

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the 11th Annual Report and Audited Financial Statements of the Company for the financial year ended 31st March 2017.

FINANCIAL RESULTS

	(Rs. In Lac)	
	2016-17	2015-16
Revenue from Operations and Other Income	73,702	73,043
Profit before Finance Cost and Depreciation (PBIDT)	890	1,049
Profit before Depreciation and Tax (PBDT)	890	1,017
Profit before Tax (PBT)	691	829
Profit after Tax (PAT)	522	630
Surplus brought forward	1,934	1,718
Total amount available for appropriation	2,456	2,348
APPROPRIATIONS:		
General Reserve	100	175
Dividend (Incl. Tax)	-	239
Surplus carried forward	2,356	1,934

DIVIDEND

The Directors are pleased to recommend a dividend of 70%.

OPERATIONS AND OUTLOOK

The Revenue from operations and other income increased (up by 0.99%) to Rs 73,702 Lac during the year as compared to Rs 73,043 Lac in the previous year. The Operating Profit (PBIDT) decreased (by 15.16%) to Rs.890 Lac from Rs. 1,049 Lac in the previous year due to lower capacity utilization. Capacity utilization decreased to 90.02 % against 93.68% in 2015-16.

Poly pouched milk is progressively replacing loose milk vended by milkmen. This trend is likely to continue in coming years also. It augurs well for your Company.

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The project for processing and packing of Curd and Butter Milk into polypouches, which was started in the third quarter ending December 2016, has commenced commercial operations on 5th April, 2017 and is dedicated solely to Mother Dairy Fruit and Vegetable Private Limited.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March, 2017 in the prescribed form MGT -9 is attached as Annexure-1 to this Report and forms part of it.

NUMBER OF MEETINGS OF THE BOARD

Four Board Meetings were held during the financial year ended on 31st March, 2017.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year ended 31st March, 2017, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013. Further, the Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material. In view of the above, disclosure in Form AOC-2 is not applicable.

DIRECTORS

Shri U.K. Gupta retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting (AGM).

CORPORATE SOCIAL RESPONSIBILITY

The Company has framed Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

A detailed report on Company's CSR activities along with the annual report on the CSR activities undertaken by the Company during the financial year under review, in the prescribed format is annexed to this Report as Annexure-2.

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AUDITORS

(a) Statutory Auditors and their Report

M/s A.K. Gutgutia & Co., Chartered Accountants, have been appointed as Auditors of the Company to hold the office from the conclusion of the 8th Annual General Meeting held in the year 2014 until the conclusion of the 13th Annual General Meeting to be held in the year 2019, subject to ratification of the appointment by the members at the respective AGMs. Accordingly, matter relating to the appointment of the Auditors will be placed for ratification by members at the forthcoming Annual General Meeting. The observations of the Auditors in their report on Accounts and the Financial Statements, read with the relevant notes are self explanatory.

(b) Secretarial Auditor and Secretarial Audit Report

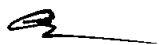
Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2016-17. The Report given by him for the said financial year in the prescribed format is annexed to this Report as Annexure-3. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the financial year under review, there were no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

CONSERVATION OF ENERGY ETC.

The details as required under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014 are not applicable to the Company.



Foreign Exchange Earnings and Outgo

(Rs. In lac)

Foreign Exchange earned	Nil
Foreign Exchange used	Nil

PARTICULARS OF EMPLOYEES

The Company had no employees in the category specified under Rule 5(2) of the Companies (Appointment & Remuneration) Rules, 2014.

RISK MANAGEMENT

The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures.

DEPOSITS

The Company has not accepted any deposits from the public during the financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and




- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors wish to thank Mother Dairy, Vendors, Bankers, Shareholders and Government Authorities for their continued support. They also place on record their appreciation of the hard work put in by the employees at all levels during the period under report.

On behalf of the Board of Directors



(Director)



(Director)

Place: New Delhi
Date : 12th May, 2017

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ANNEXURES TO THE DIRECTOR'S REPORT
FOR THE YEAR ENDED 31ST MARCH 2017

ANNEXURE-1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2017

**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management & Administration) Rules, 2014]**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U45200DL2006PTC156229
2.	Registration Date	05.12.2006
3.	Name of the Company	L V P Foods Private Limited
4.	Category/Sub-category of the Company	Private Company Limited by Shares
5.	Address of the Registered office & contact details	Registered office :- Link House, 4 th Floor 3, Bahadur Shah Zafar Marg New Delhi – 110 002 Ph. No. : 011-33001112, 33001162 Fax No. : 011-23716607 Email ID:- cslvp@jkm.com
6.	Whether listed company	No
7.	Name, Address & contact details of Registrar and Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Poly pouch Liquid Milk	10501	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

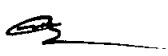
Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Bengal Assam Company Limited Link House, 3, Bahadur Shah Zafar Marg New Delhi – 110 002	L67120DL1947PLC116830	Holding	99.99	2(46)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Bodies Corp.	0	19,99,800	19,99,800	99.99	0	19,99,800	19,99,800	99.99	0
Sub-total(A)(1):-	0	19,99,800	19,99,800	99.99	0	19,99,800	19,99,800	99.99	0
(2) Foreign									
NRI- Individuals/any other	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	0	19,99,800	19,99,800	99.99	0	19,99,800	19,99,800	99.99	0
B. Public Shareholding									
1. Institutions									
Mutual Funds/Banks/ FI/Central Govt./any other	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.- Indian	0	200	200	0.01	0	200	200	0.01	0
Sub-total (B)(2):-	0	200	200	0.01	0	200	200	0.01	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	200	200	0.01	0	200	200	0.01	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	20,00,000	20,00,000	100	0	20,00,000	20,00,000	100	0

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(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1st April 2016)			Shareholding at the end of the year (as on 31st March 2017)			% 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.	Bengal & Assam Company Ltd.	19,99,800	99.99	-	19,99,800	99.99	-	No Change
	Total	19,99,800	99.99	-	19,99,800	99.99	-	

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (as on 1st April 2016)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Bengal & Assam Company Ltd.				
	At the beginning of the year	19,99,800	99.99	19,99,800	99.99
	Increase / Decrease in Promoters Shareholding during the year	NO CHANGE			
	At the end of the year i.e., 31.03.2017			19,99,800	99.99

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

Sl.No.	Top Ten Shareholders	Shareholding at the beginning of the year (1 st April 2016)		Cumulative Shareholding at the end of the year (31 st March 2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Juggilal Kamalpat Udhyog Limited	100	0.005	100	0.005
2.	Nav Bharat Vanjiya Limited	100	0.005	100	0.005


(v) Shareholding of Directors and Key Managerial Personnel:

None of the Directors of the Company were holding any shares in the Company at the beginning of the year, i.e. as on 1st April 2016 and at the end of the year i.e. as on 31st March 2017 and hence there was no increase/decrease in their shareholding during the year 2016-2017.

V) INDEBTEDNESS

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

	(Rs. in Lac)			
	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	-	-	-	-
Total (i+ii+iii)	-	-	-	-







	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition	921.81	-	-	921.81
• Reduction	-	-	-	-
Net Change	921.81	-	-	921.81
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	921.81	-	-	921.81
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	7.69	-	-	7.69
Total (i+ii+iii)	929.50	-	-	929.50

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B.		Remuneration to other directors:			Total Amount (In Rs.)
Sl. No	Particulars of Remuneration	Name of Directors			
1.	Independent Director	Shri Om Prakash Goyal	Shri Ashok Gupta	Shri J.R.C. Bhandari	
	• Fee for attending Board/Committee Meetings	37,500	32,500	10,000	80,000
	• Commission	Nil	Nil	Nil	Nil
	Total (1)	37,500	32,500	10,000	80,000
2.	Other Non-executive Directors	Smt. Mamta Singhania		Shri Upendra Kumar Gupta	
	• Fee for attending Board/Committee Meetings	15,000		35,000	50,000
	• Commission	Nil		Nil	Nil
	Total (2)	15,000		35,000	50,000
	Total(B)= (1+2)				1,30,000
	Total Managerial Remuneration (A+B)				1,30,000
	Overall Ceiling as per the Act	Rs. 75.64 lacs (being 11% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)			

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD: Not Applicable

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2017.

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CORPORATE SOCIAL RESPONSIBILITY REPORT

1. Company's CSR Philosophy and Belief

Healthy cattle are equivalent to happy milk farmers. This is a proven cycle of virtue in the Dairy Industry. LVP Foods has anchored its CSR philosophy and belief on this axiom. The white revolution that made India the largest producer of milk in the world was an outcome of this philosophy, personally conceptualized and implemented by the Late Prime Minister Sh. Lal Bahadur Shastri with the creation of National Dairy Development Board (NDDB).

2. CSR Policy

The Company has been focusing on inclusive growth and it has been undertaking activities aimed at welfare of the Society in the areas pertaining to adult literacy among women, free health check-up camps, distribution of clothing to the poor etc.

The Company has framed a CSR Policy as required under Section 135 of the Companies Act, 2013.

3. ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2017

At LVP Foods Private Limited, our CSR activities are focused on creating economic and social well being of the communities around our plant in Gajraula. Milk farming traditionally has been a vital component of the local economy and has been a major source of income for the poor & landless. Beginning from Financial Year 2014-15, our CSR strategy evolved around providing quality animal rearing and breeding services to the milk farmers in the area and support women in their quest for social and economic empowerment.

The CSR strategy thus identified two key interventions:

- a) provide services for superior animal breeding & nutritional feeds that generate higher yields per animal and enhanced milk producing life cycle.
- b) bring women to the centre of development through social mobilization and economic empowerment.





Specific Highlights in each of the activities are provided below:

Animal Welfare

- Two Artificial Insemination Centers opened.
- 1984 AI's administered.
- 1089 confirmed pregnancies reported
- 949 calves been reported (410 Cow and 539 Buffalo)
- 2 Veterinary health camps organized more than 265 animals given de-wormers & antibiotics.
- 2 Vaccination camp organized with government hospital to prevent HS disease.

International Women's Day

- International Women's Day marked on March 30th 2017.
- Total participation peaked at 2000, women participants numbered 1836.
- Biggest gathering of its kind in the district.
- All important stakeholders present including ADM, CDO- NRLM & DDM – NABARD.
- Extensively covered in the local & state media.

Plant exposure visit

- Two exposure visit organized
 - 30 student in 1st batch from St. Josheph School – Neeli Kheri
 - 30 student in 2nd batch from St. Josheph School – Neeli Kheri
- Visit to ERP
- Visit to liquid milk plant
- Presentation about the various product being manufactured in the plant
- Sharing about hygiene and sanitation during milk collection and milk processing

4. The Composition of the CSR Committee:

The CSR Committee as on 31st March 2017 comprised of the following Directors:

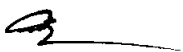
- Shri O. P. Goyal (Chairman of the Committee), Independent Director
- Smt. Mamta Singhania, Non-Independent Director
- Shri U. K. Gupta, Non – Independent Director

5. Average Net Profit of the Company for last three financial years: Rs. 721.33 lac.

6. Prescribed CSR Expenditure (two percent of the amount as in item 5 above): Rs. 14.43 lac.

7. Details of CSR spent during the financial year

- a. Total amount to be spent for financial year : Rs. 14.43 lac
b. Amount unspent, if any : Nil



c. Manner in which the amount spent during the financial year is detailed below:

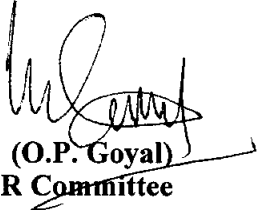
(Rs. In Lacs)

1	2	3	4	5	6	7	8
Sl. No	CSR Project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
1	Animal Welfare Activities	Ensuring enviromental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the clean Ganga fund setup by the central govt. for rejuvenation of river Ganga;	Gajraula, Dist. Amroha, Uttar Pradesh	10.40	10.10	10.10	Implementing Agency
2	International Women's Day	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Gajraula, Dist. Amroha, Uttar Pradesh	4.00	3.97	3.97	Direct
3	Miscellaneous	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	Gajraula, Dist. Amroha, Uttar Pradesh	0.50	0.36	0.36	Direct
Total				14.90	14.43	14.43	

8. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place : New Delhi
Date : 12.05.2017


(U. K. Gupta)
Director


(O.P. Goyal)
Chairman - CSR Committee

of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by the management, 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.

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 31st March, 2017, and its Profit and its cash flows for the year ended on that date.

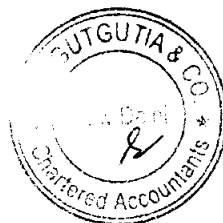
Report on Other Legal and Regulatory Requirement

As required by the Companies (Auditor's Report) Order, 2016 ('Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the said Order.

As required by the provision of Section 143(3) (i), we enclose in the Annexure 'B' our Report in report on Internal Financial Controls over the financial reporting of the Company for the year as at 31st, March, 2017.

As required by Section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of accounts as required by the law have been kept by the Company, so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 133 of the Companies Act, 2013;
- e. on the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2017 from being appointed as director in terms of section 164(2) of the Companies Act, 2013 and
- f. The Company has adequate financial controls over financial reporting system and the operating effectiveness of such controls , refer to our separate report in Annexure 'B'



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 has disclosed the impact of the pending litigations as at 31st March, 2017 on its financial statements – refer para 2.30 to the financial statements;
- ii. The Company did not have any foreseeable losses on long term contracts and had no derivative contracts outstanding as at 31st March 2017;
- iii. The Company did not have any dues on account of Investor Education and Protection Fund; and
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the Management – Refer Note 2.27 to Financial Statements.

For A.K. GUTGUTIA & CO.
Chartered Accountants
FRN - 000012N

Sumit Jain

SUMIT JAIN
Partner
Membership No. 99119

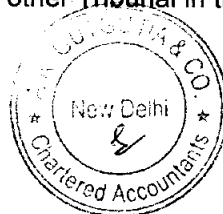


Place: New Delhi
Date: 12th May, 2017



Annexure "A" referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on Financial Statements of LVP Foods Private Limited for the year ended 31st March 2017

- i)
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management as per a phased programme of verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies reported on such verification are not material and have been properly dealt with in the books of accounts.
 - (c) Title deeds of immovable properties of the company are held in the name of the Company.
- ii) In respect of its inventories
 - (a) As explained to us, the inventories were physically verified by the management. In our opinion, having regard to the nature and location of the stocks, the frequency of verification is reasonable.
 - (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 were 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 has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies Limited liability partnerships firms or other parties covered in the register maintained under section 189 of the companies Act, 2013 during the year under audit. Accordingly, paragraph 3(iii) of the Order is not applicable.
- iv) According to the records of the Company, during the year under audit, the Company has not given any loans, made investments, given guarantees and security under the provisions of Section 185 of the Companies Act . Further, the Company has complied with provisions of Section 186 of Companies Act with respect to investments made during the year.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public within the provision of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable). Therefore, the provisions of the clause 3(v) of the order are not applicable to the company. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.



- vi) The Central Government has not prescribed the maintenance of cost records under Sub Section (1) of Section 148 of the Companies Act, 2013 for any of the products of the Company.
- vii) (a) According to the records examined by us , the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax , sales tax , service tax, value added tax, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as on the last day of the financial year 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 material dues with respect to value added tax, service tax which have not been deposited on account of dispute. However, according to information and explanations given to us, following dues of income tax have not been deposited on account of dispute:

Name of the statute	Nature of dues	Amount unpaid (Rs lacs)	Period to which amount relates (Financial Year)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	207.64 Lacs	2013-14	Commissioner Appeals, New Delhi

- viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing dues to a financial institution or bank or government or dues to debenture holders.
- ix) According to information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Further, the Company has taken term loan during the year and the same has been applied for specified purpose for which it was obtained.
- x) Based upon audit procedures performed and on the basis of information and explanations provided by the management, we report that no frauds by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Accordingly clause 3(xi) of the Order is not applicable on the Company
- xii) The Company is not a Nidhi Company and hence this clause is not applicable.
- xiii) According to the information and explanations and records made available by the management of the company and audit procedure performed, no transactions were carried out with the related parties during the year.



- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and as such this clause is not applicable to the company.
- xv) As per the records of the Company and information and explanation provided to us, the company has not entered into any non-cash transaction with Director or person connected with him. Accordingly paragraph 3(xv) of the Order is not applicable
- xvi) According to the records of the company, it is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

**For A.K. GUTGUTIA & CO.
Chartered Accountants
FRN - 000012N**

Sumit Jain

**SUMIT JAIN
Partner
Membership No 99119**

**Place: New Delhi
Date: 12th May, 2017**





**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE FINANCIAL STATEMENTS OF LVP FOODS PRIVATE LIMITED**

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of
Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of LVP FOODS PRIVATE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

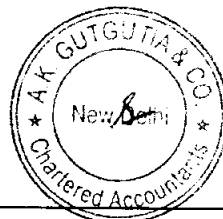
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: New Delhi
Date: 12th May, 2017

For A.K. GUTGUTIA & CO.
Chartered Accountants
FRN - 000012N

Sumit Jain

SUMIT JAIN
Partner
Membership No 99119

LVP FOODS PRIVATE LIMITED
Balance Sheet as at 31st March,2017

(Rs.in lac)

Particulars		Note No.	Figures as at the end of current reporting period 31st March,2017	Figures as at the end of previous reporting period 31st March,2016
I	EQUITY AND LIABILITIES			
(1)	Shareholders' Fund			
	(a) Share capital	2.1	200.00	200.00
	(b) Reserves & surplus	2.2	2,856.24	2,334.31
			3,056.24	2,534.31
(2)	Non- current Liabilities			
	(a) Long term borrowings	2.3	921.81	-
	(b) Deferred tax liabilities (net)	2.4	173.25	172.42
	(c) Other long term liabilities	2.5	347.94	292.45
			1,443.00	464.87
(3)	Current Liabilities			
	(a) Trade payables	2.6	468.55	371.75
	(b) Other current liabilities	2.7	148.32	23.60
	(c) Short-term provisions	2.8	337.67	682.16
			954.54	1,077.51
	Total		5,453.78	4,076.69
II.	ASSETS			
(1)	Non-current Assets			
	(a) <u>Fixed assets</u>	2.9		
	i) Tangible assets		1,811.40	1,882.52
	ii) Intangible assets		0.50	1.22
	iii) Capital Work in Progress		1,401.94	19.92
	(b) Long term loans and advances	2.10	1,338.59	1,285.67
			4,552.43	3,189.33
(2)	Current Assets			
	(a) Inventories	2.11	455.11	277.27
	(b) Trade receivables	2.12	44.57	156.85
	(c) Cash and cash equivalents	2.13	38.70	11.48
	(d) Short term loans and advances	2.14	362.97	441.76
			901.35	887.36
	Total		5,453.78	4,076.69

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

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

Sumit Jain
Sumit Jain
Partner
Membership No.099119

Place : New Delhi
Date : 12th May,2017

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Mamta Singhani
Directors

[Signature]
Directors

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Directors

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Directors

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Directors

LVP FOODS PRIVATE LIMITED

Statement of Profit & loss for the year ended 31st March,2017

(Rs.in lac)

Particulars		Note No.	Figures as at the end of current reporting period 31st March,2017	Figures as at the end of current reporting period 31st March,2016
I	Revenue from operations	2.15	73,691.52	73,025.60
II	Other income	2.16	10.90	17.02
	Total Revenue		73,702.42	73,042.62
III	Expenses:			
	Cost of materials consumed	2.17	69,184.76	68,293.56
	Purchases of stock- in-Trade		4.45	-
	Employee benefits expense	2.18	13.83	14.77
	Finance costs	2.19	-	31.77
	Depreciation and amortization expense	2.9	199.19	188.01
	Other expenses	2.20	3,609.70	3,685.55
	Total expenses		73,011.93	72,213.66
IV	Profit before exceptional items and tax		690.49	828.96
V	Tax expense:			
	(a) Current tax		168.48	194.57
	(b) Deferred tax		0.83	4.29
	(c) Income Tax adjustment for earlier year		(0.75)	0.34
VI	Profit (Loss) for the period		521.93	629.76
VII	Earnings per equity share:	2.21		
	(a) Basic		26.10	31.49
	(b) Diluted		26.10	31.49

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 & 2

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

Sumit Jain
Sumit Jain
Partner
Membership No.099119

Place : New Delhi

Sumit Jain



Muntes Singhania
Directors

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Directors

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Directors

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Directors

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Directors

Notes 2

(Rs.in lac)

Particulars	Figures as at the end of current reporting period 31st March,2017	Figures as at the end of previous reporting period 31st March,2016	
NOTE 2.1			
SHARE CAPITAL			
A. Authorised			
50,00,000 (Previous year 50,00,000) equity shares of Rs.10/- each.	500.00	500.00	
	500.00	500.00	
B. Issued, Subscribed & Paid up			
20,00,000 (Previous year 20,00,000) equity shares of Rs 10/- each fully paid.	200.00	200.00	
	200.00	200.00	
C. Outstanding Shares Reconciliation (Nos.)			
Particulars	31.03.2017	31.03.2016	
Opening as at the beginning of the year	20,00,000	20,00,000	
Add:- Issued during the period	-	-	
Less:- Buy Back during the period	-	-	
Closing as at the end of the year	20,00,000	20,00,000	
D. Shares held by its holding or ultimate holding company or subsidiaries or associates of the holding company or its ultimate holding company			
Name of Shareholder	Nature (Whether holding or ultimate holding,etc)	% of holding	No. of Shares held
Bengal & Assam Co.Ltd.	Holding Company	99.99%	1999800
E. Shareholders holding more than 5% of total Issued Shares			
Name	% of Holding	No.of Shares held	
Bengal & Assam Co.Ltd.	99.99%	19,99,800	
F. Rights and preferences attached to Equity Shares:			
a. The Company has only one class of Equity Shares having face value of Rs. 10/- each and each shareholder is entitled to one vote per share.			
b. 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.			
c. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.			
NOTE 2.2			
RESERVE AND SURPLUS			
General Reserve - Opening Balance	400.00	225.00	
Add: Transferred from Surplus	100.00	175.00	
	500.00	400.00	
Surplus in Statement of Profit & Loss			
Opening Balance	1,934.31	1,718.47	
Add:- Net profit /(Net loss) as per the profit & loss statements	521.93	629.76	
Amount available for appropriation	2,456.24	2,348.23	
Appropriations:-			
Dividend	-	200.00	
Dividend tax	-	38.92	
General Reserve	100.00	175.00	
Surplus-Closing Balance	2,356.24	1,934.31	
	2,856.24	2,334.31	
NOTE 2.3			
LONG TERM BORROWINGS			
Secured Loan			
Term Loan from-Bank			
[Secured by way of exclusive charge on all Trade, receivables, movable Fixed assets including Plant & Machinery (both present and future) , Immovable property situated at Hasanpur , District Amroha	921.81	-	
To be repaid in 14 equated quarterly instalments of Rs 65.84 lac w.e.f. 24.08.2018			
Less:- Current maturity of long term borrowings (Shown Under Other Current Liabilities)	-	-	
	921.81	-	



Particulars	(Rs.in lac)	
	Figures as at the end of current reporting period 31st March,2017	Figures as at the end of previous reporting period 31st March,2016
NOTE 2.4		
DEFERRED TAX LIABILITY/ASSETS		
Deferred tax liability		
Fixed assets	173.25	172.42
	173.25	172.42
NOTE 2.5		
OTHER LONG TERM LIABILITIES		
Secured		
Security deposits	347.94	292.45
	347.94	292.45
NOTE 2.6		
TRADE PAYABLE		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 2.32)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	468.55	371.75
	468.55	371.75
NOTE 2.7		
OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings	-	-
Statutory dues	12.64	4.28
Interest accrued but not due	7.69	-
Capital Creditors	102.94	16.54
Other payables	25.05	2.78
	148.32	23.60
NOTE 2.8		
SHORT TERM PROVISIONS		
Provision for tax	337.67	441.44
Provision for Proposed Dividend	-	200.00
Provision for Dividend Tax	-	40.72
	337.67	682.16
NOTE 2.10		
LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital Advances	80.26	-
Loans & advances (Refer Note 2.26)	963.93	963.93
MAT credit	294.40	321.74
	1,338.59	1,285.67
NOTE 2.11		
INVENTORIES		
Raw Materials	349.50	214.98
Packing materials	105.61	62.29
	455.11	277.27
NOTE 2.12		
TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months from the date of payment	-	-
Other Trade receivables		
Unsecured, Considered good	44.57	156.85
	44.57	156.85
NOTE 2.13		
CASH & CASH EQUIVALENTS		
Cash on hand	0.05	0.46
Balances with banks	38.65	11.02
	38.70	11.48
NOTE 2.14		
SHORT TERM LOAN AND ADVANCES		
Unsecured, considered good		
Income tax advance payment /TDS	351.38	440.93
Others	11.59	0.83
	362.97	441.76

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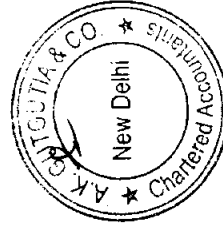


**NOTE 2.9
FIXED ASSETS**

(Rs.in lac)

PARTICULARS	Gross Carrying Amount				Depreciation and amortization				Net Carrying Amount	
	As at April 1,2016	Additions/ Adjustment during the period	Sales/ Adjustment during the period	As at March. 31,2017	As at April 1,2016	For the period	Sales/ Adjustment during the period	As at March. 31,2017	As at March. 31,2017	As at March 31,2016
a. <u>Tangible Assets</u>										
Land	108.73	-	-	108.73	-	-	-	-	-	108.73
Plant and Machinery	2,708.62	146.87	106.09	2,749.40	945.61	195.58	79.57	1,061.62	1,687.78	1,763.01
Furniture & Fixtures	20.67	-	-	20.67	10.98	2.51	-	13.49	7.18	9.69
Office Equipments	5.35	-	-	5.35	5.08	-	-	5.08	0.27	0.27
Vehicles	-	7.00	-	7.00	-	0.33	-	0.33	6.67	-
Computers	15.52	-	-	15.52	14.70	0.05	-	14.75	0.77	0.82
Total (a)	2,858.89	153.87	106.09	2,906.67	976.37	198.47	79.57	1,095.27	1,811.40	1,882.52
Previous Year	2,786.03	115.82	42.96	2,858.89	821.50	187.09	32.22	976.37	1,882.52	1,964.53
b. <u>Intangible Assets</u>										
Computer Software	7.66	-	-	7.66	6.44	0.72	-	7.16	0.50	1.22
Total (b)	7.66	-	-	7.66	6.44	0.72	-	7.16	0.50	1.22
Previous Year	7.66	-	-	7.66	5.52	0.92	-	6.44	1.22	2.14
Capital work in progress	-	-	-	1,401.94 #	-	-	-	-	1,401.94	19.92

Includes preoperative expenses : Rs. 32.01 lac (Interest on Term Loan Rs. 19.15 lac, Processing Fee Rs.11.50 lac & Travelling & Other Exp.Rs.1.36 lac) (Previous Year Rs. Nil).



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(Rs.in lac)

Particulars	Figures as at the end of current reporting period 31st March,2017	Figures as at the end of current reporting period 31st March,2016
NOTE 2.15		
REVENUE FROM OPERATIONS		
Sale - Milk	73,655.70	73,006.82
Sale - Art Work	8.32	-
Other operating revenues	27.50	18.78
	73,691.52	73,025.60
NOTE 2.16		
OTHER INCOME		
Misc. Income	6.00	6.00
Dividend Income	2.03	-
Profit on sale of fixed assets (net)	2.87	11.02
	10.90	17.02
NOTE 2.17		
COST OF MATERIAL CONSUMED		
Opening stock	214.98	246.59
Add:- Purchase	69,319.28	68,261.95
Less :- Closing stock	349.50	214.98
	69,184.76	68,293.56
NOTE 2.18		
EMPLOYEE BENEFITS EXPENSES		
Salaries & wages	13.83	14.77
	13.83	14.77
NOTE 2.19		
FINANCE COST		
Interest on unsecured loan	-	31.66
Others	-	0.11
	-	31.77
NOTE 2.20		
OTHER EXPENSES		
Packing Materials	1,369.60	1,409.38
Conversion charges	2,203.27	2,258.78
Insurance	1.61	1.53
Directors Fee	1.30	0.98
CSR Expenses	14.43	10.33
Miscellaneous expenses	19.49	4.55
	3,609.70	3,685.55
NOTE 2.21		
EARNING PER SHARE		
Surplus/(Deficit) for the year (Rs.in lac)	521.93	629.76
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.)	26.10	31.49
Diluted earning per Share (Rs.)	26.10	31.49



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LVP FOODS PRIVATE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st March,2017**

	(Rs.in lac)	
	2016-2017	2015-2016
A. Cash Flow from Operating Activities		
Net Profit/(Loss) before taxation and extraordinary items	690.49	828.96
Adjustments for :		
Depreciation	199.19	188.01
Finance Costs	-	31.77
(Profit)/Loss on sales of Fixed Assets	(2.87)	(11.02)
Dividend Received	(2.03)	-
Operating Profit before working capital changes	<u>884.78</u>	<u>1,037.72</u>
(Increase)/ Decrease in Trade receivable	112.28	(14.60)
(Increase)/ Decrease in Inventories	(177.84)	72.22
(increase) / Decrease in Loans & Advances	177.11	25.36
Increase/ (Decrease) in Trade and Other Payables	5.51	(150.27)
Cash Generated from Operations	<u>1,001.84</u>	<u>970.43</u>
Direct Tax paid	(151.24)	(167.20)
Net Cash from Operating Activities	<u>850.60</u>	<u>803.23</u>
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,535.89)	(127.12)
Sales of Fixed Assets	29.39	21.76
Dividend Received	2.03	-
Net Cash from Investing Activities	<u>(1,504.47)</u>	<u>(105.36)</u>
C. Cash Flow from Financing Activities		
Dividend Paid (Including Dividend Tax)	(240.72)	(72.21)
Proceeds from Long term borrowings	921.81	-
Repayment of long term borrowings	-	(590.00)
Finance Costs paid	-	(31.77)
Net Cash used in financing activities	<u>681.09</u>	<u>(693.98)</u>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	27.22	3.89
Cash and Cash equivalents being Cash and Bank balances as at the beginning of the year	11.48	7.59
Cash and Cash equivalents being Cash and Bank balances as at the end of the year	<u>38.70</u>	<u>11.48</u>

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

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

Sumit Jain
Sumit Jain
Partner
Membership No.099119

Mamta Singhania
Directors

[Signature]
Directors

[Signature]
Directors

[Signature]
Directors

[Signature]
Directors

Place : New Delhi
Date : 12th May,2017

[Signature]



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. MAT 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 profit 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 Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the profit and loss Statement when an asset is identified as impaired. Reversal of impairment loss recognised in prior periods is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or has decreased. Post impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life.

1.11 Contingent Liabilities

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

1.12 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.

1.13 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.



2.22 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.

2.23 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:

S.No.	Particulars	(Rs. in lac)	
		2016-17	2015-16
1.	Interest paid/payable to BACL	Nil	31.66
2.	Loan repaid to BACL	Nil	590.00

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

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

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





2.27 Details of Specified Bank Notes (SBN) and Other Denomination Notes held and transacted during the period from 08th November, 2016 to 30th December, 2016 as follows:-

Amount in Rs.

S. No.	Particulars	Specified Bank Notes (Old Bank Notes of Rs. 500/- & 1,000/-)	Other Denomination Notes	Total
1	Closing cash in hand as on 08.11.2016	159000	1010	160010
2	(+) Permitted receipts	-	181000	181000
3	(-) Permitted payments	-	140208	140208
4	(-) Amount deposited in Banks	159000	0	159000
5	Closing cash in hand as on 30.12.2016	-	41802	41802

2.28 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.

2.29 Estimated amount of contract remaining to be executed on capital account (net of advance) Rs 73.82 lac (previous year Rs.1.42 lac).

2.30 Contingent liabilities in respect of claims disputed/not accepted and not provided for is Rs 332.24 lac as certified by the management (previous year Rs.294.22 lac).Details thereof are, Income Tax Rs 332.24 lac (previous year Rs.294.22 lac). Interest impact on above, if any, will be considered as and when arise.

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

Statutory Auditors:	31 st March 2017	31 st March 2016
Audit Fees	0.55	0.55
Tax Audit Fees	0.14	0.14
	0.69	0.69

[Handwritten Signature]



2.32 The Company is in the process of identifying the micro, small & medium enterprises as defined under the “The Micro, Small and Medium Enterprises Development Act, 2006.” However, based on the information so far available with the Company in respect of enterprises so identified, there are no outstanding/ delays in payment of dues to such enterprises.

Particulars	As at 31st March, 2017	As at 31st March, 2016
Dues to Micro and Small Enterprise under MSMED Act,2006		
a) Interest paid and payments made to the supplier beyond the appointed day	Nil	Nil
b) Interest due and payable for delay (which has been paid but beyond the appointed day), but without adding the interest under the MSMED Act.	Nil	Nil
c) Amount due and unpaid at the end of accounting year : - Principal amount and Interest due - Interest accrued and remaining unpaid	Nil	Nil
d) Interest remaining due and payable even in the succeeding years.	Nil	Nil

2.33 The management is opinion that there is no impairment of Assets as contemplated in Accounting Standard 28- Impairment of Assets.

2.34 Dividend purposed to be distributed for Equity Shareholders at Rs.7/- per share amounting Rs.168.50 lac (including dividend Tax Rs. 28.50 lac).

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

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

Sumit Jain

Sumit Jain
Partner

Membership No.099119

Place: New Delhi

Date : 12th May,2017

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Manta Singhania

Director

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Director

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Director

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Director

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Director

