



11th Annual Report 2018-19

Heritage Nutrivet Limited

(Formerly Known as Heritage Foods Retail Limited)

Board of Directors

Mr. D. Seetharamaiah - Director

Mrs. N. Bhuvaneswari - Director

Dr. M. Sambasiva Rao - Director

Mrs. N. Brahmani – Managing Director

Registered Office

#6-3-541/C, 4th Floor, Panjagutta, Hyderabad – 500082

Telangana

Statutory Auditors

M/s. Walker Chandiok & Co LLP,

7th Floor, Block III, White House,

Kundan Bagh, Begumpet,

Hyderabad – 500016

Bankers

HDFC Bank Limited,

Lakadikapool Branch,

Hyderabad, Telangana.



NOTICE

Members of Heritage Nutrivet Limited (Formerly Known as Heritage Foods Retail Limited) are hereby given notice of the 11th Annual General Meeting of the Company, the schedule of which and the business to be transacted therein, are given below:

Day and Date : Friday, 23rd August, 2019
Time : 11.30 a.m.
Venue : Registered Office:
6-3-541/C, Panjagutta,
Hyderabad - 500082

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial as at 31st March, 2019, Statement of Profit and Loss, Cash Flow Statement & notes thereof for the year ended as on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Smt. N Bhuvaneshwari, who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board
For **HERITAGE NUTRIVET LIMITED**

Sd/-
N. BRAHMANI
MANAGING DIRECTOR
DIN: 02338940

Place: Hyderabad
Date: 14th May, 2019



Notes:

1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE DULY STAMPED, COMPLETED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF MEETING.*
2. *MEMBERS / PROXIES SHOULD PRODUCE AT THE ENTRANCE OF THE VENUE DULY FILLED ATTENDANCE SLIP FOR ATTENDING THE MEETING.*
3. Members are requested to notify immediately any change in their address to the Company.
4. All communication relating to shares are to be addressed to the Company.
5. Members/proxies should bring the Attendance Slip duly filled in for attending the meeting.
6. The Ministry of Corporate Affairs has announced a “Green Initiative in Corporate Governance” thereby allowing paperless compliance through electronic mode. The Company supports this environment friendly initiative of the Government of India and proposes to send notices for General Meetings/Annual Reports/Other Shareholders Communication through electronic mode to the e-mail addresses which are registered with the Company for this purpose from time to time. For members who have not registered their e-mail addresses, physical copies of Annual Report 2018-19 are being sent by the permitted mode.
7. M/s. Walker Chandiok & Co LLP, Chartered Accountants (FRN 001076N/500013) was appointed as Statutory Auditor of the Company at the Annual General Meeting held on 23rd August, 2018 to hold office till the conclusion of the 14th Annual General Meeting of the Company to be held in the year 2022.

Pursuant to notification no: G.S.R 432(E) issued by the Ministry of Corporate Affairs on 7th May, 2018 amending Section 139 of the Companies Act, 2013 and the Rules framed there under, the mandatory requirement for ratification of appointment of Statutory Auditor by the members at the every Annual General Meeting (AGM) has been omitted and hence the Board is not proposing to the members for ratification of appointment of Statutory Auditors at this AGM. The Board of Directors are empowered to fix the remuneration of the Statutory Auditor on yearly basis.

**DIRECTORS REPORT**

Dear Members,

Your Directors have pleasure in presenting the 11th Annual Report of the Company together with the Audited Accounts of the Company for the financial year ended March 31, 2019.

Financial Results

During the year under review, performance of your company as under:

(Rs. In Lakhs)

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
Turnover	7376.06	6,742.57
Profit/ (Loss) before tax	36.79	(30.47)
Tax expense		
Reversal of taxes of earlier years	-	(34.94)
Current tax expense	31.26	5.20
Deferred tax benefit	(89.58)	(17.02)
Profit/ (loss) for the year	95.11	16.29

Operational highlights

During the year under review, the Company earned total income of 7376.06 Lakhs and expenses are 7,367.03 Lakhs. The Net Profit/(Loss) after tax was 95.11 Lakhs

Share Capital

The Share Capital of the Company is Rs.2,95,24,880/- divided into 29,52,488 Equity Shares of Rs.10 each.

During the year the company allotted the Equity Shares of 5,80,911 equity shares of Rs.10 each to the Holding Company namely, Heritage Foods Limited.

Particulars of Contract or Arrangements Made With Related Parties

The particulars of contracts or arrangements with related parties as per the Section 188 of the Companies Act, 2013 entered by the Company during the financial year ended March 31, 2019 in prescribed Form AOC-2 is annexed to this Board's Report (**Annexure-I**). Further there are no materially significant related party transactions during the year under review with Promoters, Directors, Key Managerial Personnel and their relatives, which may have potential conflict with interest of the company at large

The related party transactions were placed before the audit committee as also to the Board for approval. The details of the related party transactions during the year are part of the notes on Accounts forming part of the Annual Report.

Extract of Annual Return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time an extract of annual return in **MGT-9** for the financial year 2018-19 has enclosed in **Annexure- III**

**Equity Dividend**

During the year under review, the Company has not declared any Interim/final Dividend.

Amounts Transferred to Reserves

The Board of the Company has decided not to transfer any amount to its reserves.

Number of Board Meetings

During the Financial Year 2018-19, Six (6) Meetings of the Board of Directors of the Company were held on 17th May, 2018, 08th June, 2018, 24th July, 2018, 24th October, 2018, 21st January, 2019 and 26th March, 2019.

Directors

In accordance with Articles of Association of the Company and provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Smt. N Bhuvaneswari, Director of the Company who retire by rotation and being eligible, offers himself for re-appointment.

Secretarial Auditor:

Smt. P Sarada, (M No: 21717, CP No:8735), Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for the financial year 2018-19, as required under Section 204 of the Companies Act, 2013 and Rules made there under. The secretarial audit report for financial year 2018-19 issued by Smt. P Sarada, (M No: 21717, CP No: 8735), Practicing Company Secretary in form MR-3 is provided in the **Annexure-II** to the Board's report.

The Secretarial Auditor's Report is self-explanatory and do not call for any further comments.

The Share capital Audit Report obtained from Smt. P Sarada, (M No: 21717, CP No:8735), Practicing Company Secretary, Hyderabad as per the Rule 9A of Companies (Prospectus and Allotment of Securities) Rules, 2014 as amended from time to time, was submitted to the Registrar of Companies Hyderabad during the under review.

Information about the financial performance / financial position of the Subsidiaries / Associates/JV

The Company is not having any Subsidiary/Associate Company/JV any during the financial year under review. However the Company is a wholly owned subsidiary of Heritage Foods Ltd.

Auditors

M/s. Walker Chandiok & Co LLP, Hyderabad, Statutory Auditors of the Company, hold office till the conclusion of 14th Annual General Meeting of the Company.

As per the Section 139 of the Companies Act 2013 M/s. Walker Chandiok & Co LLP, 7th Floor, Block III, White House, Kundan Bagh, Begumpet, Hyderabad-500016, (FRN:001076N/N500013), as auditors of the Company, who was appointed at the EGM held on 31st October 2017 to hold office conclusion of 14th Annual General Meeting of the Company.

**Particulars of Loan, Guarantees and Investments under Section 186**

The Company has duly complied with the provision of Section 186 of the Companies Act, 2013 and it has taken

Secured Loans: Rs 1606.55 Lakhs
 Unsecured Loans: Rs. NIL
 Current/Non- Current Investments: NIL
 Guarantees: NIL
 Securities Extended: NIL

The Holding Company namely Heritage Foods Limited given corporate Guarantee of Rs. 26,75,00,000/- for credit facilities from Banks.

Material changes & commitments between the end of financial year and the date of report

There are no material changes since 31st March 2019 and until the date of this report.

Conservation of Energy/Technology Absorption, Foreign Exchange Earnings and Outgo:

The information required to be given pursuant to Section 134 (3) (m) of the Companies Act, 2013, Particulars of Conservation of Energy/Technology absorption, Foreign Earnings: NIL

Particulars of Employees

None of the employees have received the remuneration of Rs.1.02 Crore in whole year or Rs.8.50 Lakhs per month employed part of the year as per the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of top ten employees of the company in terms of remuneration drawn during the FY 2018-19 is as follows:

Employee Name	Designation	Annual Gross Remuneration Received for FY 18-19 Rs In Rupees	Qualification	Year of Total Experience	Date of Joining	Age (Yrs)	Last Employment before Joining the Company	No of Equity Shares held in the Company
Mr. C.V.S Kaleshwar Rao	VP	43,82,424	MSW, B.L	30.5	21.02.2005	55.8	Heritage Foods Limited	NIL
Mr. Mikkilineni Satish	AGM	14,49,727	B.Sc	12	26.04.2018	36.1	Coromandel International Ltd	NIL
Mr. Rajasekaran A	DGM	10,96,147	MBA	6.3	02.04.2018	55.3	Amrit Feeds	NIL
Mr. B V Venu Gopal	Sr. Manager	8,28,312	Diploma	29.7	02.11.2016	48.5	Vallabha Feeds Pvt Ltd	NIL
Mr. Narasimham Kota	Manager	7,19,316	MSC	1.1	01.04.2018	37.3	Heritage Foods Limited	NIL
Mr. Srinivasarao Y	Manager	6,15,552	C.A	3.4	19.07.2018	32	KCP Sugars Ltd	NIL
Mr. Narayansingh L Chandel	Manager	6,05,384	MBA	9.61	21.05.2018	36.7	Venky's Inida (BV Biocorp Ltd)	NIL
Mr. Vijay Sampath Kumar V	Manager	5,33,685	MBA	9.61	06.06.2018	37.3	Coromandel International Ltd	NIL
Mr. Subash Chowdary D V	Dy. Manager	5,27,720	PGDRM	4.2	18.06.2018	29.2	SKF India Ltd	NIL
Mr. Srikanth Akkineni	Manager	3,23,756	Diploma	11.9	05.09.2018	37.9	Pattabhi Agro Foods	NIL

All the above appointment are contractual and they are not relatives of any Director of the company. None of the employees are working out side of the India.



Fixed deposits

During the year under review the Company has not accepted any fixed deposits from the public.

Directors Responsibility Statement

In conformity with the provisions under Section 134 (5) which is introduced by the Companies Act, 2013 your directors confirm that:-

- a) In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit & loss of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a 'going concern' basis; and
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgment

The Board take this opportunity to thank all customers, consumers, investors, bankers and Statutory Authorities for their continued support during the year. The Board also wishes to place on record its sincere appreciation of the effort/contribution made by its employees at all levels. The Company's consistent growth was made possible by their hard work, solidarity, cooperation and support and look forward to their continued support in the future.

By Order of the Board
For **HERITAGE NUTRIVET LIMITED**

Sd/-
N. BRAHMANI
MANAGING DIRECTOR
DIN: 02338940

Sd/-
Dr. M. SAMBASIVA RAO
DIRECTOR
DIN: 01887410

Place: Hyderabad
Date: 14th May, 2019

**Annexure-1****FORM NO. AOC.2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length: Nil
2. Details of contracts or arrangement or transactions at arm's length

Sr. No.	Name(s) of the related party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions during the Year (Rs In Lakhs)	Duration of contracts/ arrangements/ transactions
1	Heritage Foods Limited	Holding company	Issue of equity shares, including equity Contribution	572.94	Not Applicable
			Purchases	48.41	
			Financial Guarantee Expenses	22.07	
			Sales	4425.34	
			Lease Rental Expenses	6.64	
			Purchase of property, plant & equipment	23.34	
2	Mrs. N Bhuvanewari	Key Managerial Personnel in Holding Company	Sitting Fees	0.60	Not Applicable
3	Mrs. N Brahmani			0.40	
4	Dr. M Sambasiva Rao			0.60	

For and on behalf of
HERITAGE NUTRIVET LIMITED

Registered Office:

#6-3-541/C, 4th floor
Punjugutta, Hyderabad – 500 082
CIN: U15400TG2008PLC062054
Ph: 04023391221/2
E-mail: hfl@heritagefoods.in
Place: Hyderabad
Date: May 14, 2019

Sd/-
N BRAHMANI
Managing Director
(DIN: 02338940)

Annexure-II

FORM No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial year ended 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014
And applicable provisions of the SEBI (LO&DR), Regulations, 2015.]

To,
The Members,
Heritage Nutrivet Limited
CIN: U15400TG2008PLC062054
6-3-541/C, 4th Floor, Irrum Manzil Colony
Panjagutta,
Hyderabad-500082

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Heritage Nutrivet Limited (herein after called the "Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Not Applicable
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time; Not Applicable
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- Not Applicable
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- Not Applicable.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- Not Applicable
- (i) The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015. Not Applicable

We have also examined compliance with the applicable clauses of the following as amended from time to time:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, New Delhi.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, the Company has, in my opinion generally complied with the provisions of the Companies Act, 2013 and the Rules made there under that Act as notified by the Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to

- a) Maintenance of various statutory registers and documents and making necessary entries therein.
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government are provided in Annexure I.
- c) The Annual General Meeting held on 23rd August, 2018.
- d) Minutes of the proceedings of General meetings and of the Board Meetings.

- e) Constitution of the Board of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole time Directors.
- f) During the year under review the Board of Directors met 6 times, i.e 17th May, 2018, 08th June, 2018, 24th July, 2018, 24th October, 2018, 21st January, 2019 and 26th March, 2019. The time gap between the two Board meetings is within 120 days.
- g) No Payment of remuneration was made to Directors including the Managing Director and Whole-time Directors.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the applicable laws applicable specifically to the Company.

I further report that, based on the information received and records maintained there are adequate systems and process in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Hyderabad
Date: 02th May, 2019

Sd/-
P Sarada
M. No. 21717
CP. No. 8735

ANNEXURE-A TO SECRETARIAL AUDIT REPORT

To,
The Members,
Heritage Nutrivet Limited
CIN: U15400TG2008PLC062054
6-3-541/C,4th Floor, Irrum Manzil Colony
Panjagutta,
Hyderabad-500082

My report of even date is to be ready along with this supplementary testimony.

- a) Maintenance of Secretarial record is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) I have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- c) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d) Whenever required, I have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.
- e) The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- f) The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

Place: Hyderabad
Date: 02nd May, 2019

Sd/-
P Sarada
M. No. 21717
CP. No. 8735

ANNEXURE-1 TO SECRETARIAL AUDIT REPORT

(E-forms filed with the Registrar of Companies during FY 2018-19)

Sl No.	Particulars/ E-Forms No	Due Date	Filing Date
1	Appointment of Internal Auditor of the Company/MGT 14	19/04/2018	03/04/2018
2	Audited financial results for the Year ended 31 st March, 2018/MGT 14	16/06/2018	28/05/2018
3	Offer of Equity Shares on Right Issue Basis/MGT 14	16/06/2018	18/06/2018
4	Allotment of Equity Shares/MGT 14	07/07/2018	18/06/2018
5	Allotment of Equity Shares/PAS 3	07/07/2018	21/06/2018
6	Un-audited financial results for the quarter ended 30 th June, 2018./MGT14	23/08/2018	07/08/2018
7	Annual Accounts for the year ended 31 st March, 2018/AOC 4 XBRL	22/09/2018	21/09/2018
8	Annual return for the year ended 31 st March, 2018./MGT 7	22/10/2018	08/09/2018
9	Un-audited financial results for the quarter ended 30 th September, 2018./MGT 14	23/11/2018	26/10/2018
10	Un-audited financial results for the quarter ended 31 st Dec, 2018, To avail loan, To avail CC from Kotak Mahindra bank./MGT 14	20/02/2019	06/02/2019
11	Modification of Charge - Kotak Mahindra Bank-WC/CHG 1	13/03/2019	02/03/2019
12	Modification of Charge - Kotak Mahindra Bank-TL/CHG 1	13/03/2019	02/03/2019

Place: Hyderabad
Date: 02nd May, 2019

Sd/-
P Sarada
M. No. 21717
CP. No. 8735



Annexure - III

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March, 2019**
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1)
Of the Companies (Management and Administration) Rules 2014]

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : U15400TG2008PLC062054
- (ii) Registration Date : 01.12.2008
- (iii) Name of the Company : HERITAGE NUTRIVET LIMITED
- (iv) Category /sub-Category of the Company : Company Limited by Shares/Indian Non-Government Company
- (v) Address of the Registered office and Contact details : #6-3-541/C, 4th Floor, Panjagutta, Hyderabad – 500082
- (vi) Whether Listed Company : NO
- (vii) Name, Address and contact details of Registrar and Transfer Agent, if any : M/s. Karvy Fintech Pvt. Ltd,
Karvy Selenium, Tower- B, Plot No. 31 & 32,
Financial district, Nanakramguda,
Serilingampally Mandal, Hyderabad, Telangana, 500032

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No	Name and Description of Main Product/Services	NIC Code of the Service	% to total turnover of the Company
1.	Cattle Feeds & suppliments	10801	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares hold	Applicable Section
1.	Heritage Foods Limited	L15209TG1992PLC014332	Holding Company	100%	Sec.2 (46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the end of the year 31.03.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF*	0.00	600	0.00	0.025	0.00	600	0.00	0.02	(0.005)
(b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Bodies Corporate	0.00	23,71,577	23,71,577	100.00	29,52,488	0.00	29,52,488	100	0.00
(e) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Any other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub total	0.00	23,71,577	23,71,577	100	29,52,488	0.00	29,52,488	100	0.00
Category of Shareholders	No. of Shares held at the end of the year 31.03.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of	Demat	Physical	Total	% of	



Category of Shareholders	No. of Shares held at the end of the year 31.03.2018				No. of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares Total Shares	Demat	Physical	Total	% of Total Shares Total Shares	
(A) (1):-									
(2) Foreign									
(a) NRIs Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Other Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	0.00	23,71,577	23,71,577	100	29,52,488	0.00	29,52,488	100	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) State Govt(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) FII	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(1)									0.00
(a) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Indian	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Others (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (B)(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Public Shareholding (B)=(B)(1)+(B2)	0.00	23,71,577	23,71,577	100	29,52,488	0.00	29,52,488	100	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	0.00	23,71,577	23,71,577	100	29,52,488	0.00	29,52,488	100	0.00

*The Six individual Shareholders are having 600 shares as a nominee share holder on behalf of Heritage Foods Ltd



(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the Year 01.04.2018			Shareholding at the end of the year 31.03.2019			% Change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged /encumberred to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged /encumberred to total shares	
1.	Heritage Foods Limited	23,71,577	100.00	-	29,52,488	100.00	-	-
2.	N. Brahmani	100	0.00	-	100	0.00	-	-
3.	N. Bhuvaneswari	100	0.00	-	100	0.00	-	-
4.	N. Lokesh	100	0.00	-	100	0.00	-	-
5.	D. Seetharamaiah	100	0.00	-	100	0.00	-	-
6.	Dr. M. Sambasiva Rao	100	0.00	-	100	0.00	-	-
7.	K. Rajesh	100	0.00	-	100	0.00	-	-

*The Six individual Shareholders (Sl no 2 to 7) are having 600 shares as a nominee share holder on behalf of Heritage Foods Ltd

(iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Sl. No	HERITAGE FOODS LIMITED	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year 31.03.2019	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year 01.04.2018	23,71,577	100.00		
	Date wise Increase/Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment /transfer /bonus /sweat equity etc)	08.06.2018 3,72,578 Shares Allotted against funding		3,72,578	0.00
		26-03-2019 2,08,333 Shares Allotted against funding		2,08,333	0.00
	At the end of the Year 31.03.2019	-	-	29,52,488	100.00*

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding During the Year (01.04.2018 to 31.03.2019)	
		No. of Shares at the Beginning (01.04.2018)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Heritage Foods Limited	23,71,577	100.00	-	-	-		
				08.06.2018	+3,72,578	Allotment through Right Issue	27,44,155	100.00
				26.03.2019	+2,08,333	Allotment through Right Issue	2952488	100.00



(V) Shareholding of Directors and Key managerial Personnel:

Sl. No	Name	Shareholding at the beginning of the year		Cumulative Shareholding During the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	N. Bhuvanewari	100	0.00	100	0.00
2	D. Seetharamaiah	100	0.00	100	0.00
3	Dr. M. Sambasiva Rao	100	0.00	100	0.00
4	N. Brahmani	100	0.00	100	0.00

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount Rs.in Lakhs)

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	500	-	-	500
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	2	-	-	2
Total (i+ii+iii)	502	-	-	502
Change in Indebtedness during the financial year	978	-	-	978
• Addition	100	-	-	100
• Reduction				
Net Change	878	-	-	878
Indebtedness at the end of the financial year				
(i) Principal Amount	1372	-	-	1372
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	8	-	-	8
Total (i+ii+iii)	1380	-	-	1380

* The Holding Company namely Heritage Foods Limited has given corporate Guarantee of Rs. 2675 Lakhs, as at 31.03.2019 for availing Long term loan from Bank.

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Director and/or Manager:

Sl. No	Particulars of Remuneration	Managing Director	Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL	NIL
5.	Others, (Sitting Fees)	40,000	40,000
	Total (A)	40,000	40,000
	Ceiling as per the Act	NA	NA



B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Amount
1	Independent Directors Fee for attending Board/Committee Meetings	NA
	Commission	NA
	Others, please specify	NA
	Total (1)	NA
2	Other Non-Executive Directors	
	Non-Executive Directors Fee for attending Board/Committee Meetings	1,20,000
	Independent Directors Fee for attending Board/Committee Meetings	60,000
	Commission	NA
	Others, please specify	NA
	Total (2)	1,80,000
	Total (B)= (1+2)	1,80,000
	Total Managerial Remuneration (A+B)	2,20,000
	Overall Ceiling as per the Act	NA

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager: **NA**

Sl. No	Particulars of Remuneration	Key Managerial Personnel	
			Total (Rs.)
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	NIL	/
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - As % of profit - Others, specify		
5.	Others, please specify		
	Total		

VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Independent Auditor's Report

To the Members of Heritage Nutrivet Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Heritage Nutrivet Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Information other than the Financial Statements and Auditor's Report thereon

3. The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management for the Financial Statements

4. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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 Standards on Auditing 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.
8. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

10. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
11. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
12. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 14 May 2019 as per Annexure B expressed unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company does not have any pending litigation which would impact its financial position as at 31 March 2019;

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain

Partner

Membership No.: 207660

Place: Hyderabad

Date: 14 May 2019

Annexure A to the Independent Auditor's Report of even date to the members of Heritage Nutrivet Limited, on the financial statements for the year ended 31 March 2019.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (b) The Property, plant and equipment have been physically verified by the management during the year by engaging the outside expert and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company except for the following property:

Nature of property	Total Number of Cases	Whether leasehold /freehold	Gross and Net block as on 31 March 2019	Remarks
Land	1	Freehold	172.08	Sale deed shall be executed and registered on commencing of commercial production at Mallavalli plant of the Company.

- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. Material discrepancies noticed on such verification have been properly dealt with in the books of account.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

Annexure A to the Independent Auditor's Report of even date to the members of Heritage Nutrivet Limited, on the financial statements for the year ended 31 March 2019

- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a significant delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise, goods and services tax and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has not defaulted in repayment of borrowings to any bank during the year. There are no loans or borrowings payable to financial institutions or government and no dues payable to debenture-holders.
- (ix) In our opinion, the Company has applied moneys raised from the term loans for the purposes for which these were raised. The Company did not raise moneys by way of initial public offer/ further public offer (including debt instruments).
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandniok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 14 May 2019

Annexure B to the Independent Auditor's Report of even date to the members of Heritage Nutrivet Limited, on the financial statements for the year ended 31 March 2019

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Heritage Nutrivet Limited (formerly known as Heritage Foods Retail Limited) ("the Company") as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Annexure B to the Independent Auditor's Report of even date to the members of Heritage Nutrivet Limited, on the financial statements for the year ended 31 March 2019

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sanjay Kumar Jain
Partner
Membership No.: 207660

Place: Hyderabad
Date: 14 May 2019

Heritage Nutrivet Limited
Balance Sheet as at 31 March 2019
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	Notes	As at	
		31 March 2019	31 March 2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	6	2,188.75	1,674.68
(b) Capital work in progress		1,947.97	-
(c) Financial assets			
(i) Loans	11(a)	25.18	17.68
(ii) Others	11(b)	4.90	-
(d) Deferred tax assets (net)	17	39.47	-
(e) Other non-current assets	7	56.01	72.85
Total non-current assets		4,262.28	1,765.21
Current assets			
(a) Inventories	8	657.71	453.77
(b) Financial Assets			
(i) Trade receivables	9	310.54	548.71
(ii) Cash and cash equivalents	10	25.48	16.21
(iii) Loans	11(a)	0.65	1.25
(c) Current tax assets (net)		15.89	12.15
(d) Other current assets	7	173.71	145.67
Total current assets		1,183.98	1,177.76
Total assets		5,446.26	2,942.97
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	295.25	237.16
(b) Other equity	13	1,992.66	1,388.67
Total equity		2,287.91	1,625.83
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	1,231.54	400.00
(b) Provisions	16	22.70	15.91
(c) Deferred tax liabilities (net)	17	-	50.11
Total non-current liabilities		1,254.24	466.02
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14	234.51	191.21
(ii) Trade payables	19		
- total outstanding dues of micro and small enterprises;		19.96	-
- total outstanding dues of creditors other than micro and small enterprises		634.21	366.85
(iii) Other financial liabilities	15	957.28	247.77
(b) Other current liabilities	18	42.64	31.42
(c) Provisions	16	15.51	13.87
Total current liabilities		1,904.11	851.12
Total equity and liabilities		5,446.26	2,942.97

The accompanying notes referred to above form an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date.

For **Walker Chandlok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sd/-

Sanjay Kumar Jain
Partner
Membership No.: 207660

For and on behalf of Board of Directors of
Heritage Nutrivet Limited

Sd/-

N Brahmani
Managing Director
DIN: 02338940

Sd/-

M Sambasiva Rao
Director
DIN: 01887410

Place: Hyderabad
Date: 14 Mar 2019

Heritage Nutrivet Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	Notes	For the year ended	
		31 March 2019	31 March 2018
Revenue from operations	20	7,376.06	6,742.57
Other income	21	27.76	16.55
Total income		7,403.82	6,759.12
Expenses			
Cost of materials consumed	22	3,965.69	3,325.43
Purchase of stock-in-trade		1,909.15	2,065.09
Changes in inventories of finished goods and stock-in-trade	23	(58.08)	(64.41)
Employee benefit expenses	24	449.29	362.04
Finance costs	25	82.92	93.30
Depreciation expense	6	87.21	76.21
Other expenses	26	930.85	931.93
Total expenses		7,367.03	6,789.59
Profit/ (Loss) before tax		36.79	(30.47)
Tax expense	27		
Reversal of taxes of earlier years		-	(34.94)
Current tax expense		31.26	5.20
Deferred tax benefit		(89.58)	(17.02)
Profit for the year		95.11	16.29
Other comprehensive loss			
(i) Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit plan		(5.97)	-
Total Other comprehensive loss		(5.97)	-
Total comprehensive income for the year		89.14	16.29
Earnings per equity share (EPES)	28		
Basic and Diluted EPES		3.55	1.10

The accompanying notes form an integral part of the financial statements.
This is the Statement of Profit and Loss referred
to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sd/-

Sanjay Kumar Jain
Partner
Membership No.: 207660

For and on behalf of Board of Directors of
Heritage Nutrivet Limited

Sd/-

N Brahmani
Managing Director
DIN: 02338940

Sd/-

M Sambasiva Rao
Director
DIN: 01887410

Place: Hyderabad
Date: 14 May 2019

Heritage Nutrivet Limited
Cash Flow Statement for the year ended 31 March 2019
(All amounts in ₹ lakhs, except share data and where otherwise stated)

	For the year ended	
	31 March 2019	31 March 2018
Cash flow from operating activities		
Profit/(Loss) before tax	36.79	(30.47)
Adjustments:		
Depreciation expense	87.21	76.21
Net gain on disposal of property, plant and equipment	-	(0.60)
Finance costs	82.92	93.30
Provision towards doubtful trade receivables	121.33	50.40
Inventory written off	-	90.15
Interest income	(8.50)	(15.28)
Change in employee provisions, net	2.46	16.03
Operating cash flows before working capital changes	322.21	279.74
(Increase)/Decrease in trade receivables	116.84	(169.15)
(Increase)/Decrease in financial and other assets	(16.20)	63.30
Increase in financial and other liabilities	102.04	57.23
Increase/ (decrease) in trade payables	287.32	(571.22)
(Increase)/Decrease in inventories	(203.94)	76.53
Cash generated from/(used in) operating activities	608.27	(263.57)
Income-taxes paid	(35.00)	(92.48)
Net cash generated from/ (used in) operating activities (A)	573.27	(356.05)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,961.84)	(493.56)
Proceeds from sale of property, plant and equipment	-	23.18
Interest income received	8.50	15.28
Net cash used in investing activities (B)	(1,953.34)	(455.10)
Cash flows from financing activities		
Proceeds from long-term borrowings	972.04	-
Repayment of long-term borrowings	(100.00)	(100.00)
Interest paid	(76.00)	(69.76)
Proceeds from issue of equity shares	550.00	700.00
Net cash generated from financing activities (C)	1,346.04	530.24
Net decrease in cash and cash equivalents during the year (A + B + C)	(34.03)	(280.91)
Cash and cash equivalents at the beginning of the year	(175.00)	105.91
Cash and cash equivalents at the end of the year (Note 1)	(209.03)	(175.00)

	As at	
	31 March 2019	31 March 2018
Note 1:		
Cash and cash equivalents includes		
Cash on hand	0.24	0.19
Balances with banks in current accounts	25.24	16.02
Working capital loan from bank (refer note 14)	(234.51)	(191.21)
	(209.03)	(175.00)

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sd/-

Sanjay Kumar Jain
Partner
Membership No.: 207660

For and on behalf of Board of Directors of
Heritage Nutrivet Limited

Sd/-

N Brahmani
Managing Director
DIN: 02338940

Sd/-

M Sambasiva Rao
Director
DIN: 01887410

Place: Hyderabad
Date: 14 May 2019

Heritage Nutrivet Limited
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in ₹ lakhs, except share data and where otherwise stated)

A Equity Share Capital

	Notes	Number of shares	Amount
As at 1 April 2017		500,000	50.00
Changes in equity share capital	12	1,871,577	187.16
As at 31 March 2018		2,371,577	237.16
Changes in equity share capital	12	580,911	58.09
As at 31 March 2019		2,952,488	295.25

B Other Equity (refer note 13)

	Reserves and Surplus				Other comprehensive income	Total
	Securities premium	Capital reserve	Equity contribution from Holding Company	Retained earnings		
Balance as at 1 April 2017	-	(237.15)	-	(11.17)	-	(248.32)
Profit for the year	-	-	-	16.29	-	16.29
Security premium on issue of equity shares	1,570.66	-	-	-	-	1,570.66
Subsidy amount of discontinued operations	-	(34.39)	-	-	-	(34.39)
Equity contribution from Holding Company	-	-	84.43	-	-	84.43
Balance as at 31 March 2018	1,570.66	(271.54)	84.43	5.12	-	1,388.67
Profit for the year	-	-	-	95.11	-	95.11
Security premium on issue of equity shares	491.91	-	-	-	-	491.91
Other comprehensive loss	-	-	-	(5.97)	-	(5.97)
Equity contribution from Holding Company	-	-	22.94	-	-	22.94
Balance as at 31 March 2019	2,062.57	(271.54)	107.37	94.26	-	1,992.66

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sd/-

Sanjay Kumar Jain
Partner
Membership No.: 207660

For and on behalf of Board of Directors of
Heritage Nutrivet Limited

Sd/-

N Brahmani
Managing Director
DIN: 02338940

Sd/-

M Sambasiva Rao
Director
DIN: 01887410

Place: Hyderabad
Date: 14 Mar 2019

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

1. Corporate information

The financial statements of "Heritage Nutrivet Limited" ("the Company" or "HNL") are for the year ended 31 March 2019. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at #6-3-541/C, Punjagutta, Hyderabad - 500082.

Heritage Nutrivet Limited is engaged in manufacturing, marketing and trading of cattle feed business.

The financial statements were approved for issue in accordance with a resolution of the directors on 14 May 2019.

2. Significant accounting policies - Basis of preparation

The financial statements of the Company has been prepared and presented in accordance with all the material aspects of the Indian Accounting Standards ('Ind AS') as notified under section 133 of the Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules 2015 (by Ministry of Corporate Affairs ('MCA')). The Company has uniformly applied the accounting policies during the periods presented.

The financial statements have been prepared on a going concern basis under historical cost, except for the following:

- certain financial assets and liabilities are measured at amortised cost depending on the classification; and
- employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

The financial statements are presented in ₹ and all values are rounded to the nearest lakhs, except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

3. Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

All other liabilities are classified as non-current.

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

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

b. Foreign currencies

The Company's financial statements are presented in INR, which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spots rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

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

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

c. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

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

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

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

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

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

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

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

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

The Company's management determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

d. Revenue recognition

The Company derives revenues primarily from manufacturing, marketing and trading of cattle feed products.

Effective 1 April 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the modified retrospective application method. In accordance with modified retrospective application method, the comparatives have not been retrospectively adjusted. Refer Note 3 "Summary of significant accounting policies", in the Company's financial statements for the year ended 31 March 2018 for the policies in effect for revenue prior to 1 April 2018. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue from sale of products is recognised at the time when performance obligation is satisfied.

Interest Income

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

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

e. Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

f. Property, plant and equipment (PPE)

Capital Work in progress, Plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of discounts and rebates), the cost of replacing the part of plant and equipment and borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the company intends to use these during more than a period of 12 months.

Depreciation is provided on the basis of straight line method at the useful life and in the manner prescribed in Schedule II of the Companies Act, 2013 except in respect of the following assets, based on technical assessment made by technical expert and management estimate, useful life is different from than those described in Schedule II. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- i) Furniture and Fixtures: Depreciation on Furniture and Fixtures is provided on the basis of straight line method based on the useful life of 5 years.
- ii) Office Equipment: Depreciation on Office Equipment is provided on the basis of straight line method based on the useful life ranging from 3 to 5 years.
- iii) Vehicles: Depreciation on vehicles is provided on the basis of straight line method based on the useful life of 10 years.

The useful life provided for different asset classes under schedule II of the Companies Act, 2013 are as follows:

Asset class	Useful life (years)
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5

Depreciation on assets which are commissioned during the year is charged on pro -rata basis from the date of commissioning. The company depreciates general spares over the life of the spare from the date it is available for use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

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

g. Leases

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

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating Leases - Company as a lessee

Lease rentals are recognized as expense on a straight line basis with reference to lease terms in the Statement of Profit and Loss except where

- (i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease; or
- (ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

Contingent rentals are recognised as expenses in the periods in which they are incurred.

h. Inventories

All inventories except for stores and spares and packing material, are valued at lower of cost and net realisable value.

- **Raw material** - Cost or net realisable value ("NRV") whichever is lower. However these items are considered to be realisable at cost if the finished products, in which they shall be used, are expected to be sold at or above cost. Cost has been ascertained on weighted average cost method.
- **Finished goods** - Cost or NRV whichever is lower - Cost has been ascertained on weighted average cost method.
- **Stores and spares** - At cost - Cost has been ascertained on FIFO basis.
- **Stock-in-trade** - Cost or NRV whichever is lower - Cost has been ascertained on weighted average basis.
- **Packing material** - At Cost - Cost has been ascertained on FIFO basis.

Cost of inventories comprises following

- **Raw material, stores and spares and packaging material:** Cost includes purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.
- **Finished goods:** Cost comprises cost of direct material, direct labour and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity, but excluding borrowing costs.
- **Stock-in-trade:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

j. Provision and contingencies

Provisions

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

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingencies

Contingent liabilities is identified and disclosed with respect to following:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- a present obligation that arises from past events but is not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

k. Employee benefits

Short term benefits

Short term employee benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the statement of profit and loss for the year in which the contributions are due. The company has no obligation, other than the contribution payable to the provident fund. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment.

Gratuity: The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising mainly of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Leave Encashment: The Company operates a long term leave encashment plan. Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits".

l. Financial instruments

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

Heritage Nutrivet Limited Summary of significant accounting policies and other explanatory information

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

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

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

De-recognition

A financial asset is primarily derecognised when:

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

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

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

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balances.
- Financial guarantee contracts which are not measured as at FVTPL

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- Financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement

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

Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

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Summary of significant accounting policies and other explanatory information

Trade and other payables

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

De-recognition

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

Offsetting of financial instruments

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

m. Earnings per share

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

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

n. Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

o. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.

4. Key accounting estimates, judgements and assumptions

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a. Impairment of non-financial asset

Impairment exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

b. Taxes

Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax and determining the provision for income taxes.

c. Defined benefit plans and other long term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d. Useful lives of various assets

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the Company.

e. Fair value measurement of financial instruments

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

5. Standards issued but not effective

The new standards or amendments to the existing standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards/amendments to the existing standards, if applicable, when they become effective.

(a) Ind AS 116, Leases:

On 30 March 2019, the MCA has notified Ind AS 116, Leases. Ind AS 116 would replace existing leases standard, Ind AS 17, Leases and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. lessor and lessee. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognise the assets and liabilities for all leases with a term more than twelve months, unless the underlying asset is of low value. Currently operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements of Ind AS 17.

The effective date for the adoption of Ind AS 116 is annual periods beginning on or after 1 April 2019. The standard permits full retrospective and modified retrospective methods for transition purpose. Certain practical expedients are available under both the methods.

The Company plans to adopt the new standard on the required effective date using modified retrospective method. Management is still in the process of reasonably estimating the impact on adoption of Ind AS 116.

(b) Ind AS 12, Appendix C, Uncertainty over income tax treatments:

On 30 March 2019, the MCA has notified Ind AS 12, Appendix C, Uncertainty over income tax treatments which is to be applied while performing the determination of taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the

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Summary of significant accounting policies and other explanatory information

Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of tax treatment when determining taxable profit or loss, tax bases, unused tax losses, unused tax credits and tax rates.

The effective date for the adoption of Ind AS 12, Appendix C is annual periods beginning on or after 1 April 2019. The standard permits full retrospective and modified retrospective methods for transition purpose. The Company plans to adopt the Ind AS 12, Appendix C on the required effective date using modified retrospective method and the impact of such adoption is expected to be insignificant.

(c) Amendments to Ind AS 12, Income taxes:

On 30 March 2019, the MCA issued the amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that the entity shall recognise the income tax in consequences of dividend in profit and loss, other comprehensive income or equity according to where the entity originally recognised those past events or transactions.

The effective date for application of this amendment is annual period beginning on or after 1 April 2019 and the impact of such adoption is expected to be insignificant.

(d) Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On 30 March 2019, the MCA issued amendments to Ind AS 19, Employee Benefits in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and
- To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of asset ceiling.

The effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company has no impact on account of this amendment.

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Summary of significant accounting policies and other explanatory information
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6. Property, plant and equipment

	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Office Equipment	Vehicles	Total
Gross Block							
Balance as at 1 April 2017	174.63	783.14	636.12	5.75	11.06	0.63	1,611.33
Additions during the year	-	10.15	130.18	7.92	17.49	-	165.74
Disposals/retirements during the year	-	-	(23.80)	-	(0.88)	-	(24.68)
Balance as at 31 March 2018	174.63	793.29	742.50	13.67	27.67	0.63	1,752.39
Additions during the year	332.95	206.12	52.97	2.59	6.65	-	601.28
Disposals/retirements during the year	-	-	-	-	-	-	-
Balance as at 31 March 2019	507.58	999.41	795.47	16.26	34.32	0.63	2,353.67
Accumulated depreciation							
Upto 1 April 2017	-	0.82	1.48	0.11	0.49	0.02	2.92
Charge for the year	-	25.04	46.14	1.12	3.85	0.06	76.21
Adjustment for disposals/retirements	-	-	(1.01)	-	(0.41)	-	(1.42)
Upto 31 March 2018	-	25.86	46.61	1.23	3.93	0.08	77.71
Charge for the year	-	25.82	51.79	2.50	7.04	0.06	87.21
Adjustment for disposals/retirements	-	-	-	-	-	-	-
Upto 31 March 2019	-	51.68	98.40	3.73	10.97	0.14	164.92
Net book value as at 31 March 2018	174.63	767.43	695.89	12.44	23.74	0.55	1,674.68
Net book value as at 31 March 2019	507.58	947.73	697.07	12.53	23.35	0.49	2,188.75

Notes:

- (i) For details of assets pledged as security, refer Note 14(a).
(ii) Freehold land includes land valued at ₹172.08 (31 March 2018 : ₹174.63) pending execution of sale deed in the name of the Company. Sale deed shall be executed and registered on commencing of commercial production at Mallavalli plant of the Company.

Heritage Nutrivet Limited
 Summary of significant accounting policies and other explanatory information
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7. Other assets	As at	
	31 March 2019	31 March 2018
Non-current		
Unsecured, considered good		
Capital advances	3.69	19.83
Prepaid expenses	52.32	53.02
	56.01	72.85
Current		
Unsecured, considered good		
Advances to material and service providers	127.52	111.71
Prepaid expenses	22.61	18.13
Others	23.58	15.83
	173.71	145.67

No advances are due from directors or other officers of the Company either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member. Refer note 32 for dues from related parties.

8. Inventories	As at	
	31 March 2019	31 March 2018
Raw material	425.30	305.61
Finished goods (including goods in transit of ₹37.75 (31 March 2018: Nil))	123.21	81.23
Stock-in-trade (including goods in transit of Nil (31 March 2018: ₹4.91))	23.95	7.85
Packing material	41.09	36.19
Stores and spares	44.16	22.89
	657.71	453.77

9. Trade receivables	As at	
	31 March 2019	31 March 2018
(Unsecured)		
- Considered good	310.54	548.71
- Significant increase in credit risk	487.20	365.87
	797.74	914.58
Less: Allowance for receivables with significant increase in credit risk	(487.20)	(365.87)
	310.54	548.71

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member. Refer note 32 for dues from related parties.

10. Cash and Bank balances	As at	
	31 March 2019	31 March 2018
Cash and cash equivalents		
Balances with banks in current accounts	25.24	16.02
Cash on hand	0.24	0.19
	25.48	16.21

11(a) Loans	As at	
	31 March 2019	31 March 2018
Non-current		
Unsecured, considered good		
Security deposits	25.18	17.68
	25.18	17.68
Current		
Unsecured, considered good		
Security deposits	0.50	0.10
Loans to employees	0.15	1.15
	0.65	1.25

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

11(b) Other financial assets

As at	
31 March 2019	31 March 2018
Non-current Unsecured, considered good Margin money deposit with bank	4.90
	-
	4.90

12. Equity share capital

	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
i. Authorised share capital Equity shares of ₹10 each	15,000,000	1,500.00	15,000,000	1,500.00
	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
ii. Issued, subscribed and fully paid up Equity shares of ₹10 each	2,952,488	295.25	2,371,577	237.16
	2,952,488	295.25	2,371,577	237.16
iii. Reconciliation of number of equity shares outstanding at the beginning and at the end of the year				
	As at 31 March 2019		As at 31 March 2018	
	Number	Amount	Number	Amount
Equity shares				
Balance at the beginning of the year	2,371,577	237.16	500,000	50.00
Add: Issued during the year	580,911	58.09	1,871,577	187.16
Balance at the end of the year	2,952,488	295.25	2,371,577	237.16

iv. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

On winding up of the Company, the holders of equity shares shall be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

v. Details of shareholders holding more than 5% equity shares in the Company

	As at 31 March 2019		As at 31 March 2018	
	Number	% holding	Number	% holding
Name of the equity shareholders				
Heritage Foods Limited (Holding Company)	2,952,488	100.00%	2,371,577	100.00%

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Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

13. Other equity

Reserve and surplus

Securities premium

Capital reserve

Equity contribution from Holding Company

Retained earnings

Items of Other comprehensive income ("OCI")

	As at	
	31 March 2019	31 March 2018
Securities premium	2,062.57	1,570.66
Capital reserve	(271.54)	(271.54)
Equity contribution from Holding Company	107.37	84.43
Retained earnings	94.26	5.12
Items of Other comprehensive income ("OCI")	-	-
	1,992.66	1,388.67

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 ("the Act").

Capital reserve

Capital reserve was created on sale of retail division to Future Retail Limited in accordance with the composite scheme of arrangement in earlier years.

Equity contribution from Holding Company

Represents additional infusion by the Holding Company in form of guarantees given to the Company's bankers towards borrowing facilities extended to the Company.

14. Borrowings

Non-current

(Secured)

Term loans

From banks

	As at	
	31 March 2019	31 March 2018
Term loans	1,231.54	400.00
	1,231.54	400.00

(a) Terms and conditions of borrowings and nature of security

(i) Term loan amounting to ₹400 (31 March 2018: ₹500) is secured by first pari passu charge on all fixed assets of Hindupur cattle feed plant and by second charge on all current assets of the Company. The interest rate is equivalent to one year MCLR+0.45% per annum. The loan is repayable in 24 equal quarterly installments commenced from June 2017 and ending in March 2023. The loan is guaranteed by the Holding Company (refer note 32 for details).

(ii) Term loan amounting to ₹972.04 (31 March 2018: Nil) is secured by equitable mortgage on the land & building located at Mallavalli village, Krishna district, by exclusive charge on movable fixed assets located at Mallavalli plant and by second charge on all current assets of the Company. The interest rate is fixed at three months MCLR+ spread per annum. The loan is repayable in 24 equal quarterly installments commencing from March 2020 and ending in December 2025. The loan is guaranteed by the Holding Company (refer note 32 for details).

Current

(Secured)

Working capital loan from bank

	As at	
	31 March 2019	31 March 2018
Working capital loan from bank	234.51	191.21
	234.51	191.21

(b) Terms and conditions of loan and nature of security

Working capital loan represents cash credit facility availed from the bank and is secured by first charge on current and future assets of the Company. The interest rate is equivalent to MCLR + spread per annum, as agreed from time to time. The loan is repayable on demand. The loan is guaranteed by the Holding Company (refer note 32 for details).

Reconciliation of liabilities as at 31 March 2019 and 31 March 2018 arising from financial activities*

Opening balance as at beginning of the year

Proceeds from long term borrowings

Repayment of long term borrowings

Closing balance as at end of the year

*Include current and non-current portions of term loans from banks.

	As at	
	31 March 2019	31 March 2018
Opening balance as at beginning of the year	500.00	600.00
Proceeds from long term borrowings	972.04	-
Repayment of long term borrowings	(100.00)	(100.00)
Closing balance as at end of the year	1,372.04	500.00

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 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ lakhs, except share data and where otherwise stated)

15. Other financial liabilities

	As at	
	31 March 2019	31 March 2018
Current		
Current maturities of long-term borrowings (refer note 14(a))	140.50	100.00
Capital creditors	600.10	28.83
Freight payables	52.54	27.77
Employee related payables	33.57	23.50
Interest accrued on borrowings	8.42	1.50
Retention money	56.95	11.51
Other payables	65.20	54.66
	957.28	247.77

16. Provisions

	As at	
	31 March 2019	31 March 2018
Non-current		
Compensated absences	22.70	15.91
	22.70	15.91
Current		
Gratuity	-	3.24
Compensated absences	15.51	10.63
	15.51	13.87

(a) Gratuity

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service (service of six months and above is rounded off as one year) at the time of retirement/ exit, restricted to a sum of ₹20 in accordance with Payment of Gratuity Act, 1972.

(i) Change in projected benefit obligation

	As at
	31 March 2019
Projected benefit obligation at the beginning of the year	18.02
Service cost	3.10
Interest cost	1.34
Actuarial gain	(1.23)
Benefits paid	(1.55)
Projected benefit obligation at the end of the year	19.68

(ii) Change in plan assets

Fair value of plan assets at the beginning of the year	14.78
Contribution made during the year	33.32
Interest income on plan assets	3.18
Actuarial loss	(7.20)
Benefits paid	(1.55)
Fair value of plan assets at the end of the year	42.53

(iii) Reconciliation of present value of benefit obligation and plan assets

Present value of projected benefit obligation at the end of the year	19.68
Funded status of the plan	(42.53)
Net asset recognised in the balance sheet	(22.85)

(iv) Expense recognized in the statement of profit and loss

Interest cost	1.34
Service cost	3.10
Interest income on plan assets	(3.18)
	1.26

(v) Expense recognized in OCI

Actuarial loss, net	(5.97)
	(5.97)

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Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

(vi) Key actuarial assumptions

	As at
	31 March 2019
Discount rate	6.60%
Salary escalation rate	8.00%
Withdrawal rate	30.00%
Retirement age	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(vii) Maturity profile of defined benefit obligation as on 31 March 2019 is as follows:

	Amount
Within one year	5.79
Within two to five years	19.54
More than five years	16.90
	42.23

(viii) Sensitivity analysis

Reasonably possible changes as at 31 March 2019 to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below.

	As at
	31 March 2019
Discount rate (+ 0.5% movement)	(0.43)
Discount rate (- 0.5% movement)	0.45
Salary escalation (+ 0.5% movement)	0.26
Salary escalation (- 0.5% movement)	(0.28)

17. Deferred tax assets/(liabilities), net

	As at	
	31 March 2019	31 March 2018
Deferred tax liabilities arising on account of:		
Property, plant and equipment	(143.16)	(156.35)
Deferred tax assets arising on account of:		
Minimum Alternate Tax (MAT) credit	36.46	5.20
Employee benefits	10.63	6.83
Provision for trade receivables	135.54	94.21
Deferred tax assets/(liabilities), net	39.47	(50.11)

Movement in deferred tax

	Property, plant and equipment	Provision for employee benefits	MAT credit	Provision for trade receivables
As at 1 April 2017	(67.13)	-	-	-
Credited				
- to statement of profit and loss	(89.22)	6.83	5.20	94.21
As at 31 March 2018	(156.35)	6.83	5.20	94.21
Credited				
- to statement of profit and loss	13.19	3.80	31.26	41.33
As at 31 March 2019	(143.16)	10.63	36.46	135.54

18. Other liabilities

	As at	
	31 March 2019	31 March 2018
Current		
Advances from customers	21.31	23.46
Payable to statutory authorities	21.33	7.96
	42.64	31.42

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

19. Trade payables

- (a) total outstanding dues of micro and small enterprises;
(b) total outstanding dues of creditors other than micro and small enterprises

As at	
31 March 2019	31 March 2018
19.96	-
634.21	366.85
654.17	366.85

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

- (i) The principal amount remaining unpaid as at the end of the year
(ii) The amount of interest accrued and remaining unpaid on (i) above.
(iii) Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year.
(iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)
(v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.

As at	
31 March 2019	31 March 2018
19.96	-
-	-
-	-
-	-
-	-

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Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

20. Revenue from operations

	For the year ended	
	31 March 2019	31 March 2018
Sale of products	7,365.50	6,736.11
Other operating revenues	10.56	6.46
	7,376.06	6,742.57

Revenue disaggregation as per geography has been included in segment reporting (refer note 34).

21. Other income

	For the year ended	
	31 March 2019	31 March 2018
Interest income	8.50	15.28
Net gain on disposal of property, plant and equipment	-	0.60
Other non-operating income	18.35	0.67
Lease rental income	0.91	-
	27.76	16.55

22. Cost of materials consumed*

	For the year ended	
	31 March 2019	31 March 2018
Raw material and packing material at the beginning of the year	341.80	595.78
Add: Purchases made during the year	4,090.28	3,161.60
Less: Inventory written off	-	(90.15)
Less: Raw material and packing material at the end of the year	(466.39)	(341.80)
	3,965.69	3,325.43

*Disclosed based on derived figures, rather than actual records of issue.

23. Changes in inventories of finished goods and stock-in-trade

	For the year ended	
	31 March 2019	31 March 2018
Opening balance		
- Finished goods	81.23	18.63
- Stock-in-trade	7.85	6.04
	89.08	24.67
Closing balance		
- Finished goods	123.21	81.23
- Stock-in-trade	23.95	7.85
	147.16	89.08
	(58.08)	(64.41)

24. Employee benefit expenses

	For the year ended	
	31 March 2019	31 March 2018
Salaries, wages and bonus	404.50	324.36
Contribution to provident and other funds (refer note a below)	22.68	20.48
Staff welfare expenses	22.11	17.20
	449.29	362.04

(a) The amount recognized as an expense towards contribution to provident fund and employee state insurance scheme for the year ended 31 March 2019 amounts to ₹21.42 (31 March 2018: ₹17.24).

25. Finance costs*

	For the year ended	
	31 March 2019	31 March 2018
Interest on borrowings measured at amortized cost	53.11	66.44
Interest on income tax	-	7.35
Other borrowing costs	29.81	19.51
	82.92	93.30

*net of amount capitalised. Finance cost capitalised during the year aggregates to ₹16.19 (31 March 2018: Nil).

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

26. Other expenses

	For the year ended	
	31 March 2019	31 March 2018
Consumption of stores and spares	100.02	75.00
Power and fuel	93.35	113.46
Rent	23.12	2.79
Repairs and maintenance		
- Plant and equipment	2.50	2.55
- Others	6.54	2.16
Insurance	2.34	3.31
Rates and taxes, excluding taxes on income	10.23	13.99
Freight outwards	405.28	369.33
Communication	6.52	9.15
Office maintenance	2.33	1.31
Travelling and conveyance	39.08	30.02
Legal and professional fees	19.09	15.15
Payment to auditors (refer note (i) below)	5.50	5.94
Provision towards doubtful trade receivables	121.33	50.40
Bank charges	3.31	3.24
Sales promotion expenses, including sales commission	60.52	101.69
Inventory written off	-	90.15
Security charges	13.84	10.57
Printing and stationery	5.58	6.40
Miscellaneous expenses	10.37	25.32
	930.85	931.93

(i) Details of payments to auditors :

	For the year ended	
	31 March 2019	31 March 2018
As auditor:		
- Audit fee, including tax audit	5.50	5.36
In other capacities:		
- Certification fees	-	0.16
- Reimbursement of expenses	-	0.42

(ii) The Company has no non-cancellable finance and operating leases as on 31 March 2019 and 31 March 2018.

27. Income tax

The major components of income tax expense/(benefit) and the reconciliation between expected tax expense based on the domestic effective tax rate of the Company at 27.82% (31 March 2018: 34.608%) and the reported tax expense/(benefit) in the statement of profit and loss is as follows:

	For the year ended	
	31 March 2019	31 March 2018
Income tax expense/ (benefit) reported in the statement of profit and loss		
Tax expense comprises of:		
Reversal of taxes of earlier years	-	(34.94)
Current income tax	31.26	5.20
Deferred tax benefit	(89.58)	(17.02)
	(58.32)	(46.76)

Reconciliation of tax expense/(benefit) and the accounting profit/(loss) multiplied by India's tax rate

	For the year ended	
	31 March 2019	31 March 2018
Profit/ (loss) before tax	36.79	(30.47)
Tax at the Indian tax rate of 27.82% (31 March 2018: 34.608%)	10.23	(10.55)
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
Reversal of taxes of earlier years	-	(34.94)
Other adjustments	(68.55)	(1.27)
	(58.32)	(46.76)

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, except share data and where otherwise stated)

28. Earnings per equity share

	For the year ended	
	31 March 2019	31 March 2018
Profit for the year	95.11	16.29
Weighted average number of equity shares outstanding during the year	2,678,168	1,485,142
Earnings per equity share (in absolute ₹ terms):		
Nominal value per equity share	10.00	10.00
Basic and Diluted EPES	3.55	1.10

Note:

The Company did not had any potential dilutive equity shares as on 31 March 2019 and 31 March 2018.

29. Categories of Financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2019			As at 31 March 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Trade receivables	-	-	310.54	-	-	548.71
Cash and cash equivalents	-	-	25.48	-	-	16.21
Loans	-	-	25.83	-	-	18.93
Others	-	-	4.90	-	-	-
	-	-	366.75	-	-	583.85

	As at 31 March 2019			As at 31 March 2018		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	1,606.55	-	-	691.21
Trade payables	-	-	654.17	-	-	366.85
Other financial liabilities	-	-	816.78	-	-	147.77
	-	-	3,077.50	-	-	1,205.83

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

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Heritage Nutrivet Limited
Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ lakhs, except share data and where otherwise stated)

30. Financial risk management objectives and policies

Financial Risk Management Framework

The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's principal financial liabilities comprises of borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade receivables and cash and cash equivalents that the Company derives directly from its operations.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, balances with banks and loans.

Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents and loans. None of the financial instruments of the Company result in material concentration of credit risk.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹366.75 and ₹583.85 as of 31 March 2019 and 31 March 2018 respectively, being the total of the carrying amount of financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents were impaired as at 31 March 2019 and 31 March 2018.

Financial assets that are past due but not impaired

The Company's credit period for customers generally ranges from 0 - 30 days. The aging of trade receivables that are past due but not impaired is given below:

	As at	
	31 March 2019	31 March 2018
Past due not impaired:		
0 - 180 days	310.54	541.89
More than 180 days	-	6.82
	310.54	548.71

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward-looking information.

Heritage Nutrivet Limited
Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ lakhs, except share data and where otherwise stated)

30. Financial instruments risk management (continued)

B. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	As at 31 March 2019	On demand	Up to 1 year	More than 1 year	Total
Borrowings		234.51	140.50	1,231.54	1,606.55
Trade payables		-	654.17	-	654.17
Other financial liabilities		-	816.78	-	816.78
		234.51	1,611.45	1,231.54	3,077.50
	As at 31 March 2018	On demand	Up to 1 year	More than 1 year	Total
Borrowings		191.21	100.00	400.00	691.21
Trade payables		-	366.85	-	366.85
Other financial liabilities		-	147.77	-	147.77
		191.00	614.62	400.00	1,205.83

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short-term and long-term borrowings. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks.

i. Interest risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term obligations with floating interest rates.

For the years ended 31 March 2019 and 31 March 2018, every 50 basis point decrease in the floating interest rate component applicable to the Company's borrowings would have increased the profit by approximately ₹3.14 and ₹3.71 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. The Company is not exposed to any other type of market risk as on 31 March 2019 and 31 March 2018.

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Heritage Nutrivet Limited
Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ lakhs, except share data and where otherwise stated)

31. Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder's value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 25% and 45%. The Company includes within net debt, borrowings from banks, less cash and cash equivalents.

Borrowings from banks (note 14)		
Less: Cash and cash equivalents (note 10)		
Net debt		
Total equity		
Capital and net debt		
Net debt to equity ratio (%)		
	As at	
	31 March 2019	31 March 2018
	1,606.55	691.21
	(25.48)	(16.21)
	1,581.07	675.00
	2,287.91	1,625.83
	3,868.98	2,300.83
	40.87%	29.34%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings from banks that define capital structure requirements. Breaches in meeting the financial covenants would permit the bankers to immediately call back the borrowings. There have been no breaches in the financial covenants of borrowings during the current year.

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Heritage Nutrivet Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ lakhs, except share data and where otherwise stated)

32. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
Heritage Foods Limited	Holding Company
N Bhuvanewari N Brahmani M Sambasiva Rao	Key Managerial Personnel

(b) Transactions with related parties

	For the year ended	
	31 March 2019	31 March 2018
(i) Heritage Food Limited		
Issue of equity shares, including equity contribution	572.94	1,842.25
Purchases	48.41	20.94
Financial guarantee expense	22.07	14.53
Sales	4,425.34	3,996.13
Lease rental expense	6.64	1.42
Purchase of Property, plant and equipment	23.34	-
(ii) N Bhuvanewari		
Sitting fees	0.60	0.50
(iii) N Brahmani		
Sitting fees	0.40	0.60
(iv) M Sambasiva Rao		
Sitting fees	0.60	0.60

(c) Balances receivable/(payable)

	As at	
	31 March 2019	31 March 2018
(i) Heritage Foods Limited		
Trade payable	(1.85)	(1.42)
Trade receivable	72.40	275.63

Notes:

(a) Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by the Holding Company (31 March 2018: Nil). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which such parties operates.

(b) During the year ended 31 March 2019, the Holding Company has given guarantees to bankers towards loans aggregating to ₹2,675 (31 March 2018: ₹2,450) taken by the Company.

33. Contingent liabilities and commitments

	As at	
	31 March 2019	31 March 2018
(i) Contingent liabilities		
Guarantees excluding financial guarantees	4.90	-
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for;	94.54	-

(iii) The Hon'ble Supreme Court (SC) has clarified in the case of Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees shall form part of basic wages for computation of the provident fund contribution. On the basis of internal evaluation, supported by a legal opinion from an independent legal expert, the management has determined that there is no impact of the aforesaid ruling on the financial statements of the Company.

Heritage Nutrivet Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ lakhs, except share data and where otherwise stated)

34. Segment reporting

The management has assessed the identification of reportable segments in accordance with the requirements of In AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Cattle feed".

(a) Revenue from customers

The Company has one customer who has contributed more than 10% to the Company's revenue from operations during the current and previous year. The revenue from such major customer during the year is ₹4,425.34 (31 March 2018: ₹3,996.13). The entire revenue from operations is attributable to customers based within India.

(b) Non-current assets

The entire non-current assets of the Company as at 31 March 2019 and 31 March 2018 are located in India. Non-current assets for this purpose consists of property, plant and equipment and capital work in progress.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sd/-

Sanjay Kumar Jain
Partner
Membership No.: 207660

**For and on behalf of Board of Directors of
Heritage Nutrivet Limited**

Sd/-

N Brahmani
Managing Director
DIN: 02338940

Sd/-

M Sambasiva Rao
Director
DIN: 01887410

Place: Hyderabad
Date: 14 May 2019

ATTENDANCE SLIP



HERITAGE NUTRIVET LIMITED
(Formerly Known as Heritage Foods Retail Limited)
CIN: U15400TG2008PLC062054
#6-3-541/C, Panjagutta, Hyderabad - 500 082, Telangana
Ph: +91-040-23391221/2, Fax: +91-040-30685458

(Please fill this attendance slip and hand it over at the entrance of the Meeting Hall)

DP ID*	
Client ID*	

Folio Number	
No. of Shares	

Name & Address (in BLOCK letters):

I/we certify that I/we am/are a registered shareholder(s)/proxy(s) for the registered shareholder of the Company. I/we hereby record my/our presence at the 11th Annual General Meeting of the Company to be held at #6-3-541/C, Panjagutta, Hyderabad – 500082 on Friday, the 23rd August, 2019 at 11.30 a.m.

.....
Signature of the Shareholder /Authorized Representative/Proxy **

* Applicable for investors holding shares in electronic form
** **Strike out whichever is not applicable**

**FORM: MGT-11
PROXY FORM**



HERITAGE NUTRIVET LIMITED

(Formerly Known as Heritage Foods Retail Limited)

CIN: U15400TG2008PLC062054

#6-3-541/C, Panjagutta, Hyderabad - 500 082, Telangana

Ph: +91-040-23391221/2, Fax: +91-040-30685458

**[Pursuant Section 105(6) of the Companies Act 2013 and Rule 19(3) of Companies
(Management and Administration) Rules, 2014**

FORM NO: MGT-11

Name of the Member(s):	
Registered address:	
Folio No./Client Id:	DP ID:
E-mail Id:	

I/We, being the member(s) having..... Shares of the above named Company, hereby appoint:

1.	Name :	Address :
	E-mail Id :	Signature :
or failing him/her		
2.	Name :	Address:
	E-mail Id :	Signature :
or failing him/her		
3.	Name :	Address:
	E-mail Id :	Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company to be held on Friday, 23rd August, 2019 at 11.30 a.m. at #6-3-541/C, Panjagutta, Hyderabad – 500082 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolut ion number	Resolutions	Vote	
		For	Against
Ordinary Business:			
1.	Adoption of Financial Statement: Adopt the Audited Balance Sheet as at 31 st March, 2019, Statement of Profit and Loss, Cash Flow Statement & notes thereof for the year ended as on that date and the Reports of the Directors' and the Auditors' thereon.		
2.	To appoint a Director in place of Smt. N Bhuvaneswari, who retires by rotation and being eligible, offers himself for re-appointment.		

Affix
Revenue
Stamp

Signed this _____ day of _____ 2019

Signature of Shareholder

Signature of Proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

2. A Proxy need not be a member of the Company.

3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A Proxy Form is attached herewith. Proxies submitted on behalf of the corporate, societies etc., must be supported by an appropriate resolution/authority, as applicable

4. This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

5. Corporate Member(s) intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting

6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

7. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders.