

2<sup>nd</sup> Annual Report  
2018-19

**Heritage Novandie Foods  
Private Limited**

### **Board of Directors**

- 1) Mrs. N Brahmani
- 2) Mr. Srivishnu Raju Nandyala
- 3) Mr. Bertrand Jacques Philippe Carreau (Resigned from Board on 25/10/2018)
- 4) Mr. Mr. Gilles Hope Rapp (Resigned from Board on 09/05/2019)
- 5) Mr. Maxime Jean Patrice Gervoson (Appointed in the Board on 25/10/2018)
- 6) Ms. Emilie Laure Lucie Moulard Anand (Appointed in the Board on 09/05/2019)

### **Registered Office**

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

### **Statutory Auditors**

M/s. B S R & Associates LLP,  
Chartered Accountants

Salarpuria Knowledge City, Orwell,  
6th Floor, Unit-3, Survey No. 83/1,  
Plot No.2, Raidurg, Hyderabad – 500081

### **Bankers**

HDFC Bank Limited,  
Lakadikapool Branch,  
Hyderabad, Telangana.

**NOTICE**

Members of Heritage Novandie Foods Private Limited are hereby given notice for the 2<sup>nd</sup> Annual General Meeting of the Company, the schedule of which and the business to be transacted therein, are given below

Day and Date : 23<sup>rd</sup> August, 2019  
Time : 2.30 p.m.  
Venue : Registered Office: 6-3-541/C, Panjagutta,  
Hyderabad – 500 082

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement for the Financial Year ended 31<sup>st</sup> March, 2019, the Reports of the Board Director's and the Auditor's thereon.

**SPECIAL BUSINESS**

2. **To Appoint Mr. Maxime Jean Patrice Gervoson (DIN:08246852), as a of the Company:**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** pursuant to provision of Section 161 the Companies Act, 2013 rules made thereon and amended from time to time, Mr. Maxime Jean Patrice Gervoson (DIN: 08246852) who was appointed as an Additional Director with effect from 25<sup>th</sup> October, 2018 on the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company as per the provisions of the Articles of Associations of the Company, Section 149, 152 and other applicable provisions of the Companies Act, 2013 (including any Statutory Modification(s) or re-enactment thereof for the time being in force) and rules made thereof as amended form time to time.”

**“RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution as per the Companies Act, 2013 & the rules made thereof as amended from time to time”

3. **To appoint Mrs. Emilie Laure Lucie Moulard Anand (DIN: 08005149, as a Director of the Company**

To consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**.

**“RESOLVED THAT** pursuant to provision of Section 161 the Companies Act, 2013, Mrs. Emilie Laure Lucie Moulard Anand (DIN: 08005149) who was appointed as an Additional

Director with effect from 9<sup>th</sup> May, 2019 on the Board of the Company and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company as per the provisions of the Articles of Associations of the Company, Section 149, 152 and other applicable provisions of the Schedules of the Companies Act, 2013 (including any Statutory Modification(s) or re-enactment thereof for the time being in force) and rules made thereof as amended from time to time.”

**“RESOLVED FURTHER THAT** the Board of Directors, be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution as per the Companies Act, 2013 & the rules made thereof as amended from time to time”.

**By Order of the Board**

**For HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-

**N. Brahmani**  
Director  
DIN: 02338940

Place: Hyderabad  
Date: 09<sup>th</sup> 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. Pursuant to notification no: G.S.R 432(E) issued by the Ministry of Corporate Affairs on 7<sup>th</sup> 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.

The Shareholders of the Company at their 1<sup>st</sup> Annual General Meeting held on 23<sup>rd</sup> August, 2018 appointed M/s. B S R & Associates LLP (FRN:116231W/W100024), Chartered Accountants Hyderabad, as a Statutory Auditor of the Company, for a period of five years, (i.e. conclusion of the 6<sup>th</sup> Annual General Meeting of the Company to be held on during the year 2023) as per the provisions of Section 139 of the Companies Act, 2013 and rules made thereof and amended from time to time.

By Order of the Board

**For HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-

**N. Brahmani**  
Director  
DIN: 02338940

Place: Hyderabad  
Date: 09<sup>th</sup> May, 2019

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM No: 2**

Mr. Maxime Jean Patrice Gervoson (DIN:08246852) was appointed as an Additional Director of the Company with effect from 25<sup>th</sup> October, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company to holds the office up to the date of the ensuing Annual General Meeting of the Company.

Now, according to provisions of the Companies Act, 2013, approval of Members is required for the purpose of regularizing his appointment as Director of the Company in this Annual General Meeting of the Company.

None of the Directors or their relatives is any way concerned or interested, in the said resolution.

The Board recommends the said resolution to be passed as an Ordinary Resolution.

**ITEM No: 3**

Mrs. Emilie Laure Lucie Moulard Anand (DIN: 08005149) was appointed as an Additional Director of the Company with effect from 9<sup>th</sup> May, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company to holds the office up to the date of the ensuing Annual General Meeting of the Company.

Now, according to provisions of the Companies Act, 2013, approval of Members is required for the purpose of regularizing his appointment as Director of the Company in this Annual General Meeting of the Company.

None of the Directors or their relatives is any way concerned or interested, in the said resolution.

The Board recommends the said resolution to be passed as an Ordinary Resolution.

**By Order of the Board**

**For HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-  
**N. Brahmani**  
Director  
DIN: 02338940

Place: Hyderabad  
Date: 09<sup>th</sup> May, 2019

## DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the 2<sup>nd</sup> 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:

Particulars	(Amt in Rupees)	
	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Turnover	-	-
Profit/(Loss) before taxation	(7,669,007)	(16,32,703)
Less: Tax Expense	-	-
<b>Profit/(Loss) after tax</b>	<b>(7,669,007)</b>	<b>(16,32,703)</b>

### **Operational highlights**

During the year under review, the Company earned total income of NIL during the year and expenses are 7,857,524, The Profit/(Loss) after tax was (7,669,008).

### **Share Capital**

The paid-up capital of the Company is Rs: 4,56,05,980/- divided into 45,60,598 equity shares of Rs. 10/-. During the year the company allotted the Equity Shares of 43,60,598 of Rs.10/- each.

### **Particulars of Contracts or Arrangements 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 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, an extract of annual return in **MGT-9** for the financial year 2018-19 has enclosed in **ANNEXURE II**

### **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.

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**Number of Board Meetings**

During the Financial Year 2018-19, Nine (9) Meetings of the Board of Directors of the Company were held on 23<sup>rd</sup> May, 2018, 06<sup>th</sup> June, 2018, 29<sup>th</sup> June, 2018, 24<sup>th</sup> July, 2018, 25<sup>th</sup> October, 2018, 29<sup>th</sup> November, 2018, 14<sup>th</sup> December, 2018, 18<sup>th</sup> January, 2019 and 1<sup>st</sup> March, 2019.

**Directors**

During the year one Director has resigned from the board and one new Additional Director has appointed by the Board.

**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-III** to the Board's report.

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

The Board has appointed Smt. Khusbu Laxmi Agrawal, (M No: 9376, CP No: 14703), Practicing Company Secretary, as Secretarial Auditor of the Company for the financial year 2019-20 as per the provisions of the Companies Act, 2013.

**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 the 50:50 Joint Venture of M/s. Heritage Foods Limited, Hyderabad, India and M/s. Novandie SNC, France.

**Auditors**

M/s. B S R & Associates LLP, Chartered Accountants Hyderabad, Statutory Auditors of the Company, hold office till the conclusion of 6<sup>th</sup> Annual General Meeting of the Company.

As per the Section 139 of the Companies Act 2013 M/s. B S R & Associates LLP, Chartered Accountants Hyderabad, (FRN: 116231W/W-100024), as auditors of the Company, who was appointed at the 1<sup>st</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> August, 2018 to hold office conclusion of 6<sup>th</sup> 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. NIL

Unsecured Loans: Rs. NIL

Current/Non- Current Investments: NIL

Guarantees: NIL

Securities Extended: NIL

**Particulars of Employees**

Statement of Particulars of Employees, pursuant to the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employees comes under these provisions during the year under review. However the top ten employees of the company in terms of remuneration drawn are as follows:

<b>Employee Name*</b>	<b>Designation</b>	<b>Annual Gross Remuneration Received for FY 18-19 In Rupees</b>	<b>Qualification</b>	<b>Year of Total Experience</b>	<b>Date of Joining</b>	<b>Age (Yrs)</b>	<b>Last Employment before Joining the Company</b>	<b>No of Equity Shares held in the Company</b>
Avanti Dhar	Manager-S&M	16,16,196	PGD-FABM	3.30	16.05.2018	29	Archer Daniels Midland	Nil
Chaitali Nitin Patil	Manager-QC and R&D	16,16,196	MS-SFTM	4.40	01.06.2018	30	Novandie	Nil

\* The company is having only above two employees as on 31-03-2019

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

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

There are no material changes since 31<sup>st</sup> March 2019 and until the date of this report, however one of the Directors has resigned from the Board and the Board has appointed a new Additional Director in the Board.

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

During the year under review the Company received foreign exchange in the form of Indian Rupees from the Parent Company namely Novandie in the form of Equity Share Capital. The Company also has given advances for purchase of machineries to the foreign suppliers (total €238222 Euro in INR equivalent to Rs.200.28 Lakhs) in the form of Indian Rupees. The information required to be given pursuant to Section 134 (3) (m) of the Companies Act, 2013, Particulars of Conservation of Energy/Technology absorption: NIL.

**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;

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- 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 stakeholders 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.

**By Order of the Board**

For **HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-  
**N. Brahmani**  
Director  
DIN: 02338940

Sd/-  
**Srivishnu Raju Nandyala**  
Director  
DIN: 00025063

Place: Hyderabad  
Date: 09<sup>th</sup> 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	Date of initial approval by the board, if any	Salient terms of contracts/ arrangement s/ transactions
1	Heritage Foods Limited	Parent company	Purchase of Capital Goods	40.18	N A	18 <sup>th</sup> January, 2019	As per PO

For and on behalf of

**HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

**Registered Office:**

#6-3-541/C, Punjagutta,  
Hyderabad – 500 082  
CIN: U74999TG2017PTC120860

Place: Hyderabad  
Date: May 9, 2019

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

**Annexure - II**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> 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	: U74999TG2017PTC120860
(ii) Registration Date	: 28-11-2017
(iii) Name of the Company	: HERITAGE NOVANDIE FOODS PRIVATE 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, Panjagutta, Hyderabad-500082, Telangana, India
(vi) Whether Listed Company	: NO
(vii) Name, Address and contact details of Registrar and Transfer Agent, if any	: NA

**II. PRINCIPAL BUSINESS ACITVITIES 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	Fruit Yogurt	10509	-

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate/Joint Venture	% of Shares hold	Applicable Section
1.	Heritage Foods Limited, India	L15209TG1992PLC014332	Joint Venture	50%	Sec.2 (46)
2.	Novandie SNC, France	-	Joint Venture	50%	

**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 beginning of the year 01.04.2018				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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual / HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	-	1,00,000	1,00,000	50.00	-	22,80,299	22,80,299	50.00	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub total</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>50.00</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	-

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2018				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	
<b>(A) (1):-</b>									
<b>(2) Foreign</b>									
(a) NRIs Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	1,00,000	1,00,000	50.00	-	22,80,299	22,80,299	50.00	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	<b>1,00,000</b>	<b>1,00,000</b>	<b>50.00</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	-	<b>2,00,000</b>	<b>2,00,000</b>	<b>100.00</b>	-	<b>45,60,598</b>	<b>45,60,598</b>	<b>100.00</b>	-
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FII	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	-	-	-	-	-	-	-	-	-
(a) Bodies Corporate	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
(c) Others (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B2)</b>	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>2,00,000</b>	<b>2,00,000</b>	<b>100.00</b>	-	<b>45,60,598</b>	<b>45,60,598</b>	<b>100.00</b>	-

**(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, India	1,00,000	50.00	-	22,80,299	50.00	-	-
2.	Novandie SNC, France	1,00,000	50.00	-	22,80,299	50.00	-	-

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

1- HERITAGE FOODS LIMITED

Particulars	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	1,00,000	50.00	1,00,000	2.19
Date wise Increase/Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/ transfer/bonus/sweat equity etc)	29-06-2018 Allotment of 9,98,502 Shares against funding		9,98,502	21.89
	01-03-2019 Allotment of 11,81,797 Shares against funding		11,81,797	25.91
At the end of the Year 31.03.2019	-	-	<b>22,80,299</b>	<b>50.00</b>

2- NOAVANDE SNC

Particulars	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	1,00,000	50.00	1,00,000	2.19
Date wise Increase/Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/ transfer/bonus/sweat equity etc)	29-06-2018 Allotment of 9,98,502 Shares against funding		9,98,502	21.89
	01-03-2019 Allotment of 11,81,797 Shares against funding		11,81,797	25.91
At the end of the Year 31.03.2019	-	-	<b>22,80,299</b>	<b>50.00</b>

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
-	-	-	-	-	-	-	-	-

**(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	Mrs. N. Brahmani	NIL			
2	Mr. N. Sri Vishnu Raju				
3	Mr. Gilles Hope Rapp				
4	Mr. Bertrand Jacques Philippe Carreau*				
5	Mr. Maxime Jean Patrice Gervoson				

\* Mr. Bertrand Jacques Philippe Carreau has resigned from the Board on 25<sup>th</sup> October, 2018

**(V) INDEBTEDNESS**

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil			
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
• Addition				
• Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**(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	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - As % of profit - Others, specify		
5.	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

**B. Remuneration to other Directors:**

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

**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		
	<b>Total</b>		

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**Annexure - III**

**FORM No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**For the Financial year ended 31<sup>st</sup> 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 Novandie Foods Private Limited**  
CIN: U74999TG2017PTC120860  
# 6-3-541/C, 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 Novandie Foods Private 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 31<sup>st</sup> 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 31<sup>st</sup> 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 23<sup>rd</sup> 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 reappointment of Directors including the Managing Director and Whole time Directors. During the year under review the Company has appointed one Director and one Director has resigned from the Board.
- f) During the year under review the Board of Directors met 9 times, i.e. 23<sup>rd</sup> May, 2018, 06<sup>th</sup> June, 2018, 29<sup>th</sup> June, 2018, 24<sup>th</sup> July, 2018, 25<sup>th</sup> October, 2018, 29<sup>th</sup> November, 2018, 14<sup>th</sup> December, 2018, 18<sup>th</sup> January, 2019 and 01<sup>st</sup> 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: 27<sup>th</sup> April, 2019

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

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**ANNEXURE-A TO SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**Heritage Novandie Foods Private Limited**  
CIN: U74999TG2017PTC120860  
# 6-3-541/C, 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: 27<sup>th</sup> April, 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)

<b>Sl No.</b>	<b>Particulars/ E-Forms No</b>	<b>Due Date</b>	<b>Filing Date</b>
1	Allotment of Equity Shares/MGT 14	29/04/2018	04/04/2018
2	Allotment of Equity Shares/PAS 3	29/04/2018	04/04/2018
3	Audited financial results for the Year ended 31 <sup>st</sup> March, 2018 /AOC-4	22/06/2018	28/05/2018
4	EGM Resolution for Increase of Authorized Capital /MGT 14	29/06/2018	18/06/2018
5	Increase of Authorized Capital to Rs.5 Cr /SH-7	29/06/2018	25/06/2018
6	Offer Equity Shares/MGT-14	05/07/2018	04/07/2018
7	Allotment of Equity Shares/MGT 14	28/07/2018	05/07/2018
8	Allotment of Equity Shares/PAS 3	28/07/2018	11/07/2018
9	Un-audited Financial Results for the quarter ended 30 <sup>th</sup> June, 2018./MGT-14	23/08/2018	31/07/2018
10	Annual Return /AOC-4	22/09/2018	01/10/2018
11	Appointment of Statutory Auditor of the Company/ ADT-1	22/09/2018	25/02/2019
12	Annual Return / MGT-7	22/10/2018	10/09/2018
13	Un-audited Financial Results for the quarter ended 30 <sup>th</sup> September, 2018/ MGT-14	24/11/2018	26/10/2018
14	Appointment of Director/DIR-12	24/11/2018	29/10/2018
15	Resignation of Director/DIR-12	24/11/2018	29/10/2018
16	EGM Resolution for Borrowing Powers Limit /MGT 14	27/01/2019	31/12/2018
17	Increase of Authorized Capital to Rs.7 Cr /SH-7	27/01/2019	07/01/2019
18	Un-audited Financial Results for the quarter ended 31 <sup>st</sup> December, 2018 and Term Loan/ MGT-14	17/02/2019	06/02/2019
19	Appointment of Secretarial Auditor/MGT-14	01/04/2019	02/04/2019

Place: Hyderabad

Date: 27<sup>th</sup> April, 2019

Sd/-

**P Sarada**

M. No. 21717

CP. No. 8735

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Heritage Novandie Foods Private Limited Report**

#### **on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of Heritage Novandie Foods Private Limited (“the Company”), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

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, of the state of affairs of the Company as at 31 March 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Other Information**

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors are 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, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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.

In preparing the financial statements, management and Board of Directors are 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.

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

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

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

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

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

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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

## **Report on Other Legal and Regulatory Requirements**

1. The Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 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) The Company has been exempted from the requirement of its auditor reporting with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

### **Report on Other Legal and Regulatory Requirements (continued)**

- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company was incorporated on 28 November 2017, accordingly, the disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8<sup>th</sup> November 2016 to 30 December 2016 are not applicable to the Company.
3. The matter to be included in the Auditors' Report under section 197(16) is not applicable to the Company.

### ***for* B S R & Associates LLP**

*Chartered Accountants*

Firm Registration Number: 116231W/W-100024

Sd/-

**Sriram Mahalingam**

*Partner*

Membership No.: 049642

**Place:** Hyderabad

**Date:** 09 May 2019

**Balance sheet as at 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	1,456.22	-
Capital work-in-progress	2	1,31,664.21	-
Non-current taxes	3	129.52	-
Other non-current assets	4	5,22,870.41	-
<b>Total non-current assets</b>		<b>6,56,120.36</b>	-
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	5	7,74,857.00	13,287.99
Bank balances other than cash and cash equivalents	6	2,21,165.64	-
Other financial assets	7	1,416.00	-
Other current assets	8	1,037.90	-
<b>Total current assets</b>		<b>9,98,476.54</b>	<b>13,287.99</b>
<b>Total assets</b>		<b>16,54,596.90</b>	<b>13,287.99</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9	4,56,059.80	20,000.00
Other equity	10	11,70,899.50	(16,327.03)
<b>Total equity</b>		<b>16,26,959.30</b>	<b>3,672.97</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	11	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Other financial liabilities	12	24,288.42	9,558.02
Other current liabilities	13	3,349.18	57.00
<b>Total current liabilities</b>		<b>27,637.60</b>	<b>9,615.02</b>
<b>Total equity and liabilities</b>		<b>16,54,596.90</b>	<b>13,287.99</b>
Significant accounting policies	1		
The accompanying notes form an integral part of the financial statements			
As per our report of even date attached			
for <b>B S R &amp; Associates LLP</b>		for and on behalf of the Board of Directors of	
Chartered Accountants		<b>Heritage Novandie Foods Private Limited</b>	
ICAI Firm Registration Number: 116231W/W-100024		CIN: U74999TG2017PTC120860	

**Sriram Mahalingam**  
Partner  
Membership No: 049642

**Nara Brahmani**  
Director  
DIN: 2338940

**N.Sri Vishnu Raju**  
Director  
DIN: 00025063

Place: Hyderabad  
Date: 09 May 2019

**Statement of profit and loss for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

Particulars	Note	For the Year ended 31 March 2019	For the period from 28 November 2017 to 31 March 2018
Revenue from operations		-	-
Other income	14	1,885.16	-
<b>Total income</b>		<b>1,885.16</b>	<b>-</b>
<b>Expenses</b>			
Employee benefits expense	15	40,570.59	-
Finance costs	16	3.86	4.56
Depreciation and amortisation expense	2	434.74	-
Other expenses	17	37,566.04	16,322.47
<b>Total expenses</b>		<b>78,575.23</b>	<b>16,327.03</b>
<b>Loss before Tax</b>		<b>(76,690.07)</b>	<b>(16,327.03)</b>
<b>Tax expense</b>			
Current tax	24	-	-
<b>Loss for the year/period</b>		<b>(76,690.07)</b>	<b>(16,327.03)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year/period</b>		<b>(76,690.07)</b>	<b>(16,327.03)</b>
<b>Earnings per share</b>			
(Face value of Rs. 10 per equity share)			
Basic and Diluted	18	<b>(4.01)</b>	<b>(124.97)</b>
Significant accounting policies	1		
The accompanying notes form an integral part of the financial statements			
As per our report of even date attached			

for **B S R & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 116231W/W-100024

for and on behalf of the Board of Directors of  
**Heritage Novandie Foods Private Limited**  
CIN: U74999TG2017PTC120860

**Sriram Mahalingam**  
Partner  
Membership No: 049642

**Nara Brahmani**  
Director  
DIN: 2338940

**N.Sri Vishnu Raju**  
Director  
DIN: 00025063

Place: Hyderabad  
Date: 09 May 2019

**Statement of cash flow for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

Particulars	For the year ended 31 March 2019	For the period from 28 November 2017 to 31 March 2018
<b>Cash flow from operating activities:</b>		
Loss before tax	(76,690.07)	(16,327.03)
<b>Adjustments for:</b>		
Depreciation and amortization	434.74	-
Interest income	(1,295.15)	-
<b>Operating loss before working capital changes</b>	<b>(77,550.49)</b>	<b>(16,327.03)</b>
<b>Adjustments for changes in working capital:</b>		
Other financial assets	(1,416.00)	-
Other current assets	(1,037.90)	-
Other financial liabilities	5,584.71	9,558.02
Other current liabilities	3,292.18	57.00
<b>Cash used in operations</b>	<b>(71,127.50)</b>	<b>(6,712.01)</b>
Income taxes paid	(129.52)	-
<b>Net cash used in operating activities (a)</b>	<b>(71,257.02)</b>	<b>(6,712.01)</b>
<b>Cash flow from Investing activities:</b>		
Capital expenditure (Net of capital advances and capital creditors)	(6,34,889.89)	-
Interest received	1,165.64	-
Placement of bank deposits	(2,21,165.64)	-
<b>Net cash used in investing activities (b)</b>	<b>(8,54,889.89)</b>	<b>-</b>
<b>Cash flow from financing activities:</b>		
Proceeds from issue of equity share capital	16,99,976.40	20,000.00
Payment towards loan processing fee	(12,390.00)	-
<b>Net cash generated from financing activities (c)</b>	<b>16,87,586.40</b>	<b>20,000.00</b>
<b>Net increase in cash and cash equivalents (a+b+c)</b>	<b>7,61,569.01</b>	<b>13,287.99</b>
Cash and cash equivalents at the beginning of the year	13,287.99	-
<b>Cash and cash equivalents at the end of the year (Refer note 5)</b>	<b>7,74,857.00</b>	<b>13,287.99</b>

**Note:**

Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 116231W/W-100024

for and on behalf of the Board of Directors of  
**Heritage Novandie Foods Private Limited**  
CIN: U74999TG2017PTC120860

**Sriram Mahalingam**  
Partner  
Membership No: 049642

**Nara Brahmani**  
Director  
DIN: 2338940

**N.Sri Vishnu Raju**  
Director  
DIN: 00025063

Place: Hyderabad  
Date: 09 May 2019

**Statement of changes in equity for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

As at 31 March 2019:

Particulars	Other Equity			Total
	Equity share capital	Securities premium	Retained Earnings	
Balance as at the date of incorporation (28 November 2017)	-	-	-	-
Shares issued during the period	20,000.00	-	-	20,000.00
<b>Total comprehensive income for the period:</b>				
Loss for the period	-	-	(16,327.03)	(16,327.03)
Other comprehensive income	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>20,000.00</b>	<b>-</b>	<b>(16,327.03)</b>	<b>3,672.97</b>
Shares issued during the period	4,36,059.80	12,63,916.60	-	16,99,976.40
<b>Total comprehensive income for the period</b>				
Loss for the period	-	-	(76,690.07)	(76,690.07)
Other comprehensive income	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>4,56,059.80</b>	<b>12,63,916.60</b>	<b>(93,017.10)</b>	<b>16,26,959.30</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

for and on behalf of the Board of Directors of

**Heritage Novandie Foods Private Limited**

CIN: U74999TG2017PTC120860

**Sriram Mahalingam**

Partner

Membership No: 049642

**Nara Brahmani**

Director

DIN: 2338940

**N.Sri Vishnu Raju**

Director

DIN: 00025063

Place: Hyderabad

Date: 09 May 2019

## **Notes to the financial statements for the year ended 31 March 2019**

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### **Corporate information:**

Heritage Novandie Foods Private Limited (the Company) is a Private Limited Company incorporated in India having its registered office at Hyderabad, Telangana, India. The Company has been incorporated on 28 November 2017. The Company is a Joint Venture (JV) of Heritage Foods Limited, India and Novandie SNC, France with 50:50 shareholding and equal Board composition. The principal activity of the Company is manufacturing and trading of fruit and flavoured yoghurts, milk based pudding and desserts.

### **1. Significant Accounting Policies:**

#### **a) Statement of Compliance:**

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, the relevant provisions of the Companies Act, 2013 (“the Act”).

These financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these financial statements.

#### **b) Basis of preparation:**

These financial statements have been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

#### **c) Functional and presentation currency:**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### **d) Use of estimates and judgements:**

The preparation of financial statements in conformity with IND AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities as at the date of financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes are made to those estimates when management becomes aware of those estimates. Changes in estimates are reflected in the period in the changes are made, if material, their effects are disclosed in the notes to the financial statements.

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting polices (continued)

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#### e) Current and non-current classification

All assets and liabilities in the balance sheet are classified into current and non-current as required under Schedule III reporting framework.

##### Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is expected to be realised within 12 months after the reporting date; or
- iv. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

##### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. It is expected to be settled in the company's normal operating cycle;
- ii. It is held primarily for the purpose of being traded;
- iii. It is due to be settled within 12 months after the reporting date; or
- iv. The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

##### Operating cycle

The Company has ascertained its operating cycle as 12 months that is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

#### f) Property, plant and equipment and depreciation:

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 recognized in the carrying amount of the plant 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.

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting policies (continued)

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#### f) Property, plant and equipment and depreciation (*continued*)

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

Asset Class	Useful life (years)
Computers and accessories	3-6
Furniture and fixtures	10
Office equipment	5

The Depreciation on assets which are commissioned during the year is charged on pro-rata basis from the date of commissioning. 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) Income taxes

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

#### h) Earnings per share:

The basic Earnings per Share (“EPS”) is computed by dividing the net profit/(loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting polices (continued)

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#### h) Earnings per share (continued):

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

#### i) Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and bank balances.

#### j) Financial Instruments:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- a. the entity's business model for managing the financial assets and
- b. the contractual cash flow characteristics of the financial asset.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

#### Fair value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

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

#### Fair value through profit or loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting polices (continued)

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#### j) Financial Instruments (*continued*)

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### **Classification and Subsequent Measurement: Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### **Financial liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

#### **Other financial liabilities:**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Impairment of Financial Assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

#### **Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting polices (continued)

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#### j) Financial Instruments (continued)

been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### k) Financial Risk Management:

The Company principal financial assets include Cash and Cash equivalents and Bank balances other than cash and cash equivalents and principal financial liabilities include other payables.

The Company is exposed to Market Risk, credit Risk and liquidity risk. The Company senior management oversees the management of these risks. The Company senior management is supported by a risk committee that advises on financial risk and the appropriate financial risk governance framework for the company.

#### l) Other Income:

Interest income or expense is recognised using the effective interest method on time proportion method.

#### m) Contingent liabilities and Capital commitments

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

#### n) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from 1 April 2019:

##### **Ind AS 116. Leases**

The Company is required to adopt Ind AS 116, *Leases* from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, *Leases*.

The Company has completed an initial assessment of the potential impact on its financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the financial statements in the period of initial application is not reasonably estimable as at present.

## Notes to the financial statements for the year ended 31 March 2019

### 1. Significant accounting polices (continued)

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#### **i. Leases in which the Company is a lessee**

The Company will recognise new assets and liabilities for its office premises and land. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

#### **ii. Transition**

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

#### **Ind AS 21 – The effect of changes in Foreign Exchange rates**

The amendment clarifies on the accounting of transactions that include the receipt or payment of advance consideration in a foreign currency. The appendix explains that the date of the transaction, for the purpose of determining the exchange rate, is the date of initial recognition of the non-monetary prepayment asset or deferred income liability. If there are multiple payments or receipts in advance, a date of transaction is established for each payment or receipt.

The Company has completed an initial assessment of the potential impact of the amendment on the financial statements. Since the foreign currency transaction are not significant to the operations of the Company, there is no impact on account of adoption of this clarification on the financial statements.

#### **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

#### **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**Note 2: Property, plant and equipment and capital work-in-progress**

Particulars	Gross Block			Accumulated Depreciation				Carrying amount		
	As at 1 April 2018	Additions	Deletions	As at 31 March 2019	As at 1 April 2018	For the year	Deletions	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Computers	-	1,764.16	-	1,764.16	-	412.07	-	412.07	1,352.09	-
Office equipment	-	126.80	-	126.80	-	22.67	-	22.67	104.13	-
<b>Total (A)</b>	-	<b>1,890.96</b>	-	<b>1,890.96</b>	-	<b>434.74</b>	-	<b>434.74</b>	<b>1,456.22</b>	-
<b>Capital Work-in-Progress (B)</b>	-	<b>1,31,664.21</b>	-	<b>1,31,664.21</b>	-	-	-	-	<b>1,31,664.21</b>	-
<b>Total (A+B)</b>	-	<b>1,33,555.17</b>	-	<b>1,33,555.17</b>	-	<b>434.74</b>	-	<b>434.74</b>	<b>1,33,120.43</b>	-

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
<b>Note 3: Non-current taxes</b>		
TDS receivable	129.52	-
	<b>129.52</b>	-
<b>Note 4 : Other non-current Assets</b>		
Capital advances	5,10,480.41	-
Prepaid expenses (processing fee)	12,390.00	-
	<b>5,22,870.41</b>	-
<b>Note 5: Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
In current accounts	7,74,857.00	13,287.99
	<b>7,74,857.00</b>	<b>13,287.99</b>
<b>Note 6: Bank balances other than cash and cash equivalents</b>		
In deposit accounts	2,21,165.64	-
	<b>2,21,165.64</b>	-
<b>Details of bank balances /deposits:</b>		
Balances with banks available in term deposits with original maturity of 3 months or less included under 'Cash and cash equivalents	-	-
Bank deposits due to maturity within 12 months of the reporting date included under 'Bank balances other than cash and cash equivalents'	2,21,165.64	-
Bank deposits due to maturity after 12 months of the reporting date included under 'Other non-current Financial assets'	-	-
	<b>2,21,165.64</b>	-
<b>Note 7: Other financial assets</b>		
Security deposits	1,416.00	-
	<b>1,416.00</b>	-
<b>Note 8: Other current Assets</b>		
Rental advances	320.64	-
Prepaid expenses	521.01	-
Advances to employees	196.25	-
	<b>1,037.90</b>	-

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**Note 9: Equity share capital**

Authorised:	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Equity share capital	70,00,000	7,00,000.00	10,00,000	1,00,000.00
Issued, subscribed and paid-up:	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Equity share capital	45,60,598	4,56,059.80	2,00,000	20,000.00
	<b>45,60,598</b>	<b>4,56,059.80</b>	<b>2,00,000</b>	<b>20,000.00</b>

**Terms and rights attached to equity shares:**

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs.10 each per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of number of shares outstanding at the beginning and at the end of the year :**

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the period	2,00,000	20,000.00	-	-
Add: Issued during the year	43,60,598	4,36,059.80	2,00,000	20,000.00
<b>Balance as at the end of the year</b>	<b>45,60,598</b>	<b>4,56,059.80</b>	<b>2,00,000</b>	<b>20,000.00</b>

**Shareholders holding more than 5% shares in the company is set out below:**

Equity shares	As at 31 March 2019		As at 31 March 2018	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Heritage Foods Limited, India	22,80,299	50%	1,00,000	50%
Novandie SNC, France	22,80,299	50%	1,00,000	50%
	<b>45,60,598</b>	<b>100%</b>	<b>2,00,000</b>	<b>100%</b>

(i) There are no shares issued pursuant to contract without payment being received in cash during the period of five years immediately preceding the reporting date.

(ii) No equity shares bought back during the period of five years immediately preceding the reporting date.

(iii) No shares have been allotted as fully paid up by way of bonus shares during the period of five years immediately preceding the reporting date.

\* The period of five years immediately preceding the reporting date should be considered from the date of incorporation i.e., 28 November 2017.

As per Master Circular No. 15/2014-15 issued by the RBI on Foreign Investment in India, a Company has to file form FC-GPR not later than 30 days from the date of issue of shares to a non-resident. During the current year, in respect of shares allotted to Novandie SNC, France on 01 March 2019, the Company filed the aforementioned form on 19 March 2019. However, owing to the incompleteness of the Form in certain respects, the submitted form has not been accepted by the RBI warranting a resubmission, which the Company has resubmitted on 23 April 2019 and 03 May 2019. The form is under review by the RBI as of the date of these financial statements. However, the Management believes that this is a procedural matter, the disposal of which will not have any financial impact.

**Note 10: Other equity**

	As at 31 March 2019	As at 31 March 2018
<b>Securities premium</b>		
Opening balance	-	-
Add: Received during the year	12,63,916.60	-
<b>Closing balance (A)</b>	<b>12,63,916.60</b>	<b>-</b>
<b>Retained earnings:</b>		
Opening balance	(16,327.03)	-
Add: Loss for the year	(76,690.07)	(16,327.03)
Add: Other comprehensive income	-	-
<b>Closing balance (B)</b>	<b>(93,017.10)</b>	<b>(16,327.03)</b>
<b>Total (A+B)</b>	<b>11,70,899.50</b>	<b>(16,327.03)</b>

**Notes:**

**Securities premium**

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

**Retained earnings**

Retained earnings mainly represent all current and prior year profits as disclosed in the statement of profit and loss less dividend distribution and transfers to general reserve.

**Note 11: Trade payables**

Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	<b>-</b>	<b>-</b>

**Note 12: Other financial liabilities**

Expenses payable	10,557.41	9,558.02
Security deposit	4,585.32	-
Capital creditors	9,145.69	-
	<b>24,288.42</b>	<b>9,558.02</b>

**Note 13: Other current liabilities**

Statutory liabilities	3,349.18	57.00
	<b>3,349.18</b>	<b>57.00</b>

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

	<b>For the Year ended 31 March 2019</b>	<b>For the period from 28 November 2017 to 31 March 2018</b>
<b>Note 14 : Other income</b>		
Interest from bank on deposits	1,295.16	-
Provisions no longer required written back	590.00	-
	<b>1,885.16</b>	<b>-</b>

**Note 15 : Employee benefits expense**

Salaries, wages and bonus	40,219.57	-
Staff welfare expenses	351.02	-
	<b>40,570.59</b>	<b>-</b>

**Note 16: Finance costs**

Interest expense	3.86	4.56
	<b>3.86</b>	<b>4.56</b>

**Note 17: Other expenses**

Rates and taxes	5,669.80	2,227.95
Legal and professional charges	6,354.85	9,920.02
Printing and stationery	90.04	437.00
Bank charges	2,178.31	12.98
Travelling and expenses	8,477.07	184.52
Rent	2,389.82	-
Security charges	594.72	-
Repairs and maintenance	1.00	-
<b>Payment to auditors:</b>	-	-
(including taxes)	-	-
Audit fee	7,168.50	2,950.00
Tax audit	-	590.00
Others	4,641.93	-
	<b>37,566.04</b>	<b>16,322.47</b>

**Note 18: Earnings per share**

**Basic and diluted:**

Loss for the year/ period	(76,690.07)	(16,327.03)
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**Number of equity shares:**

Balance at the commencement of the year	2,00,000	-
Weighted average number shares issued during the year (Annualised)	17,10,807	13,065
	<b>19,10,807</b>	<b>13,065</b>

**Earnings per share**

(Face value of Rs. 10 per equity share)

Basic	<b>(4.01)</b>	<b>(124.97)</b>
Diluted	<b>(4.01)</b>	<b>(124.97)</b>

**Note 19: Deferred tax**

The details of unrecognised deferred tax assets are summarised below:

<b>Particulars</b>	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>
Deferred tax asset on tax losses	28,842.84	5,045.05

During the year ended 31 March 2019, the Company did not recognise deferred tax asset of Rs. 23,797.79 on tax losses as there is no reasonable certainty with convincing evidence that there will future taxable profits against which such tax assets can be utilized.

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**Note 20: Financial instruments – Fair values and risk management**

**A) Accounting classification and fair values:**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	As at 31 March 2019					As at 31 March 2018			
	Carrying	Carrying	Fair value			Carrying	Fair value		
	Note	Amortised cost	Level 1	Level 2	Level 3	Amortised cost	Level 1	Level 2	Level 3
<b>Assets:</b>									
Cash and cash equivalents	5	7,74,857.00	-	-	-	13,287.99	-	-	-
Other bank balances	6	2,21,165.64	-	-	-	-	-	-	-
Other financial assets	7	1,416.00	-	-	-	-	-	-	-
<b>Liabilities:</b>									
Other financial liabilities	12	24,288.42	-	-	-	9,558.02	-	-	-

**B) Financial risk management objectives and policies:**

Since the Company is in initial years of operations there are no significant risks on account of liquidity risk, credit risk and market risk.

**Liquidity risk**

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

**Exposure to liquidity risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

	Contractual cash flows									
	As at 31 March 2019					As at 31 March 2018				
	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>										
Other financial liabilities	24,288.42	24,288.42	-	-	-	9,558.02	9,558.02	-	-	-
	<b>24,288.42</b>	<b>24,288.42</b>	-	-	-	<b>9,558.02</b>	<b>9,558.02</b>	-	-	-

**Note 21: Contingent liabilities and commitments(to the extent not provided for):**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>(I) Commitments</b>		
Estimated amounts of contracts remaining to be executed on capital account [net of capital advance Rs. 510,480.41 (March 31, 2018: Nil)]	14,69,475.61	-

**Note 22: Segment reporting**

The Company is in the business of manufacturing and marketing of milk products. This is the only activity performed and is thus the main source of risks and returns. The Company operates only in India and doesn't have operations in economic environments with different risks and returns. Hence it is considered to operating in single business and geographical Segment. Hence segment wise disclosure is not applicable.

**Note 23 : Dues to micro and small enterprises**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier under the said MSMED Act.

Particulars	As at 31 March 2019	As at 31 March 2018
a) Principal amount remaining unpaid	-	-
b) Interest due thereon	-	-
c) Interest paid by the Company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
e) Interest accrued and remaining unpaid	-	-
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

**Notes to the financial statements for the year ended 31 March 2019**

(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**Note 24: Income taxes**

	For the Year ended 31 March 2019	For the period from 28 November 2017 to 31 March 2018
<b>Amount recognised in Statement of profit or loss</b>	-	-
Current tax	-	-
Deferred tax	-	-
<b>Total</b>	-	-
<b>Reconciliation of effective tax rate</b>		
Loss before tax	(76,690.07)	(16,327.03)
Enacted tax rate	31.20%	30.90%
<b>Tax expenses as per enacted tax rate</b>	(23,927.30)	(5,045.05)
<b>Effect of:</b>		
Unrecognised deferred tax assets	23,927.30	5,045.05
<b>Income tax expense</b>	-	-

**Note 25: Related party disclosures**

**Names of the related parties and nature of relationship:**

**Entities exercise significant influence:**

Heritage Foods Limited  
Novandie SNC

50% shareholder of the Company  
50% shareholder of the Company

Nara Brahmani  
Srivishnu Raju Nandyala  
Bertrand Jacques Philippe Carreau  
Maxime Jean Patrice Gervoson  
Gilles Hope Rapp

Key Managerial Personnel (Director)  
Key Managerial Personnel (Director)  
Key Managerial Personnel (Director) (Upto 25 October 2018)  
Key Managerial Personnel (Director) (From 25 October 2018)  
Key Managerial Personnel (Director)

**Nature of related party transactions:**

	For the year ended to 31 March 2019	For the period from 28 November 2017 to 31 March 2018
<b>Capital contribution (Inclusive of securities premium):</b>		
Heritage Foods Limited	8,49,988.20	10,000.00
Novandie SNC	8,49,988.20	10,000.00
	<u>16,99,976.40</u>	<u>20,000.00</u>
<b>Purchase of capital goods:</b>		
Heritage Foods Limited	40,184.78	-
<b>Reimbursement of expenses:</b>		
Heritage Foods Limited		
Incorporation and other expenses	-	6,699.03

As per our report of even date attached

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024

for and on behalf of the Board of Directors of

**Heritage Novandie Foods Private Limited**

CIN: U74999TG2017PTC120860

**Sriram Mahalingam**  
Partner  
Membership No: 049642

**Nara Brahmani**  
Director  
DIN: 2338940

**N.Sri Vishnu Raju**  
Director  
DIN: 00025063

Place: Hyderabad  
Date: 09 May 2019

<b>ATTENDANCE SLIP</b>
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**HERITAGE NOVANDIE FOODS PRIVATE LIMITED**  
**CIN: U74999TG2017PTC120860**

#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)

<b>DP ID*</b>	
<b>Client ID*</b>	

<b>Folio Number</b>	
<b>No. of Shares</b>	

**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 02<sup>nd</sup> Annual General Meeting of the Company to be held at #6-3-541/C, Panjagutta, Hyderabad – 500082 on Friday, the 23<sup>rd</sup> August, 2019 at 02.30 p.m.

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

\* Applicable for investors holding shares in electronic form

\*\* **Strike out whichever is not applicable**

**PROXY FORM****HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

CIN: U74999TG2017PTC120860

#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 2<sup>nd</sup> Annual General Meeting of the Company to be held on Friday, 23<sup>rd</sup> August, 2019 at 02.30 p.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
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statement: Adopt the Audited Balance Sheet as at 31 <sup>st</sup> 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'		
2.	To appoint a Director in place of Mr. Maxime Jean Patrice Gervoson (DIN:08246852), who retires by rotation and being eligible, offers himself for re-appointment.		
3.	3. To appoint Mrs. Emilie Laure Lucie Moulard Anand (DIN: 08005149), Director of the Company.		

Affix Revenue Stamp
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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.