

**3<sup>rd</sup> Annual Report  
2019-20**

**Heritage Novandie Foods Private  
Limited  
(U74999TG2017PTC120860)**

## **Corporate Information**

### **Registered Office:**

#6-3-541/C, Panjagutta,  
Hyderabad-500082, India  
CIN : U74999TG2017PTC120860

### **Board of Directors**

Mrs. N. Brahmani	-	Director
Mr. Srivishnu Raju Nandyala	-	Director
Mr. Emilie Laure Lucie Moulard Anand	-	Director
Mr. Mr. Serge Michel Lanskoj	-	Additional Director

### **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  
Lakdikapool Branch,  
Hyderabad, Telangana

**NOTICE**

**NOTICE** is hereby given that the Third (3<sup>rd</sup>) Annual General Meeting (AGM) of the members of Heritage Novandie Foods Private Limited will be held on Friday, August 21, 2020 at 2.30 p.m. (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following business(es):

**ORDINARY BUSINESS**

**1. To receive, consider and adopt:**

The Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, the Reports of the Board of Directors and Auditors’ thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolutions:

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby considered and adopted.”

**SPECIAL BUSINESS**

**2. Appointment of Statutory Auditors to fill casual Vacancy.**

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

**“RESOLVED THAT** pursuant to Sections 139(8) of the Companies Act, 2013 (“Act”) read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), the consent of the shareholder be and is hereby accorded to ratify the appointment of M/s. Walker Chandiok & Co LLP, Chartered Accountants (FRN:001076N/N500013), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. BSR & Associates LLP, Chartered Accountants.”

**“RESOLVED FURTHER THAT** M/s. Walker Chandiok & Co LLP, Chartered Accountants, (FRN:001076N/N500013), be and are hereby appointed as Statutory Auditors of the Company to hold the office from July 24, 2020, until the conclusion of this Third (3<sup>rd</sup>) Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Board of Directors in consultation with the Statutory Auditors.”

**3. Appointment of M/s. Walker Chandiok & Co LLP as the Statutory Auditors 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 Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), M/s. Walker Chandiook & Co LLP, Chartered Accountants, (FRN:001076N/N500013), who were appointed by the board to fill the casual vacancy created by resignation of M/s. BSR & Associates LLP, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of this 3<sup>rd</sup> Annual General Meeting till the conclusion of the 8<sup>th</sup> Annual General Meeting of the Company to be held in the financial year 2025-26, at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Board of Directors in consultation with the Auditors and duly approved by the Managing Director of the Company.”

**4. To Appoint Mr. Serge Michel Lansky (DIN: 08586665), 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 rules made thereon and amended from time to time, Mr. Serge Michel Lansky (DIN: 08586665) who was appointed as an Additional Director with effect from 17<sup>th</sup> October, 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 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”

**By Order of the Board**  
For **HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-  
**N. BRAHMANI**  
DIRECTOR  
DIN: 02338940

Place: Hyderabad  
Date: 24<sup>th</sup> July, 2020

**Notes:**

1. Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted to convene the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. Since, this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.
3. Since, the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
4. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), SS-2 (Secretarial Standard on General Meeting) issued by the Institute of Company Secretaries of India (“ICSI”) and the provisions of the Ministry of Corporate Affairs Circulars and SEBI Circular, and any amendments thereto, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast their vote through Remote e-Voting.
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. In cases where any member has not registered his/ her e-mail address with the company, the service of documents etc. will be effected by other modes of service as provided in Section 20 of the Companies Act, 2013 read with the relevant Rules made thereunder. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/her Depository Participant / the Company’s Registrar & Share Transfer Agent as the case may be.

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

The following statement sets out all the material facts relating to the item 2 & 3 in the accompanying Notice.

**Item No. 2:**

The Members of the Company at its 1<sup>st</sup> General Meeting held on August 23, 2018 had appointed M/s. BSR & Associates LLP, Chartered Accountants, (FRN:116231W/W100024) as the Statutory Auditors of the Company to hold office from the conclusion of 1<sup>st</sup> AGM till the conclusion of 6<sup>th</sup> Annual General Meeting of the Company.

M/s. BSR & Associates LLP, Chartered Accountants, (FRN: 116231W/W100024) have resigned from the position of Statutory Auditors of the Company w.e.f. July 24, 2020, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on July 24, 2020, have appointed M/s. Walker Chandiok & Co LLP, Chartered Accountants, (FRN. 001076N/N500013), in pursuant to the provisions of Section 139(8) of the Companies Act, 2013, to hold the office of the Statutory Auditors of the Company till the conclusion of 3<sup>rd</sup> AGM and to fill the casual vacancy caused by the resignation of M/s. BSR & Associates LLP, Chartered Accountants, (FRN:116231W/W100024), subject to the approval by the members at the 3<sup>rd</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined by the Board of Directors in consultation with the Auditors.

The Company has received consent letter and eligibility certificate from M/s. Walker Chandiok & Co LLP, Chartered Accountants, (FRN.001076N/N500013), to act as Statutory Auditors of the Company in place of M/s. BSR & Associates LLP, Chartered Accountants, (FRN:116231W/W100024) along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 2 of the Notice for ratification of the appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members.

**ITEM NO. 3**

The Board of Directors at its meeting held on July 24, 2020, have appointed M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firms Registration No. 001076N/ N500013), as Statutory Auditors of the Company to fill the casual vacancy created by the resignation of M/s. BSR & Associates LLP, Chartered Accountants,. Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firms Registration No. 001076N/ N500013) are required to be

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reappointed by the members to hold office for a period of five years, from the conclusion of the 3rd Annual General Meeting till the conclusion of the 8th AGM of the Company to be held in the financial year 2025-26, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined by the Board of Directors of the Company in consultation with the Statutory Auditor.

The Company has received consent letter and eligibility certificate from M/s. Walker Chandiok & Co LLP, Chartered Accountants, (FRN:001076N/N500013) to act as Statutory Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 3 of the Notice for appointment and payment of remuneration to the Statutory Auditors.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members

**ITEM No: 4**

Mr. Serge Michel Lanskoy (DIN: 08586665) was appointed as an Additional Director of the Company with effect from October 17, 2019, 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, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

The Board recommends an Ordinary Resolution set out in the Notice for approval by the Members

**By Order of the Board**  
**For HERITAGE NOVANDIE FOODS PRIVATE LIMITED**

Sd/-  
**N. BRAHMANI**  
DIRECTOR  
DIN: 02338940

Place: Hyderabad  
Date: 24<sup>th</sup> July, 2020

## DIRECTORS REPORT

Dear Members,

Your Directors have pleasure in presenting the Third (3<sup>rd</sup>) Annual Report of the Company together with the Audited Accounts of the Company for the financial year ended March 31, 2020.

### Financial Results

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

Particulars	(Amt. in ₹)	
	Year ended 31st March 2020	Year ended 31 <sup>st</sup> March 2019
Turnover	-	-
Profit/(Loss) before taxation	(14,008,393)	(7,669,008)
Less: Tax Expense	-	-
<b>Profit/(Loss) after tax</b>	<b>(14,008,393)</b>	<b>(7,669,008)</b>

### State of Company's affairs and future outlook

The Board may provide a brief about the operational highlights specifying growth in terms of volume and value of the key products/ services of the Company which led to overall growth in operating profit. The object of the Company is to manufacture and market various types of Yoghurt and other dairy products in India. It is in the process of building its manufacturing facility in Palghar District, Maharashtra.

During the year under review, the Company earned a total income of Rs. 1,146,381 and expenses of Rs. 15,154,774. The Net Profit/(Loss) after tax was (Rs.14,008,393)

The Company has not change its nature of business during the year under review.

### Share Capital

The Paid-up Equity Share Capital as on March 31, 2020 was ₹ 4,56,05,980/- (Rupees Four Crore Fifty Six Lakh Five Thousand Nine Hundred Eighty Only) divided into 45,60,598 equity shares of Rs. 10/- each.

During the year under review, there is no changes in the Authorised and paid up share capital of the Company.

### Compliance with the provisions of Secretarial Standard-1 and Secretarial Standard-2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly complied by the Company.

### Transfer to General Reserves

Your Directors do not propose to transfer any amount to General Reserves for the financial year ended March 31, 2020.

**Change in Nature of Business**

There has been no change in the nature of business of the Company.

**Particulars of Contract or Arrangements made with Related Parties**

The particulars of contracts or arrangements with related parties as per the Section 188 of the Companies Act, 2013 entered by the Company during the financial year ended March 31, 2020 in prescribed Form AOC-2, as required to be provided under section 134(3)(h) of the Companies Act, 2013, annexed to this Board's Report (**Annexure-I**). Further there were no materially significant related party transactions held during the period under review with Promoters, Directors, Key Managerial Personnel and their relatives, which may have potential conflict with interest of the company at large. 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**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, as amended from time to time, an extract of annual return in **MGT-9** for the financial year 2019-20 has enclosed in **Annexure- II**

**Dividend**

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

**Board Meetings and Annual General Meeting**

During the Financial Year 2019-20, Six (6) Meetings of the Board of Directors of the Company were held on 9<sup>th</sup> May, 2019, 24<sup>th</sup> July, 2019, 17<sup>th</sup> October, 2019, 24<sup>th</sup> January, 2020 and 31<sup>st</sup> March, 2020. The Annual General Meeting of the Company was held on 23<sup>rd</sup> August, 2019.

**Directors**

In accordance with Articles of Association of the Company and provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Serge Michel Lanskoj (DIN: 08586665) was appointed as an Additional Director of the Company with effect from October 17, 2019.

During the under review Mr. Maxime Jean Patrice Gervoson (DIN: 08246852) Director of the Company resign from the Board with effect from October 17, 2019.

**Subsidiary/Associate/Joint Venture Companies:**

There are no companies which has become or ceased to be subsidiaries or joint ventures or associate companies during the year. However, Company is the 50:50 Joint Venture of M/s. Heritage Foods Limited, Hyderabad, India and M/s. Novandie, France.

**Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals:**

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

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**Statutory Auditors**

M/s. BSR & Associates LLP, Chartered Accountants, Hyderabad (FRN: 116231W/W-100024), who was appointed as the Statutory Auditors of the Company at 1<sup>st</sup> Annual General Meeting of the company held on 23<sup>rd</sup> August, 2018 and submitted the Audit Report (UDIN:20049642AAAABG4086) for the Financial Year 2019-20.

The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer.

During the Financial Year 2020-21 the Statutory Auditor of the Company M/s. BSR & Associates LLP, Chartered Accountants, Hyderabad (FRN: 116231W/W-100024) had resigned from the Company and the Board of Directors appointed M/s. Walker Chandiok & Co LLP (Firm's Registration No.: 001076N/N500013), Hyderabad, as the Statutory Auditors of the Company to hold office until the conclusion of the ensuing Annual General Meeting on July 24, 2020 to fill the casual vacancy subject to the approval of shareholders.

The Board also recommended to appoint M/s. Walker Chandiok & Co LLP (Firm's Registration No.: 001076N/N500013), Hyderabad as the Statutory Auditor of the company for a period of five (5) years from the conclusion of this 3<sup>rd</sup> Annual General Meeting till the conclusion of the 8<sup>th</sup> Annual General Meeting of the Company to be held in the financial year 2025-26.

**Secretarial Auditor:**

Smt. Khusboo Laxmi Agrawal (M No: 9376, CP No:14703) , Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for the financial year 2019-20 under Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendment made thereafter. The secretarial audit report (**UDIN: F009376B000234249**) for financial year 2019-20 issued by Smt. Khusboo Laxmi Agrawal (M No: 9376, CP No:14703), Practicing Company Secretary in form MR-3 is provided in the **Annexure-III** of the Board's report.

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

**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. 5,80,00,000

Unsecured Loans: Rs. NIL

Current/Non- Current Investments: NIL

Guarantees: NIL

Securities Extended: NIL

However the parent companies i.e. Heritage Foods Limited and Novandie (as per their 50:50 shareholding) has extended a guarantee amounting to Rs.17 Cr long term loan and Rs.5 Cr working capital for the loan sanctioned by ICICI bank.

**Material changes & commitments affecting the financial position of the company between the end of financial year and the date of report:**

There are no material changes since 31<sup>st</sup> March 2020 and till the date of this report.

### **Particulars of Employees**

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

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:

Sl No	EMP Name	Designation	Department	DOB	DOJ	Annual Gross Remuneration Received For FY19-20 (Rs in Lakhs)	No of Shares held in the Company
1	Avanti Dhar	Manager-S&M	Marketing	15-03-1990	16-05-2018	17.03	-
2	Chaitali Nitin Patil	Manager-Qc And R&D	Qc & R&D	08-12-1989	01-06-2018	17.03	-
3	Bhomle Rahul Rambhau	Manager-Opns	Operations	23-04-1976	12-08-2019	14.13	-
4	Singh Himanshu Panchbahadur	Sr. Executive - Opns	Maintenance	12-08-1993	03-09-2019	3.42	-
5	M Vivek	General Manager	General	08-04-1982	03-10-2019	17.29	-
6	Akshay Krishna Mahadik	Manager - Hr	Hr	05-09-1989	11-03-2020	0.62	-

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.

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

During the year under review, the Company was not received any foreign exchange 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.

### **Public Deposits**

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

### **Cash Flow Statement**

In conformity with the Companies Act, 2013 and Accounting Standard – 3 under Section 129 of the Companies Act, 2013, the Cash Flow Statement for the year ended on March 31, 2020 is attached as a part of the Financial Statement of the Company.

### **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, 2020, 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, 2020 and of the profit & loss of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a 'going concern' basis; and
- e) The Directors 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/-  
**Emilie Laure Lucie Moulard Anand**  
Director  
DIN: 08005149

Place: Hyderabad  
Date: 24<sup>th</sup> July 2020

**Annexure-I**

**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:

S. No	Name of the Related Party	Nature of Relationship	Details of Transactions	Cumulative Amounts for the F.Y. ended 31 <sup>st</sup> March, 2020 (₹ in Lakhs)	Duration of contracts/ arrangements/ transactions
1	Heritage Foods Limited	Parent Company	Lease Rental Expenses	9.54	Not Applicable
			Rent paid	4.50	
			Financial Guarantee Expenses (without GST)	2.44	
			Expenditure incurred on behalf of HNFPL	0.97	
			Reimbursement of insurance proceeds received on behalf of HNFPL	0.18	

For and on behalf of  
**HERITAGE NOVANDIE FOODS PRIVATE LIMITED**  
(CIN: U74999TG2017PTC120860)

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

Place: Hyderabad  
Date: 24<sup>th</sup> July, 2020

**Annexure - II**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31<sup>st</sup> March, 2020**  
[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, 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 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% 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	-	22,80,299	22,80,299	50.00	-	22,80,299	22,80,299	50.00	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub total</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	-
<b>(A) (1):-</b>									
<b>(2) Foreign</b>									
(a) NRIs Individuals	-	-	-	-	-	-	-	-	-
(b) Other Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	22,80,299	22,80,299	50.00	-	22,80,299	22,80,299	50.00	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	-	<b>22,80,299</b>	<b>22,80,299</b>	<b>50.00</b>	-
<b>Total shareholding</b>	-	<b>45,60,598</b>	<b>45,60,598</b>	<b>100.00</b>	-	<b>45,60,598</b>	<b>45,60,598</b>	<b>100.00</b>	-

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>of Promoter (A) = (A)(1)+(A)(2)</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>	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>45,60,598</b>	<b>45,60,598</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 01.04.2019			Shareholding at the end of the year 31.03.2020			% Change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged /encumbered to total shares	
1.	Heritage Foods Limited, India	22,80,299	50.00	-	22,80,299	50.00	-	-
2.	Novandie, France	22,80,299	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 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>At the beginning of the year 01.04.2019</b>	22,80,299	50.00		
Date wise Increase/Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer /bonus/sweat equity etc)	_____	_____		
<b>At the end of the Year 31.03.2020</b>	-	-	<b>22,80,299</b>	<b>50.00</b>

2- NOVANDIE

Particulars	Shareholding at the beginning of the year 01.04.2019		Cumulative Shareholding during the year 31.03.2020	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>At the beginning of the year 01.04.2019</b>	<b>22,80,299</b>	<b>50.00</b>		
Date wise Increase/Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc)				
<b>At the end of the Year 31.03.2020</b>	-	-	<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 (01.04.2019 to 31.03.2020)	
		No. of Shares at the Beginning (01.04.2019)	% 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	Smt. N Brahmani	NIL			
2	Sri. N Srivishnu Raju				
3	Smt. Emilie Laure Lucie Moulard Anand				
4	Sri. Serge Michel Lanskoy				

(V) INDEBTEDNESS

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

Amount in Rs.

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(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	5,80,00,000	-	-	-
• Reduction	59,40,900			
<b>Net Change</b>	<b>5,20,59,100</b>	-	-	-
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount	5,20,59,100	-	-	-
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>5,20,59,100</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 Commission Others, please specify <b>Total (1)</b>	NIL
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					

**NIL**

For and on behalf of  
**HERITAGE NOVANDIE FOODS PRIVATE LIMITED**  
(CIN: U74999TG2017PTC120860)

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

Place: Hyderabad  
Date: 24<sup>th</sup> July, 2020

**FORM No. MR-3**

**SECRETARIAL AUDIT REPORT**

**For the Financial year ended 31<sup>st</sup> March, 2020**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Heritage Novandie Foods Private Limited**  
CIN: U74999TG2017PTC120860  
# 6-3-541/C, Irrum Manzil Colony  
Punjagutta, 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, 2020 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, 2020 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, 2019.

- 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 5 times, i.e. 09<sup>th</sup> May, 2019, 24<sup>th</sup> July, 2019, 17<sup>th</sup> October, 2019, 24<sup>th</sup> January, 2020 and 31<sup>st</sup> March, 2020. The time gap between the two Board meetings is within 120 days.
- g) During the year under review, no payment of remuneration was made to 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.

**Khusboo Laxmi Agrawal**

M. No. 9376

CP. No. 14703

**UDIN: F009376B000234249**

Place: Hyderabad  
Date: 13<sup>th</sup> May, 2020

**ANNEXURE-A TO SECRETARIAL AUDIT REPORT**

To,

The Members,

**Heritage Novandie Foods Private Limited**

CIN: U74999TG2017PTC120860

# 6-3-541/C, Punjagutta, 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.

**Khusboo Laxmi Agrawal**

M. No. 9376

CP. No. 14703

**UDIN: F009376B000234249**

Place: Hyderabad

Date: 13<sup>th</sup> May, 2020

## **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 2020, 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 (collectively referred as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 2020 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 on the financial statements.

#### **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 and Board of Directors' 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, profit/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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 in the financial statements made by the Management and Board of Directors.

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

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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. As required by the Companies (Auditors’ Report) Order, 2016 (“the Order”) issued by the Central Government in terms of section 143 (11) of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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.

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

(B) 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:

- 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 disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

The Company is a Private Limited Company; accordingly, the matter to be included in the Auditor's 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

**Sriram Mahalingam**

*Partner*

Membership No: 049642

UDIN: 20049642AAAABG4086

Place: Hyderabad

Date: 20-05-2020

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**Annexure A to the Independent Auditor's Report on financial statements**

With reference to Annexure A referred to in the Independent Auditor's Report of even date to the members of Heritage Novandie Foods Private Limited ('the Company') on the financial statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, all the fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable properties. In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company.
- ii. The Company does not hold any inventories during the year. Accordingly, the provisions of clause 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 ('Act'). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the said Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the said Order is not applicable to the Company.
- v. The Company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and Rules framed thereunder.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for maintenance of cost records under Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income tax, Goods and Services tax, Duty of customs and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the provisions of Provident fund, Employees' State Insurance, Sales tax, Value Added tax, Service tax, Duty of excise and cess are not applicable to the Company.

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According to the information and explanations given to us, there are no undisputed amount payable in respect of Income tax, Goods and Services tax, Duty of customs and other material statutory dues which were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Goods and Services tax and Duty of customs which have not been deposited with the appropriate authorities on account of any dispute. As explained to us, the Company did not have any dues on account of Sales tax, Value Added tax, Duty of excise and cess.
- viii. According to the records of the Company examined by us and information and explanations provided to us, the Company has not defaulted in repayment of loans or borrowings to any bank. The Company does not have any loans or borrowings from any financial institution or government nor has it issued any debentures as at the balance sheet date
- ix. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations provided to us and based on our examination of the records of the Company, the term loans have been applied on an overall basis, for the purposes for which they have been obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us, the Company is a private limited company and accordingly the provisions of Section 197 read with Schedule V to the Act are not applicable. Accordingly, the provisions of clause 3(xi) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, the provisions of clause 3(xii) of the said Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into transactions with related parties which are in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the applicable accounting standards. Further, Section 177 of the Act is not applicable to the Company and accordingly, to this extent, the provisions of Clause (xiii) of the Order are not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture. Accordingly, the provisions of clause 3(xiv) of the said Order is not applicable to the Company
- xv. According to the information and explanations given to us and based on our examination of

the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order is not applicable to the Company.

- xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the said Order is not applicable to Company.

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

*Chartered Accountants*

Firm Registration Number: 116231W/W-100024

**Sriram Mahalingam**

*Partner*

Membership No: 049642

UDIN: 20049642AAAABG4086

Place: Hyderabad

Date: 20-05-2020

**Heritage Novandie Foods Private Limited****Balance sheet as at 31 March 2020**

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

Particulars	Note	As at 31 March 2020	As at 31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	1,23,180.53	1,456.22
Capital work-in-progress	30	15,89,196.44	1,31,664.21
Other intangible assets	3	105.56	-
Financial assets:			
- Other financial assets	6	9,500.00	-
Income-tax assets	5	1,107.89	129.52
Other non-current assets	7	4,18,607.44	5,22,870.41
<b>Total non-current assets</b>		<b>21,41,697.86</b>	<b>6,56,120.36</b>
<b>Current assets</b>			
Financial assets			
- Cash and cash equivalents	8	1,40,060.39	7,74,857.00
- Bank balances other than cash and cash equivalents above	9	-	2,21,165.64
- Other financial assets	10	1,799.21	1,416.00
Other current assets	11	10,097.77	1,037.90
<b>Total current assets</b>		<b>1,51,957.37</b>	<b>9,98,476.54</b>
<b>Total assets</b>		<b>22,93,655.23</b>	<b>16,54,596.90</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	4,56,059.80	4,56,059.80
Other equity	13	10,71,216.52	11,70,899.50
<b>Total equity</b>		<b>15,27,276.32</b>	<b>16,26,959.30</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	14	5,20,591.01	-
- Lease liability	15	1,18,887.25	-
<b>Total non-current liabilities</b>		<b>6,39,478.26</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities:			
- Trade payables			
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
- Lease liability	15	9,000.00	-
- Other financial liabilities	16	1,14,098.26	24,288.42
Other current liabilities	17	3,802.39	3,349.18
<b>Total current liabilities</b>		<b>1,26,900.65</b>	<b>27,637.60</b>
<b>Total liabilities</b>		<b>7,66,378.91</b>	<b>27,637.60</b>
<b>Total equity and liabilities</b>		<b>22,93,655.23</b>	<b>16,54,596.90</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

UDIN:20049642AAAABG4086

Sd/-

**Nara Brahmani**

Director

DIN: 02338940

Sd/-

**Emilie Laure Lucie Moulard Anand**

Director

DIN: 08005149

Place: Hyderabad

Date: 20 May 2020

Place: Hyderabad

Date: 20 May 2020

Place: Gurugram

Date: 20 May 2020

**Heritage Novandie Foods Private Limited****Statement of profit and loss for the year ended 31 March 2020**

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

<b>Particulars</b>	<b>Note</b>	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
Revenue from operations		-	-
Other income	18	11,463.81	1,885.16
<b>Total income</b>		<b>11,463.81</b>	<b>1,885.16</b>
<b>Expenses</b>			
Employee benefits expense	19	63,361.59	40,570.59
Finance costs	20	2,920.10	3.86
Depreciation and amortisation expense	4	1,223.68	434.74
Other expenses	21	84,042.36	37,566.04
<b>Total expenses</b>		<b>1,51,547.73</b>	<b>78,575.23</b>
<b>Loss before tax</b>		<b>(1,40,083.92)</b>	<b>(76,690.07)</b>
<b>Tax expense</b>	31		
Current tax		-	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(1,40,083.92)</b>	<b>(76,690.07)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(1,40,083.92)</b>	<b>(76,690.07)</b>
<b>Earnings per share</b> (Face value of Rs. 10 per equity share)			
Basic and Diluted	22	(3.07)	(4.01)

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

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Director

DIN: 08005149

Place: Hyderabad

Date: 20 May 2020

Place: Hyderabad

Date: 20 May 2020

Place: Gurugram

Date: 20 May 2020

**Heritage Novandie Foods Private Limited**

**Statement of cash flow for the year ended 31 March 2020**

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Cash flow from operating activities :</b>		
Loss before tax	(1,40,083.92)	(76,690.07)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	1,223.68	434.74
Interest income	(11,463.81)	(1,295.15)
Finance costs	2,920.10	-
<b>Operating loss before working capital changes</b>	<b>(1,47,403.95)</b>	<b>(77,550.48)</b>
<b>Adjustments for:</b>		
Decrease in financial assets	(4,804.00)	(1,416.00)
Decrease in other assets	(3,259.87)	(1,037.90)
Increase in other financial liabilities	16,411.13	5,584.71
Increase in other liabilities	453.23	3,292.17
<b>Cash used in operations</b>	<b>(1,38,603.46)</b>	<b>(71,127.50)</b>
Income taxes paid	(978.37)	(129.52)
<b>Net cash used in operating activities (a)</b>	<b>(1,39,581.83)</b>	<b>(71,257.02)</b>
<b>Cash flow from investing activities</b>		
Capital expenditure (Net of capital advances and capital creditors)	(12,63,969.07)	(6,34,889.89)
Interest received	11,384.60	1,165.64
Redemption/(placement) of bank deposits	2,16,165.64	(2,21,165.64)
<b>Net cash used in investing activities (b)</b>	<b>(10,36,418.83)</b>	<b>(8,54,889.89)</b>
<b>Cash flow from financing activities:</b>		
Payment of lease liabilities	(9,000.00)	-
Proceeds from issue of equity share capital	-	16,99,976.40
Proceeds from long term borrowings	5,80,000.00	-
Interest paid	(26,212.10)	-
Payment towards loan processing fee	(3,540.00)	(12,390.00)
Other borrowing cost	(43.85)	-
<b>Net cash from financing activities (c)</b>	<b>5,41,204.05</b>	<b>16,87,586.40</b>
<b>Net (decrease)/increase in cash and cash equivalents (a+b+c)</b>	<b>(6,34,796.61)</b>	<b>7,61,569.01</b>
Cash and cash equivalents at the beginning of the year	7,74,857.00	13,287.99
<b>Cash and cash equivalents at the end of the year</b>	<b>1,40,060.39</b>	<b>7,74,857.00</b>
<b>Components of cash and cash equivalents (Refer note 8)</b>		
Balance with banks:		
- In current account	1,38,616.13	7,74,857.00
- In deposit account	1,444.26	-
	<b>1,40,060.39</b>	<b>7,74,857.00</b>

**Reconciliation of liabilities arising from financing activities:**

Particulars	As at 1 April 2019	Net cash inflow/ (outflow)	Non-cash transactions	As at 31 March 2020
Long-term borrowings	-	5,80,000.00	(14,820.97)	5,65,179.03
	-	<b>5,80,000.00</b>	<b>(14,820.97)</b>	<b>5,65,179.03</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

UDIN:20049642AAAABG4086

Sd/-

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Director

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**Emilie Laure Lucie Moulard Anand**

Director

DIN: 08005149

Place: Hyderabad

Date: 20 May 2020

Place: Hyderabad

Date: 20 May 2020

Place: Gurugram

Date: 20 May 2020

# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 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:

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of 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.

##### Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

##### b) Basis of preparation:

These financial statements have been prepared on historical cost basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value.

##### 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. All financial information presented in Indian rupees has been rounded off to nearest Hundreds (Rs. 00), except for share data or otherwise stated.

##### 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

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CIN: U74999TG2017PTC120860



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

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.

#### e) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

#### f) 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:

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CIN: U74999TG2017PTC120860



*N. Brahman*

# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

- 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.

#### f) Current and non-current classification (continued)

##### 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.

#### g) 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

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# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

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.

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

#### g) Property, plant and equipment and depreciation (continued)

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.

#### h) Intangibles

Intangibles assets, viz computer software having finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

##### i) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit and loss as incurred.

##### ii) Amortisation



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of profit and loss.

The estimated useful lives are as follows:

Intangible Assets	Estimated useful life (in years)
Software	1-3

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### i) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

##### *Current tax:*

Current tax comprises of expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date.

#### i) Income taxes (continued)

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### *Deferred tax:*

Deferred tax is recognised in respect of temporary taxable and deductible differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. 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 on the same taxable entity, or on different tax

Regd. Office: #6-3-541/C, Panjagutta, Hyderabad – 500082, Telangana, India  
CIN: U74999TG2017PTC120860



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent it has become probable that future taxable profits will be available against which they can be used.

#### j) Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### k) Foreign currency

Transactions in foreign currencies are translated to functional currencies of Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in the statement of profit and loss.

#### l) 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.

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.

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# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

##### m) Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

##### n) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

##### o) 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

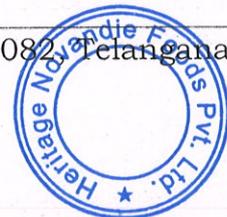
The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

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

##### (o) Financial Instruments (continued)

###### Amortised Cost:

Regd. Office: #6-3-541/C, Panjagutta, Hyderabad – 500082, Telangana, India  
CIN: U74999TG2017PTC120860



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

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

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

#### 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:

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

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

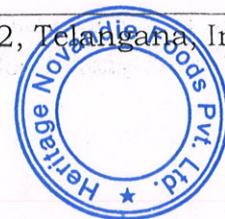
Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

#### 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.



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

##### (o) Financial Instruments (continued)

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

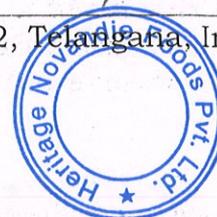
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind 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

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# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

had 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.

#### p) Financial Risk Management

The Company's financial assets include Cash and Cash equivalents, Bank balances other than cash and cash equivalents and Short-term deposits and financial liabilities include borrowings, lease liabilities and other payables.

The Company is exposed to Market Risk and Liquidity risk. The Company's Management oversees the management of these risks. The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

#### q) Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### r) Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

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# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

##### s) Provisions, Contingent liabilities and Commitments

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

##### s) Provisions, Contingent liabilities and Commitments (continued)

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

##### t) Leases:

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

##### As a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting policies (continued)

of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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

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

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

#### t) Leases (continued):

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities as a separate line item on face of balance sheet. (Refer note 29).



# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting polices (continued)

##### Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### Under Ind AS 17

In the comparative period, as a lessee the company classified leases that transfer substantially all of the risks and rewards of ownership as finance leases. When this was the case, the leased assets were measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments.

Minimum lease payments were the payments over the lease term that the lessee was required to make, excluding any contingent rent.

Subsequently, the assets were accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases were classified as operating leases and were not recognized in the company's statement of financial position. Payments made under operating leases were recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

##### t) Leases (continued):

Land under perpetual lease for is accounted as finance lease which is recognised at upfront premium paid for the lease and the present value of the lease rent obligation. The corresponding liability is recognised as a finance lease obligation. Land under non-perpetual lease is treated as operating lease.

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# HERITAGE NOVANDIE FOODS PRIVATE LIMITED

## Heritage Novandie Foods Private Limited

### Notes to the financial statements for the year ended 31 March 2020

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

#### 1. Significant accounting polices (continued)

Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease. Contingent rentals, if any, arising under operating leases are recognised as an expense in the period in which they are incurred.

##### As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

##### Arrangements in the nature of lease

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

*N. Brahmani*



**Heritage Novandie Foods Private Limited****Statement of changes in equity for the year ended 31 March 2020**

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

Particulars	Other Equity				Total
	Equity share capital	Other reserves	Securities premium	Retained Earnings	
<b>Balance as at 1 April 2018</b>	<b>20,000.00</b>	-	-	<b>(16,327.03)</b>	<b>3,672.97</b>
Loss for the year	-	-	-	(76,690.07)	(76,690.07)
<b>Transactions with owners of the Company:</b>					
Shares issued	4,36,059.80	-	12,63,916.60	-	16,99,976.40
<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>
Loss for the year	-	-	-	(1,40,083.92)	(1,40,083.92)
Impact on adoption of Ind AS 116 (Refer note 29)	-	-	-	(199.06)	(199.06)
<b>Transactions with owners of the Company:</b>					
Fair value of financial guarantees received	-	40,600.00	-	-	40,600.00
<b>Balance as at 31 March 2020</b>	<b>4,56,059.80</b>	<b>40,600.00</b>	<b>12,63,916.60</b>	<b>(2,33,300.08)</b>	<b>15,27,276.32</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

UDIN:20049642AAAABG4086

Sd/-

**Nara Brahmani**

Director

DIN: 02338940

Sd/-

**Emilie Laure Lucie Moulard Anand**

Director

DIN: 08005149

Place: Hyderabad

Date: 20 May 2020

Place: Hyderabad

Date: 20 May 2020

Place: Gurugram

Date: 20 May 2020

**Heritage Novandie Foods Private Limited****Statement of changes in equity for the year ended 31 March 2020**

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

Particulars	Other Equity				Total
	Equity share capital	Other reserves	Securities premium	Retained Earnings	
<b>Balance as at 1 April 2018</b>	<b>20,000.00</b>	-	-	<b>(16,327.03)</b>	<b>3,672.97</b>
Loss for the year	-	-	-	(76,690.07)	(76,690.07)
<b>Transactions with owners of the Company:</b>					
Shares issued	4,36,059.80	-	12,63,916.60	-	16,99,976.40
<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>
Loss for the year	-	-	-	(1,40,083.92)	(1,40,083.92)
Impact on adoption of Ind AS 116 (Refer note 29)	-	-	-	(199.06)	(199.06)
<b>Transactions with owners of the Company:</b>					
Fair value of financial guarantees received	-	40,600.00	-	-	40,600.00
<b>Balance as at 31 March 2020</b>	<b>4,56,059.80</b>	<b>40,600.00</b>	<b>12,63,916.60</b>	<b>(2,33,300.08)</b>	<b>15,27,276.32</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

UDIN:20049642AAAABG4086

Sd/-

**Nara Brahmani**

Director

DIN: 02338940

Sd/-

**Emilie Laure Lucie Moulard Anand**

Director

DIN: 08005149

Place: Hyderabad

Date: 20 May 2020

Place: Hyderabad

Date: 20 May 2020

Place: Gurugram

Date: 20 May 2020

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**2. Property, plant and equipment**

Particulars	Gross block			Accumulated depreciation				Net block		
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	Charge during the year	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Computers	1,764.16	831.90	-	2,596.06	412.07	744.43	-	1,156.50	1,439.56	1,352.09
Office equipment	126.80	1,172.04	-	1,298.84	22.67	253.31	-	275.98	1,022.86	104.13
Furniture and fixtures	-	1,395.94	-	1,395.94	-	120.38	-	120.38	1,275.56	-
<b>ROU Asset</b> (Refer note 29)										
Leasehold land	1,23,561.28	-	-	1,23,561.28	-	4,118.73	-	4,118.73	1,19,442.55	-
<b>Total (A)</b>	<b>1,25,452.24</b>	<b>3,399.88</b>	<b>-</b>	<b>1,28,852.12</b>	<b>434.74</b>	<b>5,236.85</b>	<b>-</b>	<b>5,671.59</b>	<b>1,23,180.53</b>	<b>1,456.22</b>

Note: Carrying amount of property, plant and equipment are subject to first charge to secured borrowings (refer note 14).

**3. Other intangible assets**

Particulars	Gross block			Accumulated amortisation				Net block		
	As at 1 April 2019	Additions	Deletions	As at 31 March 2020	As at 1 April 2019	Charge during the year	Deletions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Software	-	211.12	-	211.12	-	105.56	-	105.56	105.56	-
<b>Total</b>	<b>-</b>	<b>211.12</b>	<b>-</b>	<b>211.12</b>	<b>-</b>	<b>105.56</b>	<b>-</b>	<b>105.56</b>	<b>105.56</b>	<b>-</b>

**4. Depreciation and amortisation expense**

	For the year ended 31 March 2020	For the year ended 31 March 2019
Property, plant and equipment	5,236.85	434.74
Other intangible assets	105.56	-
Less: Depreciation capitalised	4,118.73	-
	<b>1,223.68</b>	<b>434.74</b>

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

	As at 31 March 2020	As at 31 March 2019
<b>5. Income-tax assets</b>		
TDS receivable	1,107.89	129.52
	<b>1,107.89</b>	<b>129.52</b>
<b>6. Other non-current financial assets</b> <i>(Unsecured , considered good)</i>		
Security deposit given to related party (Refer note 31(d))	4,500.00	-
Bank deposits due to mature after 12 months from the reporting date*	5,000.00	-
	<b>9,500.00</b>	<b>-</b>
* Represents margin money deposit against bank guarantee.		
<b>7. Other non-current Assets</b> <i>(Unsecured , considered good)</i>		
Capital advances	3,86,683.69	5,10,480.41
Prepaid expenses	31,923.75	12,390.00
	<b>4,18,607.44</b>	<b>5,22,870.41</b>
<b>8. Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
In current accounts	1,38,616.13	7,74,857.00
In deposit accounts	1,444.26	-
	<b>1,40,060.39</b>	<b>7,74,857.00</b>
There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the end of the reporting period and prior periods.		
The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been made since the requirement does not pertain to financial year ended 31 March 2020.		
<b>9. Bank balances other than cash and cash equivalents</b>		
In deposit accounts	-	2,21,165.64
	<b>-</b>	<b>2,21,165.64</b>
<b>10. Other financial assets</b> <i>(Unsecured , considered good)</i>		
Security deposits	1,720.00	1,416.00
Interest accrued on bank deposits	79.21	-
	<b>1,799.21</b>	<b>1,416.00</b>
<b>11. Other current Assets</b> <i>(Unsecured , considered good)</i>		
Other advances	1,363.79	320.64
Prepaid expenses	6,085.75	521.01
Advances with employees	497.99	196.25
Balance with government authorities	2,150.24	-
	<b>10,097.77</b>	<b>1,037.90</b>

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**12. Equity share capital****Authorised:**

	<b>As at 31 March 2020</b>		<b>As at 31 March</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>
Equity share capital	70,00,000	7,00,000.00	70,00,000

**Issued, subscribed and paid-up:**

	<b>As at 31 March 2020</b>		<b>As at 31 March</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>
Equity share capital	45,60,598	4,56,059.80	45,60,598
	<b>45,60,598</b>	<b>4,56,059.80</b>	<b>45,60,598</b>

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

	<b>As at 31 March 2020</b>		<b>As at 31 March</b>
	<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>
Outstanding at the beginning of the year	45,60,598	4,56,059.80	2,00,000
Issued during the year	-	-	43,60,598
<b>Balance as at the end of the year</b>	<b>45,60,598</b>	<b>4,56,059.80</b>	<b>45,60,598</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.

**(ii) Shareholders holding more than 5% shares in the company :**

	<b>As at 31 March 2020</b>		<b>As at 31 March 2019</b>
	<b>Number of shares</b>	<b>% of shareholding</b>	<b>Number of shares</b>
<b>Equity shares of Rs. 10 each full paid up</b>			
Heritage Foods Limited, India	22,80,299	50%	22,80,299
Novandie , France	22,80,299	50%	22,80,299
	<b>45,60,598</b>	<b>100%</b>	<b>45,60,598</b>

**(iii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares brought back during the period of five years immediately preceding the reporting date**

The Company has not issued any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares nor there has been any issue of shares for consideration other than cash during the period of five years immediately preceding the balance sheet date.

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

**13. Other equity****Securities premium**

	<b>As at 31 March 2020</b>
Opening balance	12,63,916.60
Received during the year	-
<b>Closing balance (A)</b>	<b>12,63,916.60</b>

**Retained earnings:**

Opening balance	(93,017.10)
Loss for the year	(1,40,083.92)
Impact on adoption of Ind AS 116 (Refer note 29)	(199.06)
<b>Closing balance (B)</b>	<b>(2,33,300.08)</b>

**Other reserves:**

Opening balance	-
Fair value of financial guarantees received	40,600.00
<b>Closing balance (C)</b>	<b>40,600.00</b>
<b>Total (A+B+C)</b>	<b>10,71,216.52</b>

### 13. Other equity (continued)

#### 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.

#### *Other reserves:*

Other reserves represents fair value of financial guarantees received by the Company from shareholders as per Ind AS 109.

	<u>As at</u> <u>31 March 2020</u>
<b>14. Borrowings</b>	
<b>Secured</b>	
Term loan from a bank	5,20,591.01
	<u>5,20,591.01</u>
<b>Terms of secured term loans (including current maturities) from banks and nature of security.</b>	
<b>ICICI Bank Limited</b>	
Term loan amounting to Rs. 580,000.00 (31 March 2019 Rs. Nil) is availed by the Company out of total sanction limit of Rs. 1,700,000 and the amount withdrawn is to be repaid in 24 equal quarterly instalments commencing after a moratorium of 4 quarters from the date of first disbursement (21 August 2019). The said loan is secured by first charge on the movable fixed assets and current assets both present and future of the company and corporate guarantee by Heritage Foods Limited and Novandie (to the extent of 50% of the sanction limit). Interest rate applicable is MCLR +1.75%.	
<b>15. Lease liability</b>	
<i>(Refer note 29)</i>	
<b>Non current</b>	
Lease liability	1,18,887.25
	<u>1,18,887.25</u>
<b>Current</b>	
Lease liability	9,000.00
	<u>9,000.00</u>
<b>16. Other financial liabilities -Current</b>	
Current maturities of long-term borrowings (refer note 14)	44,588.02
Expenses payable	26,968.54
Capital creditors*	42,541.70
	<u>1,14,098.26</u>
* Refer note 28 for outstanding dues to Micro, Small and Medium Enterprises.	
<b>17. Other current liabilities</b>	
Statutory liabilities	3,802.39
	<u>3,802.39</u>

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
<b>18. Other income</b>		
Interest income from financial assets carried at amortised cost	11,463.81	1,295.16
Provisions no longer required written back	-	590.00
	<b>11,463.81</b>	<b>1,885.16</b>
<b>19. Employee benefits expense</b>		
Salaries, wages and other allowances	62,672.38	40,219.57
Staff welfare expenses	689.21	351.02
	<b>63,361.59</b>	<b>40,570.59</b>
<b>20. Finance costs</b>		
Fair value of financial guarantees received	2,876.25	-
Other finance costs	43.85	3.86
	<b>2,920.10</b>	<b>3.86</b>
<b>21. Other expenses</b>		
Rates and taxes	16,446.78	5,669.80
Legal and professional charges	8,101.50	6,354.85
Bank charges	730.56	2,178.31
Travelling expenses	8,180.42	8,477.07
Testing charges	4,800.60	-
Rent	17,633.43	2,389.82
Security charges	8,663.27	594.72
Insurance	4,136.76	-
Miscellaneous expenses	2,908.38	4,732.97
<b>Payment to auditors (including taxes):</b>		
Statutory audit fees	7,080.00	7,080.00
Other services	4,720.00	-
Reimbursement of expenses	640.66	88.50
	<b>84,042.36</b>	<b>37,566.04</b>
<b>22. Earnings per share</b>		
<b>Basic and diluted:</b>		
Loss for the year	(1,40,083.92)	(76,690.07)
<b>Number of equity shares:</b>		
Balance at the commencement of the year	45,60,598	2,00,000
Weighted average number shares issued during the year (annualised)	-	17,10,807
	<b>45,60,598</b>	<b>19,10,807</b>
<b>Earnings per share</b>		
(Face value of Rs. 10 per equity share)		
Basic	(3.07)	(4.01)
Diluted	(3.07)	(4.01)
<b>23. Deferred tax</b>		
The details of unrecognised deferred tax assets are summarised below:		
<b>Particulars</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Deferred tax asset on tax losses	56,361.24	19,939.42

During the year ended 31 March 2020, the Company did not recognise deferred tax asset of Rs. 36,421.82 on tax losses and unabsorbed depreciation as there is no reasonable certainty with convincing evidence that there will future taxable profits against which such tax assets can be utilized.

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**Note 24: Financial instruments – Fair values and risk management****A) Accounting classification and fair values:**

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's principal financial assets include cash and short-term deposits. The Company's principal financial liabilities comprise borrowings, lease liabilities and other payables. The main purpose of these financial liabilities is to finance the Company's capital expenditure. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance.

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 2020:	Carrying amount		Fair value		
	Note	Amortised cost	Level 1	Level 2	Level 3
<b>Assets:</b>					
Cash and cash equivalents	8	1,40,060.39	-	-	-
Other financial assets	6 & 10	11,299.21	-	-	-
		<b>1,51,359.60</b>	-	-	-
<b>Liabilities:</b>					
Lease liabilities	15	1,27,887.25	-	-	-
Other financial liabilities	16	69,510.24	-	-	-
Borrowings (including current maturities)	14	5,65,179.03	-	-	-
		<b>7,62,576.52</b>	-	-	-
<b>As at 31 March 2019:</b>					
	Note	Amortised cost	Level 1	Level 2	Level 3
<b>Assets:</b>					
Cash and cash equivalents	8	7,74,857.00	-	-	-
Other bank balances	9	2,21,165.64	-	-	-
Other financial assets	6 & 10	1,416.00	-	-	-
		<b>9,97,438.64</b>	-	-	-
<b>Liabilities:</b>					
Lease liabilities	15	-	-	-	-
Other financial liabilities	16	24,288.42	-	-	-
Borrowings (including current maturities)	14	-	-	-	-
		<b>24,288.42</b>	-	-	-

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

Since the Company is under construction phase and there are no receivables, there are no significant risks on account of credit 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.

As at 31 March 2020:	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
<b>Financial liabilities:</b>					
Borrowings	5,65,179.03	48,333.33	1,93,333.33	3,38,333.33	-
Other financial liabilities	69,510.24	69,510.24	-	-	-
Lease liabilities	1,27,887.25	9,000.00	9,900.00	43,659.00	5,00,345.67
	<b>7,62,576.52</b>	<b>1,26,843.57</b>	<b>2,03,233.33</b>	<b>3,81,992.33</b>	<b>5,00,345.67</b>

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**As at 31 March 2019:**

	<b>Carrying amount</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
<b>Financial liabilities</b>					
Borrowings	-	-	-	-	-
Other financial liabilities	24,288.42	24,288.42	-	-	-
Lease liabilities	-	-	-	-	-
	<b>24,288.42</b>	<b>24,288.42</b>	-	-	-

**Market risk:**

There are no receivables and payables in foreign currency.

**Interest rate risk**

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

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value is as follows:

<b>Particulars</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Variable rate borrowings	5,65,179.03	-
<b>Total borrowings</b>	<b>5,65,179.03</b>	-

**Cash flow sensitivity analysis for variable rate instruments**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. For floating rate liabilities, a 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

A change of 100 basis points in interest rates for variable rate instruments at the reporting date would have increased/(decreased) profit or loss for the below years by the amounts shown below. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

<b>Particulars</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Increase/ (decrease) in 100 basis point	5,651.79	-

**Note 25: Capital Management**

The capital structure of the Company consist of debt and total equity of the Company. The Company seeks to maintain a balance between the higher returns that might be possible with highest levels of borrowings and the advantages and security afforded by a sound capital position. The Company is not subject to any externally imposed capital requirements. However, under the terms of the major borrowings, the Company has to comply with certain financial covenants. The Company has complied with all financial covenants.

Capital is defined as equity attributable to the equity holders. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

<b>Particulars</b>	<b>As at 31 March 2020</b>
Interest bearing loans and borrowings	5,65,179.03
Less: cash and cash equivalents	(1,40,060.39)
<b>Adjusted net debt</b>	<b>4,25,118.64</b>
Equity share capital	4,56,059.80
Other equity	10,71,216.52
<b>Total equity</b>	<b>15,27,276.32</b>
<b>Adjusted net debt to total equity ratio</b>	<b>0.28</b>

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**Note 26: Contingent liabilities and commitments(to the extent not provided for):**

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Commitments:</b>		
Estimated amounts of contracts remaining to be executed on capital account [net of capital advance Rs. 386,683.69 (31 March 2019: 510,480.41)]	11,80,782.49	14,69,475.61

There are no contingent liabilities as at 31 March 2020 and as at 31 March 2019.

**Note 27: Segment reporting**

Ind AS 108 “Operating Segment” (“Ind AS 108”) establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the “management approach” as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company’s performance and allocates resources on overall basis.

The Company is in the business of manufacturing and marketing of milk products. This is the sole 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. Accordingly, there are no additional disclosures to be provided under Ind AS 108, other than those already provided in the standalone financial statements.

**Note 28: Disclosures under the Micro, Small and Medium Enterprises Act, 2006**

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	As at 31 March 2020	As at 31 March 2019
a) Principal amount remaining unpaid*	1,686.03	-
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 at the end of the year	-	-
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	-	-

\* Rs. 1,686.03 is included in capital creditors.

**Heritage Novandie Foods Private Limited****Notes to the financial statements for the year ended 31 March 2020 (continued)**

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

**Note 29. Leases****Transition to Ind AS 116**

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company’s incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

On 1 April 2019, the Company recognised lease liability of Rs. 123,760.34 (presented as a separate line item on face of the balance sheet) and right-of-use assets of Rs. 123,561.28 as at 1 April 2019 (presented as part of property, plant and equipment). The cumulative effect of applying the standard Rs. 199.06 was recognised in retained earnings as at 1 April 2019.

**Following are the changes in the lease liability for the year ended 31 March 2020:**

<b>Particulars</b>	<b>Amount</b>
Lease commitments as at 1 April 2019	1,23,760.34
Additions during the year	-
Finance cost accrued	13,126.91
Payment of lease liabilities	(9,000.00)
<b>Lease liabilities as at 31 March 2020</b>	<b>1,27,887.25</b>
Current lease liability	9,000.00
Non current lease liabilities	1,18,887.25

**The impact on account on adoption of Ind AS 116 is as follows :**

<b>Particulars</b>	<b>Amount</b>
Increase in lease liability as at 31 March 2020 by	1,27,887.25
Increase in Right-of use as at 31 March 2020 by	1,19,442.55
Increase in finance cost by*	13,126.91
Increase in depreciation by*	4,118.73

\*The two components are capitalised during the year. There is no impact on statement of profit and loss for the year ended 31 March 2020.

**Maturity analysis of lease liabilities:**

<b>Maturity analysis – contractual undiscounted cash flows</b>	<b>As at 31 March 2020</b>
Less than one year	9,000.00
One to five years	53,559.00
More than five years	5,00,345.67
<b>Total undiscounted lease liabilities as at 31 March 2020</b>	<b>5,62,904.67</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**The following is the rental expense recorded for short-term leases for the year ended 31 March 2020:**

<b>Particulars</b>	<b>Amount</b>
Variable lease expenses (other than short term)	-
Short-term lease expense	17,633.43
Low value lease expense	-

**Amounts recognised in the statement of cash flows for the year ended 31 March 2020:**

<b>Particulars</b>	<b>Amount</b>
Payment of lease liabilities	(9,000.00)
Short-term lease expense	(17,633.43)

**Heritage Novandie Foods Private Limited**  
**Notes to the financial statements for the year ended 31 March 2020 (continued)**  
(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**Note 30: Capital work-in-progress**

Particulars	As at 31 March 2018	Incurred during the year	As at 31 March 2019	Incurred during the year	As at 31 March 2020
<b>A. Asset under construction</b>	-	1,31,664.21	1,31,664.21	13,91,405.84	15,23,070.05
<b>B. Expenses capitalised</b>					
Employee benefits expense	-	-	-	19,249.45	19,249.45
Finance costs including interest on lease liability	-	-	-	40,446.51	40,446.51
Depreciation and amortisation expense	-	-	-	4,118.73	4,118.73
Other expenses	-	-	-	2,311.70	2,311.70
	-	<b>1,31,664.21</b>	<b>1,31,664.21</b>	<b>14,57,532.23</b>	<b>15,89,196.44</b>

**Note 31: Income taxes**

	As at 31 March 2020	As at 31 March 2019
<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	(1,40,083.92)	(76,690.07)
Enacted tax rate	26%	26%
<b>Tax expenses as per enacted tax rate</b>	<b>(36,421.82)</b>	<b>(19,939.42)</b>
<b>Effect of:</b>		
Unrecognised deferred tax assets	36,421.82	19,939.42
<b>Income tax expense</b>	<b>-</b>	<b>-</b>

**Note 32: Related party disclosures**

**a) Parties where control exists irrespective of whether transactions have occurred or not:**

Name of the party	Nature of relationship
Heritage Foods Limited	Entities with Joint Control over the Company
Novandie SNC	Entities with Joint Control over the Company

**b) Key Managerial Personnel (KMP) and Directors**

Nara Brahmani	Director
Srivishnu Raju Nandyala	Director
Bertrand Jacques Philippe Carreau	Director (Upto 25 October 2018)
Maxime Jean Patrice Gervoson	Director (Upto 17 October 2019)
Serge Michel Lanskoy	Director (From 17 October 2019)
Gilles Hope Rapp	Director (Upto 9 May 2019)
Emilie Laure Lucie Moulard Anand	Director (From 9 May 2019)

**Heritage Novandie Foods Private Limited**  
**Notes to the financial statements for the year ended 31 March 2020 (continued)**  
(All amounts are in Indian Rupees hundreds, except for share data or otherwise stated)

**c) Particulars of related party transactions**

Name and nature of related party transactions:	As at 31 March 2020	As at 31 March 2019
<b>Capital contribution (Inclusive of securities premium):</b>		
Heritage Foods Limited	-	8,49,988.20
Novandie	-	8,49,988.20
<b>Purchase of capital goods:</b>		
Heritage Foods Limited	-	40,184.78
<b>Corporate guarantee given for loan taken by the Company*:</b>		
Heritage Foods Limited	22,00,000.00	-
Novandie	11,00,000.00	-
<b>Reimbursement of expenses:</b>		
Heritage Foods Limited	1,149.76	-
Emilie Laure Lucie Moulard Anand	1,138.45	-
<b>Rental expense:</b>		
Heritage Foods Limited	9,540.00	-
*to the extent of disbursement		

**d) Details of balances receivable from and payable to related parties are as follows:**

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Expenses payable to:</b>		
Heritage Foods Limited	1,827.89	-
<b>Corporate guarantee given for loan taken by the Company:</b>		
Heritage Foods Limited	22,00,000.00	-
Novandie	11,00,000.00	-
<b>Security deposit given to</b>		
Heritage Foods Limited	4,500.00	-

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  
UDIN:20049642AAAABG4086

**Sd/-**  
**Nara Brahmani**  
Director  
DIN: 02338940

**Sd/-**  
**Emilie Laure Lucie Moulard Anand**  
Director  
DIN: 08005149

Place: Hyderabad  
Date: 20 May 2020

Place: Hyderabad  
Date: 20 May 2020

Place: Gurugram  
Date: 20 May 2020