory Audit Fees	2,50,000	2,50,000
Certification and Other Services	3,35,000	3,30,000
Re-imbursement of expenses	-	8,592

**5,85,000                    5,88,592**

**32. RELATED PARTY TRANSACTIONS**

**A. List of the related parties and relatives.**

**(1) Key Management Personnels**

Mr Sharan Bansal, Designated Partner  
Mr Devesh Bansal, Designated Partner  
Mr Siddharth Bansal, Partner

Mr Hugo Chaufan, Partner  
Mr Shmuel Schupak, Partner  
Mr Israel Cohen, Partner

**(2) Relatives of key managerial personnel**

NIL

**(3) Enterprises able to exercise significant influence.**

(a) M/s Skipper Limited, JV Partner  
(b) M/s Metzerplas Cooperative Agricultural Organization Ltd, JV Partner

**(4) Enterprises where key managerial personnel along with their relatives have significant influence.**

(a) M/s Metzerplas Industries Limited  
(b) M/s Suviksit Investments Limited  
(c) M/s Skipper Plastics Limited  
(d) M/s Skipper Realities Limited

**B. The following transactions were carried out with the related parties in the ordinary course of business :**

FOR YEAR ENDED 31ST MAR, 2021

Amount in Rs.

FOR YEAR ENDED 31ST MAR, 2020

Sl No	Particulars	Enterprises able to exercise significant influence	Enterprises where key managerial personnel along with their relatives have significant influence	Enterprises able to exercise significant influence	Enterprises where key managerial personnel along with their relatives have significant influence
i	<b>Equity Contribution</b> M/s Metzerplas Coop Agri Organization Ltd M/s Skipper Limited	-	-	51,68,080	-
ii	<b>Purchase of Capital Goods</b> M/s Metzerplas Industries Limited M/s Skipper Limited	-	5,28,95,000	-	22,33,725
iii	<b>Purchase of Materials</b> M/s Metzerplas Industries Limited M/s Skipper Limited	-	1,71,76,257	-	97,40,285
iv	<b>Sale of Materials</b> M/s Metzerplas Industries Limited M/s Skipper Limited	10,79,507	3,46,080	14,60,155	-
v	<b>Payments made against Purchase of Goods</b> M/s Skipper Limited	-	-	54,02,790	-
vi	<b>Payments made against Purchase of Capital Goods</b> M/s Skipper Limited	-	-	1,26,48,631	-
vii	<b>Payments made against Advances received</b> M/s Skipper Limited	1,00,00,000	-	1,55,00,000	-
viii	<b>Reimbursements made against Advances received on behalf of Related Party</b> M/s Skipper Limited	2,18,31,920	-	6,74,474	-
ix	<b>Services Received</b> M/s Suviksit Investments Limited	-	78,000	-	78,000
x	<b>Advances Received</b> M/s Skipper Limited	1,00,00,000	-	3,73,31,920	-
xi	<b>Unsecured Loans Received</b> M/s Skipper Plastics Limited M/s Skipper Realities Limited	-	2,20,00,000	-	4,00,00,000
xii	<b>Unsecured Loans paid</b> M/s Skipper Plastics Limited M/s Skipper Realities Limited	-	90,00,000	-	-
xiii	<b>Interest on Unsecured Loans</b> M/s Skipper Plastics Limited M/s Skipper Realities Limited	-	6,88,193	-	10,47,672
xiv	<b>Corporate Guarantees received</b> M/s Skipper Limited	-	-	48,00,00,000	-
xv	<b>Commission on Corporate Guarantees</b> M/s Skipper Limited	30,00,000	-	-	-

Amount in Rs.

Sl No	Particulars	AS ON 31ST MAR, 2021	AS ON 31ST MAR, 2020
		Enterprises able to exercise significant influence	Enterprises where key managerial personnel along with their relatives have significant influence
i	<b>Equity Contribution</b> M/s Metzerplas Coop Agri Organization Ltd M/s Skipper Limited	9,46,00,489 9,46,00,489	- -
ii	<b>Creditors for Capital Goods</b> M/s Metzerplas Industries Limited M/s Skipper Limited	- -	23,71,256 -
iii	<b>Creditors for Materials</b> M/s Metzerplas Industries Limited M/s Skipper Limited	- 3,80,650	57,21,365 -
iv	<b>Advances from Customers</b> M/s Skipper Limited	- -	14,60,156 2,18,31,920
v	<b>Unsecured Loans (including Interest)</b> M/s Skipper Plastics Limited M/s Skipper Realities Limited	- -	- 1,36,36,579
vi	<b>Services Received</b> M/s Suviksit Investments Limited	- -	- -
vii	<b>Outstanding Corporate Guarantees</b> M/s Skipper Limited	48,00,00,000	48,00,00,000
viii	<b>Commission Payable on Corporate Guarantees</b> M/s Skipper Limited	30,00,000	-

**33. DISCLOSURES ON FINANCIAL INSTRUMENTS****(a) Financial instruments by category**

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31st Mar, 2021

Particulars	Investments FVTOCI	Investments FVTPL	Derivatives	Amortised cost	Total carrying value
<b>Financial assets</b>					
(a) Investments - Current				24,70,29,739	24,70,29,739
(b) Trade receivables				2,23,88,533	2,23,88,533
(c) Cash and cash equivalents				-	-
(d) Other financial assets - current				81,29,368	81,29,368
(e) Other financial assets - non- current					
<b>Total</b>	-	-	-	<b>27,75,47,640</b>	<b>27,75,47,640</b>
<b>Financial Liabilities</b>					
(a) Borrowings - current				16,96,60,510	16,96,60,510
(b) Trade payables				7,65,86,334	7,65,86,334
(c) Other financial liabilities - current				2,99,86,319	2,99,86,319
(d) Other financial liabilities - non current				12,11,66,778	12,11,66,778
(e) Lease Liability				6,69,20,808	6,69,20,808
<b>Total</b>				<b>46,43,20,749</b>	<b>46,43,20,749</b>

The following table presents the carrying amounts of each category of financial assets and liabilities as at 31 MARCH, 2020.

Amount in Rs.

Particulars	Investments FVTOCI	Investments FVTPL	Derivatives	Amortised cost	Total carrying value
<b>Financial assets</b>					
(a) Investments - Current				13,63,28,275	13,63,28,275
(b) Trade receivables				1,31,13,694	1,31,13,694
(c) Cash and cash equivalents				5,13,750	5,13,750
(d) Other financial assets - current				91,79,557	91,79,557
(e) Other financial assets - non- current					
<b>Total</b>	-	-	-	<b>15,91,35,276</b>	<b>15,91,35,276</b>
<b>Financial Liabilities</b>					
(a) Borrowings - current				11,26,11,979	11,26,11,979
(b) Trade payables				8,50,28,706	8,50,28,706
(c) Other financial liabilities - current				3,77,43,233	3,77,43,233
(d) Other financial liabilities - non current				5,70,25,156	5,70,25,156
(e) Lease Liability				7,17,47,189	7,17,47,189
<b>Total</b>	-	-	-	<b>36,41,56,263</b>	<b>36,41,56,263</b>

**(b) Fair value disclosure of financial Assets measured at amortised cost**

Particulars	As at 31st Mar, 2021		As at 31 March, 2020	
	Carrying Value	Fair value	Carrying Value	Fair value
Deposits- Non current	81,29,368	81,29,368	91,79,557	91,79,557

**Financial income and financial cost category**

Particulars	As at 31st Mar, 2021		
	Amortised Cost	FVTOCI	FVTPL
<b>Income</b>			
Interest Income	-	-	3,13,839
<b>Expenses</b>			
Interest Expense	-	-	2,75,23,086

Particulars	As at 31 March, 2020		
	Amortised Cost	FVTOCI	FVTPL
<b>Income</b>			
Interest Income	-	-	4,01,134
<b>Expenses</b>			
Interest Expense	-	-	1,35,35,950

**(b) Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

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.

The following tables provides the fair value measurement hierarchy of the LLP's financial assets and liabilities that are measured at fair value or where fair value disclosure is required.

**SKIPPER-METZER INDIA LLP**

**SCHEDULES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st Mar, 2021**

**Amount in Rs.**

<b>Particulars</b>	<b>As at 31st Mar, 2021</b>			
	<b>Total</b>	<b>Quoted prices in active markets (Level 1)</b>	<b>Significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>
<b>Assets measured at fair value:</b>				
<b>FVTPL financial investments</b>				
Deposits	81,29,368		81,29,368	
<b>Liabilities for which fair values are disclosed</b>				
<b>Borrowings:</b>				
Term Loan	14,03,00,026		14,03,00,026	
Short term borrowings	16,96,60,510	-	16,96,60,510	

There have been no transfers between levels during the period.

**Amount in Rs.**

<b>Particulars</b>	<b>As at 31 March, 2020</b>			
	<b>Total</b>	<b>Quoted prices in active markets (Level 1)</b>	<b>Significant observable inputs (Level 2)</b>	<b>Significant unobservable inputs (Level 3)</b>
<b>Assets measured at fair value:</b>				
<b>FVTPL financial investments</b>				
Deposits	91,79,557	-	91,79,557	-
<b>Liabilities for which fair values are disclosed</b>				
<b>Borrowings:</b>				
Term Loan	6,52,08,187		6,52,08,187	
Short term borrowings	11,26,11,979	-	11,26,11,979	-

**(c) Valuation technique to determine fair value**

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

- (i) The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. measurements and cost represents the best estimate of fair values within that range.

**(d) Financial risk management objectives**

The LLP is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The LLP's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. LLP's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the LLP's policies and risk objectives.

**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: currency risk, interest rate risk and other price risk, such as commodity risk. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, investments and derivative financial instruments.

**Foreign currency risk management**

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the LLP. The LLP's foreign currency exposure arises mainly from foreign exchange imports, primarily with respect to USD. As at the end of the reporting period , the carrying amounts of the LLP's foreign currency denominated monetary assets and liabilities in respect of the Primary foreign currency i.e. USD, are as follows:

<b>Particulars</b>	<b>Amount in Rs.</b>	
	<b>As at 31st Mar, 2021</b>	<b>As at 31st Mar, 2020</b>
	<b>USD exposure</b>	<b>USD exposure</b>
Liabilities	80,92,620	66,33,981
<b>Derivatives to hedge</b>		
Forward contracts		
<b>Net exposure</b>	<b>80,92,620</b>	<b>66,33,981</b>

**SKIPPER-METZER INDIA LLP**

**SCHEDULES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st Mar, 2021**

**Amount in Rs.**

**Foreign currency sensitivity analysis**

The LLP has the policy of mandatory 100% hedging for all foreign exchange exposures, hence it is not exposed to any foreign currency sensitivity.

Particulars	Year ended 31st Mar, 2021	Year ended 31st Mar, 2020
US Dollar: Impact on profit or loss for the year	4,04,631	3,31,699

**Interest rate risk management**

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 rates. The LLP's exposure to the risk of changes in market rates relates primarily to the LLP's current debt obligations with floating interest rates.

As at the end of reporting period, the LLP had the following long term variable interest rate borrowings and derivatives to hedge the interest rate risk as follows:

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
Current variable interest rate borrowings	30,99,60,536	17,78,20,166
Total	30,99,60,536	17,78,20,166
Net exposure	30,99,60,536	17,78,20,166

**Interest Sensitivity analysis (impact on Profit)**

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
Increase in interest rate (+0.5%)	(15,49,803)	(8,89,101)
Decrease in interest rate (-0.5%)	15,49,803	8,89,101

**Credit risk management**

Credit risk is the risk of financial loss to the LLP if a customer or counter-party to a financial instrument fails to meet its contractual obligation, leading to a financial loss. The LLP is exposed to credit risk from its operating activities, primarily trade receivables, foreign exchange transactions and other financial instruments.

For other financial assets, the LLP assesses and manages credit risk based on the credit rating. The LLP has assessed its other financial assets as high quality, negligible credit risk. The LLP periodically monitors the recoverability and credit risks of its other financial assets including security deposits and other receivables. The LLP evaluates trade receivables ageing above 180 days and makes a provision for those debts as per the provisioning policy.

The carrying amount of financial assets represents the maximum credit exposure, being the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables and other financial assets excluding equity investments.

**Trade receivables**

Trade receivables of the LLP are typically unsecured and derived from sales made to a large number of independent customers.

Customer credit risk is managed by established policies, procedures and control relating to customer credit risk management. Before accepting any new customer, the LLP has appropriate level of control procedures to assess the potential customer's credit quality. The credit-worthiness of its customers are reviewed based on their financial position, past experience and other relevant factors. The credit period provided by the LLP to its customers generally ranges from 0-60 days. Outstanding customer receivables are reviewed periodically.

The credit risk related to the trade receivables is mitigated by taking security deposits / bank guarantee as and where considered necessary, setting appropriate credit terms and by setting and monitoring internal limits on exposure to individual customers.

There is no substantial concentration of credit risk as the revenue and trade receivables from any of the single customer do not exceed 10% of LLP revenue.

**Financial instruments and cash deposits**

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the LLP's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**Summary of ageing of trade receivable as on 31st Mar, 2021**

Total Amount	<= 30 Days	31 - 60 Days	61 - 120 Days	121 - 180 Days	Above 180 days
24,70,29,739	9,94,87,642	2,13,66,027	2,98,33,898	1,35,15,139	8,28,27,032

**Summary of ageing of trade receivable as on 31st Mar, 2020**

Total Amount	<= 30 Days	31 - 60 Days	61 - 120 Days	121 - 180 Days	Above 180 days
13,63,28,275	9,79,38,981	86,30,487	2,43,48,269	54,10,538	-

**SKIPPER-METZER INDIA LLP**

**SCHEDULES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st Mar, 2021**

**Amount in Rs.**

**Liquidity risk**

Liquidity risk is the risk that the LLP will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required. The LLP determines its liquidity requirements in the short and medium. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long-term needs. The LLP manages the liquidity risk by maintaining adequate banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The LLP invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. The LLP has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

**Financing Arrangement**

The LLP had access to following undrawn borrowing facilities as at the end of the reporting date

**Amount in Rs.**

<b>Particulars</b>	<b>31st Mar, 2021</b>	<b>31st Mar, 2020</b>
Undrawn Borrowing Facility - CC limits	1,33,39,490	5,73,88,021
Undrawn Borrowing Facility - Term Loans	9,96,99,974	17,47,91,813
Undrawn Borrowing Facility - Non-funded	5,97,25,000	5,97,25,000

Undrawn limit has been calculated based on available drawing power and sanctioned amount as on reporting date.

The below table analyses the LLP's non-derivative financial liabilities as at the reporting date, into relevant maturity groupings based on the remaining period (as at that date) to the contractual maturity date. The amounts disclosed in the below table are the contractual undiscounted cash flows.

					<b>Amount in Rs.</b>
<b>Particulars</b>	<b>Carrying amount</b>	<b>Up-to 1 year</b>	<b>1-3 years</b>	<b>Above 3 years</b>	<b>Total</b>
<b>31st Mar, 2021</b>					
Borrowings and future interest thereon	29,17,04,345	17,45,99,405	8,11,94,564	3,59,10,376	29,17,04,345
Trade and other payables	10,56,95,596	10,56,95,596	-	-	10,56,95,596
Finance Lease Obligation	6,69,20,808	47,22,926	1,25,60,872	4,96,37,010	6,69,20,808
<b>Total</b>	<b>46,43,20,749</b>	<b>28,50,17,927</b>	<b>9,37,55,436</b>	<b>8,55,47,386</b>	<b>46,43,20,749</b>
<b>31st Mar, 2020</b>					
Borrowings and future interest thereon	17,14,20,137	12,44,04,542	2,87,97,704	4,02,02,735	19,34,04,980
Trade and other payables	12,09,88,937	12,09,88,937	-	-	12,09,88,937
Finance Lease Obligation	7,17,47,189	45,60,806	1,07,82,456	5,64,03,927	7,17,47,189
<b>Total</b>	<b>36,41,56,263</b>	<b>24,99,54,285</b>	<b>3,95,80,160</b>	<b>9,66,06,662</b>	<b>38,61,41,106</b>

**34 ASSETS PLEDGED AS SECURITY (Refer Note 13 and 18)**

The carrying amounts of certain categories of assets pledged as security for current and non-current borrowings pursuant to the requirements of Ind AS 2, Ind AS 16, Ind AS 38 and Ind AS 107:

Particulars	As at 31st Mar, 2021	As at 31st Mar, 2020
<b>Current Assets</b>		
Financial Assets	24,70,29,739	13,68,42,025
Contract Assets	-	-
Non-financial assets		
Inventories at Plant & Warehouses	3,44,00,918	5,27,11,739
Others	3,40,10,600	4,47,93,760
<b>Total current assets pledged as security(A)</b>	<b>31,54,41,257</b>	<b>23,43,47,524</b>
<b>Non-current Assets</b>		
Property, Plant and Equipment	25,29,53,222	21,18,86,283
Capital Work-in-progress	-	-
<b>Total non-current assets pledged as security (B)</b>	<b>25,29,53,222</b>	<b>21,18,86,283</b>
<b>Total assets pledged as security (A+B)</b>	<b>56,83,94,479</b>	<b>44,62,33,807</b>

**35** The management has evaluated all activity of the company till May 3, 2021 and concluded that there were no additional subsequent events required to be reflected in the Company's financial statement.

**36 PREVIOUS YEAR FIGURES**

The previous year figures are reclassified where considered necessary to confirm to this year's classification.

**For Singh & Co**

Chartered Accountants

Firm's Regn No.302049E

**(Navindra Kumar Surana)**

Partner

Membership No.053816

Place: Kolkata

Date: 03-05-2021

**For SKIPPER-METZER INDIA LLP**

**Sharan Bansal**

Designated Partner

**Devesh Bansal**

Designated Partner

**K Radha Krishna**

Chief Executive Officer

**M Surendra Kumar**

Chief Financial Officer

Place: Kolkata

Date: 03-05-2021