

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF LVP FOODS PRIVATE LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of LVP FOODS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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 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<sup>st</sup> March, 2015, and its Profit and its cash flows for the year ended on that date.

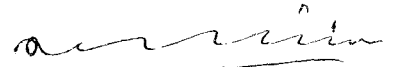
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, , we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the order to the extent applicable to the company
2. **As required by Section 143 (3) of the Act, we report that:**
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations, hence no disclosure required.
  - 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.

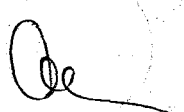
**For A. K. GUTGUTIA & CO.**  
**Chartered Accountants**  
**Firm's Registration No. 000012N**



**(R.K. JAIN)**  
**Partner**

**Membership No. 11405**

**Place : New Delhi**  
**Date : 20-5-2015**



**Annexure to the Auditor's Report of LVP FOODS PRIVATE LIMITED**

**Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31<sup>st</sup> March 2015**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- 2) (a) The inventories have been physically verified at reasonable intervals by the management.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of its inventories and no material discrepancies were noticed on such physical verification
- 3) The Company has not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) (a) & (b) of the Order are not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regards to purchase and sale of milk. Based on the audit procedure performed and on the basis of information and explanations provided by the management, during the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- 5) The Company has not accepted any deposit from the public.
- 6) The maintenance of the cost records under section 148(1) of the Act is not applicable for the year under this audit.



- 7) (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Service Tax, Sales Tax, VAT, Cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31<sup>st</sup> March, 2015. As explained, Provident Fund, Employees' State Insurance, Wealth Tax, Custom Duty, Excise Duty are not applicable to the Company.
- (b) According to the records and information & explanations given to us, there are no dues in respect of Income Tax, Sales Tax, Service Tax and Cess that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute. As explained, Wealth Tax, Custom Duty, Excise Duty are not applicable to the Company.
- (c) According to the records of the Company and information and explanation given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 8) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year
- 9) The Company has no outstanding dues to financial institutions, banks or debenture holders during the year.
- 10) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- 11) The Company has not raised any term loan during the year.
- 12) Based on the audit procedure performed and on the basis of information and explanations provided by the management, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For A. K. GUTGUTIA & CO.  
Chartered Accountants  
Firm's Registration No. 000012N



Place: New Delhi

Date: 20/05/2015

(R.K. JAIN)

Partner

Membership No. 11405

LVP FOODS PRIVATE LIMITED  
Balance Sheet as at 31.03.2015

(Rs.in lac)

Particulars		Note No.	Figures as at the end of current reporting period (31.03.2015)	Figures as at the end of previous reporting period (31.03.2014)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	(1) Shareholders' Fund			
	(a) Share capital	2.1	200.00	200.00
	(b) Reserves & surplus	2.2	1,943.47	1,450.76
			<b>2,143.47</b>	<b>1,650.76</b>
	(2) Non- current Liabilities			
	(a) Long term borrowings	2.3	-	815.00
	(b) Deferred tax liabilities (net)	2.4	168.13	162.60
	(c) Other long term liabilities	2.5	269.86	211.17
			<b>437.99</b>	<b>1,188.77</b>
	(3) Current Liabilities			
	(a) Short-term borrowings	2.6	-	28.46
	(b) Trade payables	2.7	519.78	477.89
	(c) Other current liabilities	2.8	612.91	359.55
	(d) Short-term provisions	2.9	346.06	194.34
			<b>1,478.75</b>	<b>1,060.24</b>
	<b>Total</b>		<b>4,060.21</b>	<b>3,899.77</b>
<b>II.</b>	<b>ASSETS</b>			
	(1) Non-current Assets			
	(a) Fixed assets	2.10		
	i) Tangible assets		1,964.53	1,835.80
	ii) Intangible assets		2.14	3.30
	iii) Capital Work in Progress		8.62	3.69
	(b) Long term loans and advances	2.11	1,310.85	1,326.97
	(c) Other non current assets	2.12	-	25.00
			<b>3,286.14</b>	<b>3,194.76</b>
	(2) Current Assets			
	(a) Inventories	2.13	349.49	324.16
	(b) Trade receivables	2.14	142.25	214.19
	(c) Cash and cash equivalents	2.15	7.59	5.40
	(d) Short term loans and advances	2.16	274.74	161.26
			<b>774.07</b>	<b>705.01</b>
	<b>Total</b>		<b>4,060.21</b>	<b>3,899.77</b>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

As per our report attached  
for A.K.GUTGUTIA & CO.  
Chartered Accountants  
Firm's Registration Number :000012N

R.K.JAIN  
Partner  
Membership No.11405

Place: New Delhi  
Date: 20.5.2015



*[Signature]*

*[Signature]*  
(Directors)

*[Signature]*

# LVP FOODS PRIVATE LIMITED

Profit & loss statement for the year ended 31.03.2015


(Rs.in lac)

Particulars		Note No.	Figures for the current reporting period ending (31.03.2015)	Figures for the previous reporting period ending (31.03.2014)
I	Revenue from operations	2.17	71,451.94	57,888.77
II	Other income	2.18	5.17	11.43
	<b>Total Revenue</b>		<b>71,457.11</b>	<b>57,900.20</b>
III	<b>Expenses:</b>			
	Cost of materials consumed	2.19	66,697.34	53,529.91
	Employee benefits expense	2.20	13.44	11.46
	Finance costs	2.21	87.44	148.36
	Depreciation and amortization expense	2.10	189.52	169.42
	Other expenses	2.22	3,732.51	3,418.27
	<b>Total expenses</b>		<b>70,720.25</b>	<b>57,277.42</b>
IV	<b>Profit before exceptional items and tax</b>		<b>736.86</b>	<b>622.78</b>
V	<b>Tax expense:</b>			
	(a) Current tax		163.57	124.60
	(b) Deferred tax		5.53	9.28
	(c) Income Tax adjustment for earlier year		0.04	(0.07)
	(d) MAT credit		-	(124.60)
VI	<b>Profit for the period</b>		<b>567.72</b>	<b>613.57</b>
VII	<b>Earnings per equity share:</b>	2.23		
	(a) Basic		28.39	30.68
	(b) Diluted		28.39	30.68

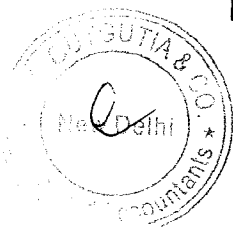
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

As per our report attached  
for A.K.GUTGUTIA & CO.  
Chartered Accountants  
Firm's Registration Number :000012N

  
R.K.JAIN  
Partner  
Membership No.11405

Place: New Delhi  
Date: 20-5-2015









(Directors)

## Significant Accounting Policies and Notes to Accounts

### 1. Significant Accounting Policies

#### 1.1 Basis of Accounting

The financial statements have been prepared under historical cost convention on accrual basis in compliance with applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

#### 1.2 Fixed Assets

Fixed Assets are stated at cost of acquisition/purchase less accumulated depreciation.

#### 1.3 Depreciation

Depreciation on fixed assets has been provided using Straight Line Method over their useful life as prescribed under Schedule II of the Companies Act, 2013. Continuous process plants as defined in Schedule II have been considered on technical evaluation. However in respect of plant & machinery, depreciation is provided as per their useful life as assessed, ranging from 3 to 18 years. Estimated life of milk crates is considered 3 years and having terminal value of 25% at the end of third year.

#### 1.4 Capital Work in Progress

Expenditure during construction awaiting allocation is disclosed under Capital Work in Progress.

#### 1.5 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of fixed assets are capitalized as a part of cost of such fixed asset till the date of commencement of commercial production.

#### 1.6 Investment

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management. Current investments are stated at lower of cost and fair value determined on individual investment wise.





### **1.7 Inventories**

Inventories are valued at lower of cost and net realisable value. The cost is computed on weighted average basis. Cost for the purpose of finished goods and process stock is determined considering material, labour and related overheads.

### **1.8 Income Taxes**

Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Minimum Alternative tax (MAT) paid in accordance with tax laws which give rise to future economic benefits in the form of adjustments of future income tax. Liability is considered as an asset if there is convincing evidence that the company will pay normal tax in the near future. Deferred Tax for timing difference between tax profit and book profits is accounted for using the tax rates and the laws that have been enacted on the Balance Sheet date. Deferred Tax Asset is recognised on the basis of reasonable certainty that sufficient future taxable income will be available against which the same can be realised.

### **1.9 Staff Benefits**

Gratuity and Leave Encashment benefits are accounted on accrual basis.

### **1.10 Contingent Liabilities**

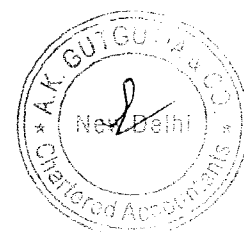
Contingent Liabilities are not provided for and are disclosed by way of Notes to the Accounts.

### **1.11 Subsidy on Capital Investment**

Subsidy from Government is accounted for as and when the same is approved by the relevant authority. The amount so received / approved shall be reduced from the cost of plant & machinery.

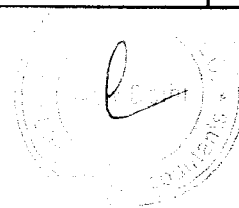
### **1.12 Use of Estimates and Assumptions**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognized in the period in which the results are known /materialized.



(Rs.in lac)

Particulars	Figures as at the end of current reporting period (31.03.2015)	Figures as at the end of previous reporting period (31.03.2014)	
<b>NOTE 2.1 SHARE CAPITAL</b>			
<b>A. Authorised</b>			
50,00,000 (Previous year 50,00,000) equity shares of Rs 10/- each	500.00	500.00	
	<b>500.00</b>	<b>500.00</b>	
<b>B. Issued, Subscribed &amp; Paid up</b>			
20,00,000 (Previous year 20,00,000) equity shares of Rs 10/- each fully paid	200.00	200.00	
	<b>200.00</b>	<b>200.00</b>	
<b>C. Outstanding Shares Reconciliation (Nos.)</b>			
<b>Particulars</b>	<b>Equity Shares</b>		
Opening as on 1st April 2014	20,00,000		
Add:- Issued during the period	-		
Less:- Buy Back during the period	-		
<b>Closing as on 31st march 2015</b>	<b>20,00,000</b>		
<b>D. Shares held by its holding or ultimate holding company or subsidiaries or associates of the holding company or its ultimate holding company</b>			
<b>Company Name</b>	<b>Nature (Whether holding or ultimate holding, etc)</b>	<b>% of holding</b>	<b>No. of Shares held</b>
Bengal & Assam Co.Ltd.	Holding Company	99.99%	1999800
<b>E. Shareholders holding more than 5% of total issued Shares</b>			
<b>Name</b>	<b>% of Holding</b>	<b>No.of Shares held</b>	
Bengal & Assam Co.Ltd.	99.99%	19,99,800	
<b>F. Bonus Share issued during last 5 year Nil</b>			
<b>NOTE 2.2 RESERVE AND SURPLUS</b>			
<b>General Reserve - Opening Balance</b>	150.00	85.00	
Add: Transferred from Surplus	75.00	65.00	
	<b>225.00</b>	<b>150.00</b>	
<b>Surplus</b>			
Opening Balance	1,300.76	821.93	
Add:- Net profit / (Net loss) as per the profit & loss statements	567.72	613.57	
Amount available for appropriation	<b>1,868.48</b>	<b>1,435.50</b>	
Appropriations:-			
Dividend	60.00	60.00	
Dividend tax	15.01	9.74	
General Reserve	75.00	65.00	
Surplus-Closing Balance	<b>1,718.47</b>	<b>1,300.76</b>	
	<b>1,943.47</b>	<b>1,450.76</b>	
<b>NOTE 2.3 LONG TERM BORROWINGS</b>			
<b>Secured</b>			
<b>Loan from Bank</b>	<b>Repayment Schedule</b>		
	Repayable in Quarterly Installments from Jan.11 to Oct 14		
	-	328.69	
--Secured by way of first charge on all the movable fixed Assets of the company both present & future			
Less:- Current maturity of long term borrowings (Shown Under Other Current Liabilities)	-	(328.69)	
<b>Loan against subsidy from Bank</b>	-	25.00	
--Secured by way of creation of Fixed Deposit of Rs 25 lacs.			
<b>Unsecured Loan</b>			
Loans & Advances from Related Parties (From Bengal & Assam Co. Ltd.)	590	790.00	
	Repayment will be made after the payment of loan of Bank		
Less:- Current maturity of long term borrowings (Shown Under Other Current Liabilities)	(590)	-	
	-	<b>815.00</b>	



(Rs.in lac)

Particulars	Figures as at the end of current reporting period (31.03.2015)	Figures as at the end of previous reporting period (31.03.2014)
<b>NOTE 2.4</b>		
<b>DEFERRED TAX LIABILITY/ASSETS</b>		
Deferred tax liability		
Fixed assets	168.13	162.60
	<b>168.13</b>	<b>162.60</b>
<b>NOTE 2.5</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Secured		
Security deposit	269.86	211.17
	<b>269.86</b>	<b>211.17</b>
<b>NOTE 2.6</b>		
<b>Short-term borrowings</b>		
Secured		
Bank Overdraft	-	28.46
-Secured by way of exclusive first charge on current assets and exclusive second charge on the moveable fixed assets of the Company		
	-	<b>28.46</b>
<b>NOTE 2.7</b>		
<b>TRADE PAYABLE</b>		
Sundry creditors	519.78	477.89
	<b>519.78</b>	<b>477.89</b>
<b>NOTE 2.8</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current maturity of long term borrowings	590.00	328.69
TDS/Ser.Tax payable	4.91	6.72
Other payables	18.00	20.58
Interest accrued but not due	-	3.56
	<b>612.91</b>	<b>359.55</b>
<b>NOTE 2.9</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for tax	272.05	124.60
Provision for Proposed Dividend	60.00	60.00
Provision for Dividend Tax	14.01	9.74
	<b>346.06</b>	<b>194.34</b>
<b>NOTE 2.11</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
Loans & advances	963.93	963.93
MAT credit	346.92	363.04
	<b>1,310.85</b>	<b>1,326.97</b>
<b>NOTE 2.12</b>		
<b>OTHER NON-CURRENT ASSETS</b>		
Others		
- Fixed Deposit with bank with maturity more than 12 months (Under lien for term loan for subsidy received from MOFPI)	-	25.00
	-	<b>25.00</b>
<b>NOTE 2.13</b>		
<b>INVENTORIES</b>		
Raw Material	246.59	229.44
Packing material	102.90	94.72
	<b>349.49</b>	<b>324.16</b>



NOTE 2.10  
FIXED ASSETS

(Rs.in lac)

PARTICULARS	Gross Carrying Amount				Depreciation and amortization				Net Carrying Amount	
	As at April 1,2014	Additions/ Adjustment during the period	Sales/ Adjustment during the period	As at March 31,2015	As at April 1,2014	For the period	Sales/ Adjustment during the period	As at March 31,2015	As at March 31,2015	As at March 31,2014
<b>a. Tangible Assets</b>										
Land	-	108.73	-	108.73	-	-	-	-	108.73	-
Plant and Machinery	2,438.87	212.20	15.31	2,635.76	626.20	178.60	11.47	793.33	1,842.43	1,812.67
Furniture & Fixtures	20.67	-	-	20.67	5.96	2.51	-	8.47	12.20	14.71
Office Equipments	5.35	-	-	5.35	1.15	3.93	-	5.08	0.27	4.20
Computers	15.52	-	-	15.52	11.30	3.32	-	14.62	0.90	4.22
<b>Total (a)</b>	<b>2,480.41</b>	<b>320.93</b>	<b>15.31</b>	<b>2,786.03</b>	<b>644.61</b>	<b>188.36</b>	<b>11.47</b>	<b>821.50</b>	<b>1,964.53</b>	<b>1,835.80</b>
Previous Year	2,404.05	113.12	36.76	2,480.41	501.52	168.18	25.09	644.61	1,835.80	1,902.53
<b>b. Intangible Assets</b>										
Computer Software	7.66	-	-	7.66	4.36	1.16	-	5.52	2.14	3.30
<b>Total (b)</b>	<b>7.66</b>	<b>-</b>	<b>-</b>	<b>7.66</b>	<b>4.36</b>	<b>1.16</b>	<b>-</b>	<b>5.52</b>	<b>2.14</b>	<b>3.30</b>
Previous Year	7.66	-	-	7.66	3.12	1.24	-	4.36	3.30	4.54
CWIP	-			8.62					8.62	3.69



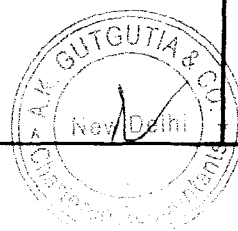
(Rs.in lac)

Particulars	Figures as at the end of current reporting period (31.03.2015)	Figures as at the end of previous reporting period (31.03.2014)
<b>NOTE 2.14</b>		
<b>TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months	-	-
<b>Other Trade receivables</b>		
Unsecured, considered good	142.25	214.19
	<b>142.25</b>	<b>214.19</b>
<b>NOTE 2.15</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	0.20	0.36
Balances with banks	7.39	5.04
<b>Other Bank balances</b>		
- Fixed Deposit with bank with maturity more than 12 months (Under lien for term loan for subsidy received from MOFPI)	-	25.00
Less :- Amount disclosed under the head other non-current assets.	-	(25.00)
	<b>7.59</b>	<b>5.40</b>
<b>NOTE 2.16</b>		
<b>SHORT TERM LOAN AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
Subsidy receivable	-	25.00
Income tax advance payment	273.73	129.24
Others	1.01	7.02
	<b>274.74</b>	<b>161.26</b>



(Rs.in lac)

Particulars	Figures for the current reporting period ending (31.03.2015)	Figures for the previous reporting period ending (31.03.2014)
<b>NOTE 2.17</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sale	71,431.93	57,848.86
Other operating revenues	20.01	39.91
	<b>71,451.94</b>	<b>57,888.77</b>
<b>NOTE 2.18</b>		
<b>OTHER INCOME</b>		
Misc. Income	0.03	2.81
Profit on sale of fixed assets (net)	5.14	8.62
	<b>5.17</b>	<b>11.43</b>
<b>NOTE 2.19</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Opening stock	229.44	166.85
Add:- Milk purchase	66,714.49	53,592.50
Less :- Closing stock	246.59	229.44
	<b>66,697.34</b>	<b>53,529.91</b>
<b>NOTE 2.20</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries & wages	13.44	11.46
<b>NOTE 2.21</b>		
<b>FINANCE COST</b>		
Interest on unsecured loan	75.48	80.98
Interest on term loan	11.41	63.54
Others	0.55	3.84
	<b>87.44</b>	<b>148.36</b>
<b>NOTE 2.22</b>		
<b>OTHER EXPENSES</b>		
Polyfilm consumed	1,588.40	1,510.67
Conversion charges	2,130.52	1,903.33
Insurance	1.50	1.55
Directors Fee	0.39	0.14
CSR Expenses	7.63	-
Miscellaneous expenses	4.07	2.58
	<b>3,732.51</b>	<b>3,418.27</b>
<b>NOTE 2.23</b>		
<b>EARNING PER SHARE</b>		
Surplus/(Deficit) for the year (Rs.in lac)	567.72	613.57
Weighted average number of equity shares (No.)	20,00,000	20,00,000
Nominal value of equity shares (Rs.)	10	10
Basic earning per Share (Rs.)	28.39	30.68
Diluted earning per Share (Rs.)	28.39	30.68



2.24 In the opinion of Management, the Current Assets, Loans and Advances , have a value on realisation in normal course of business not less than the value at which they are stated unless specified otherwise . Further, provisions for all known liabilities have been made.

**2.25 Related Party Disclosure**

List of Related Parties

- i. Holding Company-Bengal & Assam Company Limited (BACL)
- ii. Fellow Subsidiaries- J.K. Fenner (India) Ltd.  
Southern Spinners and Processors Ltd.  
Modern Cotton Yarn Spinners Ltd.  
Acorn Engineering Ltd.  
Panchmahal Properties Ltd.  
BMF Investments Ltd.  
Divyashree Company Pvt. Ltd.
- iii. The following transactions were carried out with related party i.e. Holding Company- BACL in the ordinary course of business:

(Rs. in lac)			
S.No.	Particulars	2014-15	2013-14
1.	Interest paid/payable to BACL	75.48	80.98
2.	Loan repaid to BACL	200.00	-
3.	Loan payable to BACL	590.00	790.00

2.26 No amount has been incurred /earned in foreign currency, so no disclosure is required under Schedule III of the Companies Act, 2013.

2.27 The company has only one business segment i.e. dairy products, hence segment reporting as defined in Accounting Standard 17 is not applicable.

2.28 Long-Term loans and advances include Rs.963.93 lac (P.Y. Rs 963.93 lac) paid for construction of building to the corporate.

2.29 There is no eligible employee to whom the provisions of payment of Gratuity Act are applicable. Further, as there are no leaves due to any employee, there is no liability for leave encashment as at the year end.



2.30 Estimated amount of contract remaining to be executed on capital account Rs.6.76 lac (previous year Rs. Nil),[net of advances Rs.0.59 lac (previous year Rs. Nil)].


2.31 Amount paid to Auditors: (including Service Tax) (Rs.in lac)

Statutory Auditors:	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Audit Fees	0.45	0.45
Tax Audit Fees	0.11	0.11
	0.56	0.56

2.32 Based on information so far available with the company in respect of MSME (as defined in 'The Micro Small & Medium Enterprises Development Act 2006', there is no delay in payment of dues to such enterprises during the period.

2.34 Previous year figures have been regrouped/rearranged/recasted wherever considered necessary.

For A.K. Gutgutia & Co.  
Chartered Accountants  
Firm Registration no: 000012N

  
R.K. Jain  
Partner  
Membership No.11405  
Place: New Delhi  
Date: 20-5-2015





  
(Directors)





## LVP FOODS PRIVATE LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31.03.2015

(Rs.in lac)

	2014-2015	2013-2014
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before taxation and extraordinary items	736.86	622.78
Adjustments for :		
Depreciation	189.52	169.42
Interest & Finance Charges	87.44	148.35
(Profit)/Loss on sales of Fixed Assets	(5.14)	(8.62)
Excess Prov.w/back	(0.03)	(2.81)
Operating Profit before working capital changes	<b>1,008.65</b>	<b>929.12</b>
(Increase)/ Decrease in Sundry Debtors	71.94	(92.12)
(Increase)/ Decrease in Inventories	(25.33)	(33.54)
(Increase) / Decrease in Loans & Advances	71.71	(12.61)
Increase/ (Decrease) in Trade and Other Payables	79.99	63.55
Cash Generated from Operations	1,206.96	854.40
Direct Tax paid	(144.07)	(126.05)
Net Cash from Operating Activities	<b>1,062.89</b>	<b>728.35</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets Including CWIP	(325.86)	(71.80)
Sales/Adj.of Fixed Assets	8.98	20.29
Net Cash from Investing Activities	<b>(316.88)</b>	<b>(51.51)</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid (Including Dividend Tax)	(70.67)	(69.74)
Short term borrowings	(28.46)	(14.91)
Repayment of long term borrowings	(553.69)	(438.25)
Interest paid	(91.00)	(152.93)
Net Cash used in financing activities	<b>(743.82)</b>	<b>(675.83)</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	2.19	1.01
Cash and Cash equivalents being Cash and Bank balances as at the beginning of the year	5.40	4.39
Cash and Cash equivalents being Cash and Bank balances as at the end of the year	<b>7.59</b>	<b>5.40</b>

**Notes:**

Cash and Cash equivalents include:

— Cash, Cheques on hand and Remittances in transit	0.20	0.36
— Balances with Scheduled Banks	7.39	5.04
	<b>7.59</b>	<b>5.40</b>

Note : Previous year's figures have been regrouped / rearranged / recasted wherever necessary

As per our report attached  
for A.K.GUTGUTIA & CO.  
Chartered Accountants  
Firm's Registration Number :000012N

R.K.JAIN  
Partner  
Membership No.11405

Place: New Delhi  
Date: 20-5-2015



*[Handwritten Signature]*

*[Handwritten Signature]*

(Directors)

*[Handwritten Signature]*