

Sunfresh Agro Industries Private
Limited

Financial Statements for the year
ended March 31, 2018

INDEPENDENT AUDITOR'S REPORT**To the Members of Sunfresh Agro Industries Private Limited****Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Sunfresh Agro Industries Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India.

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 Ind AS 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 Ind AS 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 thereunder.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.



Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2017 were audited by another auditor whose report dated May 23, 2017 expressed a modified audit opinion with respect to recognition of Government Grants which it was entitled to receive Package Scheme of Incentive 2007 ('the Scheme') pertaining to prior years amounting to Rs. 1,891.47 Lakhs.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 Cash Flow and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'



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- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 pending litigations on its financial position in its Ind AS financial statements - Refer Note 38 to the Ind AS financial statements.
 - 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of section 143 of the Act, we give in the 'Annexure B', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Amrish Anup Vaidya

Partner

Membership No. 101739



Place : Navi Mumbai

Date : May 18, 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF SUNFRESH AGRO INDUSTRIES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls 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 Sunfresh Agro Industries Private Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS 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) (the "Guidance Note"). 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 Act.

Auditors' 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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.



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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, 2018, 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.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Amrish Anup Vaidya

Partner

Membership No. 101739



Place : Navi Mumbai

Date : May 18, 2018

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF SUNFRESH AGRO INDUSTRIES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
 - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) All the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory (excluding Goods in transit and stock lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.



- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and we 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 the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it.
- (b) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and any other statutory dues on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs.	Period to which the amount relates	Forum where dispute is pending
Income tax act 1961	Income tax	9,81,890	A.Y 2011-12*	Assistant Commissioner of Income tax, Ahmednagar
Income tax act 1961	Income tax	8,28,030	A.Y 2012-13*	Income tax office, Ahmednagar

*A.Y stands for Assessment Year

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to its banks. The Company did not have any loan or borrowings from financial institution, government or any debentures outstanding during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, 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.
- xi. According to the information and explanations given to us, since the Company is a Private Company, the provisions of section 197 of the Act will not be applicable. Accordingly, the provisions stated in paragraph 3(xi) of the Order are not applicable to the Company.



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- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are 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, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of preference shares during the year and the requirements of Section 42 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- 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 non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No. 105047W

Amrish Anup Vaidya

Partner

Membership No.101739



Place : Navi Mumbai

Date : May 18, 2018

Sunfresh Agro Industries Private Limited

Balance Sheet as at 31 March 2018


(Amount- INR in Lakhs , unless otherwise stated)

	Notes	As at 31-Mar-18	As at 31-Mar-17
ASSETS			
Non-current assets			
Property, plant and equipment	15	28,783.11	28,539.85
Capital work-in-progress	16	960.79	2,137.37
Financial assets			
(i) Investments	17	0.32	0.32
(ii) Other financial assets	18	1,844.90	522.85
Income tax assets (net)		9.80	9.81
Other non-current assets	19	180.22	206.20
Total non-current assets	(A)	31,779.14	31,416.40
Current Assets			
Inventories	20	8,523.31	8,714.93
Financial assets			
(i) Trade receivables	21	12,951.29	16,199.90
(ii) Cash and cash equivalents	22	3,118.89	3,252.55
(iii) Bank balances other than cash and cash equivalents	23	44.30	58.19
(iv) Loans	24	3.62	5.34
(v) Other financial assets	25	1,288.43	1,668.39
Other current assets	26	3,367.42	8,473.37
Total current assets	(B)	29,297.26	38,372.67
TOTAL ASSETS	(A+B)	61,076.40	69,789.07
EQUITY AND LIABILITIES			
Equity			
Equity share capital	27	5,300.72	5,300.72
Other equity	28	32,130.72	28,477.31
Equity attributable to owner of the Company		37,431.44	33,778.03
Total equity	(C)	37,431.44	33,778.03
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	30	10,935.70	21.98
Provisions	31	21.36	35.29
Deferred tax liabilities (net)	14	1,419.24	1,322.70
Total non-current liabilities	(D)	12,376.30	1,379.97
Current liabilities			
Financial liabilities			
(i) Borrowings	32	8,000.00	19,190.78
(ii) Trade payables	33	1,906.98	1,705.78
(iii) Other financial liabilities	34	530.72	12,383.99
Other current liabilities	35	533.17	410.41
Provisions	36	15.93	3.81
Current tax liabilities (net)	37	281.86	936.30
Total Current liabilities	(E)	11,268.66	34,631.07
Total liabilities	(D+E)	23,644.96	36,011.04
TOTAL EQUITY AND LIABILITIES	(C+D+E)	61,076.40	69,789.07
Significant accounting policies	2-3		
Notes to the financial statements	4-52		

The notes referred to above form an integral part of the financial statements


As per our report of even date attached

For MSKA & Associates (Formerly known as
MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W


Amrisha Anup Vaidya
Partner
Membership No. 101739


Place: Navi Mumbai
Date: 18 May 2018


For and on behalf of Board of directors of
Sunfresh Agro Industries Private Limited
CIN No. : 001122PN2007PTC129505


Sarangdhar R Nirmal
Director
DIN: 00035254


Ravindra Mahadane
Chief Financial Officer

Place: Navi Mumbai
Date: 18 May 2018


Vivek S Nirmal
Managing Director
DIN: 00820923


Tasneem H Bhanpurawala
Company Secretary
Membership No. A43936



Sunfresh Agro Industries Private Limited
Statement of Profit and Loss
for the year ended 31 March 2018

(Amount- INR In Lakhs , unless otherwise stated)

	Notes	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Revenue from operations			
Other income	4	94,527.23	89,338.28
Total Income	5	150.87	90.55
Expenses		94,678.10	89,428.83
Cost of materials consumed	6	77,323.09	77,468.13
Purchase of traded goods	7	488.66	715.92
Changes in inventories of finished goods and work-in-progress	8	56.21	(2,246.22)
Employee benefits expense	9	981.06	870.23
Finance costs	10	2,397.50	2,927.80
Depreciation expense	11	3,003.99	2,715.38
Other expenses	12	7,151.44	4,271.83
Total Expenses		91,401.95	86,723.07
Profit before exceptional items and tax		3,276.15	2,705.76
Exceptional items	46	-	1,891.47
Profit before tax		3,276.15	4,597.23
Tax expense:			
Current Tax		672.35	1,121.19
Deferred Tax (including MAT credit of Rs 649.13 lakhs (31 March 2017: Rs 714.04 lakhs)		(300.12)	846.09
Total tax expense	14	372.23	1,967.28
Profit for the year		2,903.92	2,629.95
Other comprehensive income	13		
<i>Items that will not be reclassified subsequent to profit or loss</i>			
Remeasurements of employee benefit obligations		7.25	21.10
Income tax related to items that will not be reclassified to profit or loss		(2.51)	(7.30)
Other Comprehensive income/(loss) for the year, net of tax		4.74	13.80
Total comprehensive income for the year		2,908.66	2,643.75
Earnings per equity share			
Basic earning per equity share of face value of Rs. 10 each (31 March 2017: Rs. 10)	29	5.49	5.02
Diluted earning per equity share of face value of Rs. 10 each (31 March 2017: Rs. 10)	29	5.49	5.02

Significant accounting policies

Notes to the financial statements

2-3

4-52

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants

ICAI Firm Registration No.105047W


Amrisha Anup Vaidya

Partner

Membership No. 101739

Place: Navi Mumbai

Date: 18 May 2018

For and on behalf of Board of directors of

Sunfresh Agro Industries Private Limited

CIN. No : U01122PN2007PTC129505


Sarangdhar R Nirmal

Director

DIN: 00035234


Raviraj Vahadane

Chief Financial Officer

Place: Navi Mumbai

Date: 18 May 2018


Vivek S Nirmal

Managing Director

DIN: 00820923


Tasneem H Bhanpurawala

Company Secretary

Membership No. A43936



Sunfresh Agro Industries Private Limited

Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2018

(Amount- INR in Lakhs, unless otherwise stated)

(a) Equity share capital (refer note 27)

Equity shares of Rs 10 each issued, subscribed and fully paid
Opening
Add: Issue during the year
Closing

As at 31-Mar-18		As at 31-Mar-17	
No. of shares	Amount	No. of shares	Amount
5,30,07,184	5,300.72	5,19,02,895	5,190.29
-	-	11,04,289	110.43
5,30,07,184	5,300.72	5,30,07,184	5,300.72

(b) Other equity

Particulars	Reserves & Surplus				Items of OCI	Total Equity
	Capital Reserve	Securities Premium Account [Note a]	Retained earnings	Other Equity	Remeasurements of the net defined benefit Plans	
Balance at 01 April 2016	4,189.87	14,708.02	5,816.58	-	(7.32)	24,707.15
Profit for the year	-	-	2,629.95	-	-	2,629.95
Other comprehensive income for the year (net of tax)	-	-	-	-	13.80	13.80
Total comprehensive income for the year	-	-	2,629.95	-	13.80	2,643.75
Transactions with owners in their capacity as owners						
Contribution by owners	-	-	-	-	-	-
Issue of share capital (note a)	-	1,126.41	-	-	-	1,126.41
Total transactions with owners	-	1,126.41	-	-	-	1,126.41
Balance at 31 March 2017	4,189.87	15,834.43	8,446.53	-	6.48	28,477.31
Profit for the year	-	-	2,903.92	-	-	2,903.92
Other comprehensive income for the year (net of tax)	-	-	-	-	4.74	4.74
Total comprehensive income for the year	-	-	2,903.92	-	4.74	2,908.66
Transactions with owners in their capacity as owners						
Contribution by owners	-	-	-	-	-	-
Equity component on Fair value adjustment of Preference share (refer note 49)	-	-	-	1,138.90	-	1,138.90
Deferred tax on Equity component (refer note 49)	-	-	-	(394.15)	-	(394.15)
Total transactions with owners	-	-	-	744.75	-	744.75
Balance at 31 March 2018	4,189.87	15,834.43	11,350.45	744.75	11.22	32,130.72

Note:

a) During the year, the Company has allotted Nil (31 March 2017 : 1,104,289) equity shares of Rs 10 each at a premium of Rs. Nil (31 March 2017 : Rs 102) per share to Prabhat Dairy Limited, 'the ultimate holding Company'.

Significant accounting policies
Notes to the financial statements

2-3
4-52

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For MSKA & Associates (Formerly known as MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W

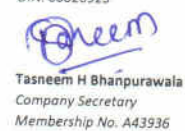

Amrisha Anup Vaidya
Partner
Membership No. 101739
Place: Navi Mumbai
Date: 18 May 2018

For and on behalf of Board of directors of
Sunfresh Agro Industries Private Limited
CIN. No : U01122PN2007PTC129505


Sarangdhar R Nirmal
Director
DIN: 00035234


Vivek S Nirmal
Managing Director
DIN: 00820923


Ravindra Vahadane
Chief Financial Officer


Tasneem H Bhanpurawala
Company Secretary
Membership No. A43936

Place: Navi Mumbai
Date: 18 May 2018



Sunfresh Agro Industries Private Limited

Statement of Cash Flow
for the year ended 31 March 2018
(Amount - INR in Lakhs, unless otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
Cash flow from operating activities		
Profit before tax	3,276.15	4,597.23
Adjustments for		
Depreciation expense	3,003.99	2,715.38
Loss on sale of property, plant and equipment	0.67	12.47
Provision for doubtful trade and other receivables (net)	30.74	-
Unrealised Exchange loss	15.36	-
Interest income	(17.25)	(11.22)
Unwinding of interest on Preference capital	513.88	-
Finance costs	1,883.62	2,927.80
	8,707.16	10,241.66
Working capital adjustments		
(Increase) / Decrease in Inventories	191.62	(2,775.86)
(Increase)/ Decrease in trade and other receivables	3,217.88	(76.10)
Decrease in current Loans	1.72	-
(Increase)/ decrease in current financial assets	370.74	(1,409.23)
Decrease in other non current asset	80.77	-
(Increase)/ decrease in Other Current Asset	5,105.95	(8,364.73)
(Increase) in non current - financial asset	(1,303.84)	(296.39)
Increase/ (Decrease) in other current financial liabilities	(55.36)	14.91
Decrease in other current liabilities	122.76	182.74
Increase/ (Decrease) in trade and other payables	185.39	(4,905.68)
Increase/(Decrease) in current provisions and employee benefits	12.12	(5.42)
Increase/(Decrease) in non current provisions and employee benefits	(6.68)	21.20
Income Tax paid	16,630.23	(7,372.90)
Net cash flows from operating activities	(1,326.77)	(318.95)
Cash flow from investing activities	15,303.46	(7,691.85)
Payment for purchase and construction of property, plant and equipment	(2,373.35)	(2,745.63)
Proceeds from sale of property, plant and equipment	5.08	641.72
Interest received	26.47	7.32
(Investment) in bank deposits for more than 3 months	(4.33)	(94.97)
Net cash flows from investing activities	(2,346.13)	(2,191.56)
Cash flow from financing activities		
Proceeds from issue of share capital	-	1,236.84
Proceeds from / (repayment of) Loan and borrowings (net)	(11,207.37)	12,738.91
Repayment of Loan and borrowings from related party	(11,553.98)	-
Proceeds from redeemable preference shares	11,553.98	-
Finance charges paid	(1,883.62)	(1,476.33)
Net cash flows from financing activities	(13,090.99)	12,499.42
Net increase / (decrease) in cash and cash equivalents	(133.66)	2,616.01
Cash and cash equivalents at the beginning of the year	3,252.55	636.54
Cash and cash equivalents at the end of the year	3,118.89	3,252.55
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and cash equivalents comprise (Ref note 22)		
Balance with banks:		
In current account	3,100.31	3,247.84
In CC account	13.56	-
Cash on hand	5.02	4.71
Cash and Cash equivalents as at the year end	3,118.89	3,252.55

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (IND AS) 7 - "Cash Flow Statements".

Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Significant accounting policies 2-3
Notes to the financial statements 4-52

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

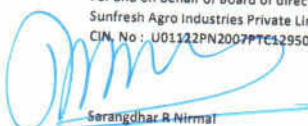
For MSKA & Associates (Formerly known as
MZSK & Associates)
Chartered Accountants
ICAI Firm Registration No.105047W


Amrishi Anup Vaidya
Partner

Membership No. 101739

Place: Navi Mumbai
Date: 18 May 2018

For and on behalf of Board of directors of
Sunfresh Agro Industries Private Limited
CIN. No : U01122PN2007PTC129505


Saranghar R Nirmal
Director

DIN: 00035234


Ravira Mahadane
Chief Financial Officer

Place: Navi Mumbai
Date: 18 May 2018



Vivek S Nirmal
Managing Director
DIN: 00820923


Tasneem H Bhanpurawala
Company Secretary
Membership No. A43936



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018

(Amount- INR in Lakhs , unless otherwise stated)

1. Reporting Entity

Sunfresh Agro Industries Private Limited ("Sunfresh" or "the Company") is a Private Limited Company domiciled and headquartered in India and was incorporated on 22 January 2007. Prabhat Dairy Limited holds 100% equity share capital of Sunfresh directly and through its subsidiary Cheese Land Agro (India) Private Limited. Prabhat Dairy Limited is the Company's ultimate holding Company and is listed on the National Stock Exchange of India Limited and Bombay Stock Exchange of India Limited on 21 September 2015.

The Company is engaged in the business of processing of milk, manufacturing and sale of various milk and products including skimmed milk powder, whole milk powder, cheese, paneer and sweetened condensed milk, catering to the needs of the industrial trade sector.

2. Basis of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 18 May 2018.

Details of the Company's significant accounting policies are included in Note 3.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakh to two decimal points, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair Value of plan assets less present value of defined benefit obligations



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

2. Basis of preparation (continued)

2.4 Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2018 is included in the following notes:

- Note 14 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 15 – Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.
- Notes 38 – the Company has received some orders and notices from tax authorities in respect of direct and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and makes provisions for probable losses. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate; and;
- Note 43 – measurement of defined benefit obligations: key actuarial assumptions;

2.5 Measurement of fair values

A number of 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 finance team has the overall responsibility for all significant fair value measurements, including Level 3 fair values, supported by external experts, whenever required. Fair value measurement are reviewed by the Chief Financial Officer (CFO).



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 *(continued)*

(Currency – INR in Lakhs, except share data)

2. Basis of preparation *(continued)*

2.5 Measurement of fair values *(continued)*

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).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 44 – financial instruments.

2.6 Current-non-current classification

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

Assets

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

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) 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 current portion of non-current financial assets. All other assets are classified as non-current.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (*continued*)

(Currency – INR in Lakhs, except share data)

2. Basis of preparation (*continued*)

2.6 Current-non-current classification (*continued*)

Liabilities

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

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be settled within 12 months after the reporting date; or
- d) 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.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Company is less than 12 months.

3. Significant accounting policies

3.1 Revenue recognition

a) Product sales and Sale of service

Revenue from sale of goods in the course of ordinary activities is measured at the fair value of the consideration receivable, net of trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when significant risks and rewards of their ownership are transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

In view of the nature of services rendered, revenue from services is recognised in profit or loss in proportion of the transaction at the reporting date.

b) Export incentives

Export incentives are recognized when the right to receive credit as per the terms of incentives is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

c) Package scheme of incentive

Package scheme of incentive is recognized when right to receive credit as per the terms of incentive is established and when there is no significant uncertainty regarding ultimate collection of such subsidy.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 *(continued)*

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies *(continued)*

3.1 Revenue recognition *(continued)*

d) *Interest income*

Interest income is recognised on a time proportionate basis taking into account the amount invested and the rate applicable.

e) *Other*

Other items of income are accounted as and when the right to receive payment is established.

3.2 Government grants

The Company is entitled to various incentives from government authorities in respect of manufacturing units located in developing regions. The Company accounts for its entitlement on accrual basis on approval of the initial claim by the relevant authorities.

Subsidy received under the Memorandum of Understanding (“MOU”) signed with the Government of Maharashtra (“GOM”) in respect of manufacturing units located in developing regions, is recognized when there is reasonable assurance regarding compliance with the specified conditions and consequent receipt of the grant.

Grants that compensate the Company for expenses incurred are recognised in statement of profit or loss as other operating revenue on a systematic basis in the periods in which such expenses are recognised.

3.3 Financial instruments

Recognition and initial measurement

Trade receivables and loans given are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair value through other comprehensive income (FVOCI) – equity investment; or
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.3 Financial instruments (continued)

Classification and subsequent measurement (continued)

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and Interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.3 Financial instruments (continued)

Classification and subsequent measurement (continued)

Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated

As consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 *(continued)*

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies *(continued)*

3.3 Financial instruments *(continued)*

Derecognition (continued)

Financial assets (continued)

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.4 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.4 Property, plant and equipment (continued)

Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. The carrying value of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the year in which they are incurred.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advance' under other non-current assets and cost of asset not ready to use before such date are disclosed under 'Capital Work-in-progress'.

Depreciation

Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and appropriate disclosure is made in the financial statements.

The management believes that depreciation rates used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II.

Accordingly, depreciation on tangible fixed assets is provided on straight line method at estimated useful lives, which in certain categories of assets is different than the estimated useful life as specified in Schedule II of the Companies Act, 2013 ('Schedule II') and are as under:

Category of asset	Useful life followed (in years)	Useful life as per Schedule II (in years)
Factory Building	15 – 40	30
Electrical installations	10	10
Plant and equipment (except Cheese and Paneer)	10	15*
Office equipment	3	5
Furniture & Fixtures	16	10
Vehicle	10.56	10
Computers	3	3
Cheese plant and equipment	20	15*
Paneer plant and equipment	22	15*
Co-generation plant	40	40

*For General laboratory equipment, the useful life as per Schedule II is 10 years.

Freehold land is not depreciated. Acquired assets consisting of leasehold land are recorded at acquisition cost and amortized on straight-line basis based over the lease term.

Additions to tangible fixed assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.4 Property, plant and equipment (continued)

Depreciation (continued)

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property, plant and equipment is provided up to the date preceding the date of sale or deduction as the case may be. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in 'Statement of Profit and Loss' under 'other income' in case of gains and under 'other expenses' in case of losses.

Depreciation method, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

3.5 Impairment

Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses:

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.5 Impairment (continued)

Impairment of financial instruments (continued)

The Company assumes that the credit risk on a financial asset increases significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 180 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

In accordance with IndAS 36 – Impairment of Assets, the Company assesses, at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indications exist, the Company estimates the recoverable amount of the asset. If such recoverable amount of asset or recoverable amount of cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.5 Impairment (continued)

Impairment of non-financial assets (continued)

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount is subject to a maximum of depreciable historical cost.

3.6 Inventories

Inventories which comprise raw materials, work-in-progress, finished goods, stock-in-trade and stores and spares are carried at the lower of cost and net realisable value. Cost of inventories comprise cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining cost "First in First out" method is used. In the case of manufactured inventories and work in progress, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and other costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

Obsolete, defective and unserviceable inventories including slow moving stocks are provided based on technical evaluation. Net realizable value is the estimated selling price in the ordinary course of the business, less the estimated costs of completion and selling expenses.

Raw material and other supplies held for use in production of inventories are not written down below cost, except in cases where material price have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

3.7 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognised in the period in which the employee renders the related service. These benefits include salaries and wages and bonus. The undiscounted amount of short-term employee services is recognised as an expense as the related service is rendered by the employees.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods in which the contribution is due.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.7 Employee benefits (continued)

Defined benefit plans

The employee's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of defined benefit plan is calculated by discounting the estimated amount of future benefit that employees have earned in the current and prior periods. The liability for gratuity is partly funded, wherein contributions are made and charged to revenue on annual basis.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

3.8 Foreign currency transaction

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

3.9 Income tax

Income tax 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 in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the 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 (and tax laws) enacted or substantively enacted by the reporting date.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 (continued)

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies (continued)

3.9 Income tax (continued)

Current tax (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 recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences, related to investments in subsidiaries (in relation to undistributed profits), to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act, in respect of MAT paid is recognised as asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 *(continued)*

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies *(continued)*

3.10 Provisions and contingencies

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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) 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. Expected future operating losses are not provided for.

Contingencies

Provision in respect of loss contingencies relating to claims, litigations assessment, fines, penalties etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably.

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 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.

3.11 Leases

Assets held under leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. Payments made under operating leases are generally recognised in Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

3.12 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.13 Segment reporting

The Company is primarily engaged in the business of processing of milk and manufacturing of dairy products. Therefore, the Company is of the view that revenue from processing of milk and manufacturing of dairy products is a single component of the Company for assessing its performance. Hence, processing of milk and manufacturing of dairy products is the only reportable segment. The Company's operations are primarily in India, accordingly there is no reportable secondary geographical segment.



Sunfresh Agro Industries Private Limited

Notes to the financial statements for the year ended 31 March 2018 *(continued)*

(Currency – INR in Lakhs, except share data)

3. Significant accounting policies *(continued)*

3.14 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

The diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the result would be anti-dilutive.

3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



Sunfresh Agro Industries Private Limited

Notes to financial statements

for the year ended 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
4. Revenue from operations		
Sales of products and services		
Sale of products (including excise duty)	92,825.70	87,080.18
Sale of traded goods	568.32	749.01
	<u>93,394.02</u>	<u>87,829.19</u>
Other operating revenue		
Export incentives	-	40.88
Package scheme of incentives subsidy (refer note 46)	1,115.50	1,450.26
Sale of scrap	17.71	17.95
	<u>1,133.21</u>	<u>1,509.09</u>
	<u>94,527.23</u>	<u>89,338.28</u>

Sale of goods includes excise duty collected from customers of Rs.20.42 lakhs (31 March 2017: Rs.30.65 lakhs). Sale of goods net of excise duty is Rs.93,373.60 lakhs (31 March 2017: Rs. 87,798.54 lakhs). Revenue from operations for periods up to 30 June 2017 includes excise duty. From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2018 is not comparable 31 March 2017.

5. Other Income

Interest income		
from banks	6.75	7.97
from others	10.50	3.25
Gain on foreign currency transactions (net)	-	14.53
Liabilities written back to the extent of no longer required	-	0.27
Miscellaneous income	133.62	64.53
	<u>150.87</u>	<u>90.55</u>

6. Cost of materials consumed (refer note 47)

Inventory of materials at the beginning of the year	1,067.78	538.14
Add: Purchases	77,187.68	77,997.77
Inventory of materials at the end of the year	932.37	1,067.78
	<u>77,323.09</u>	<u>77,468.13</u>

7. Purchase of stock-in-trade

	<u>488.66</u>	<u>715.92</u>
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Sunfresh Agro Industries Private Limited

Notes to financial statements

for the year ended 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
8. Changes in inventories of finished goods and work in progress		
Inventories at the beginning of the year :		
Finished goods	6,953.56	4,932.09
Work-in-process	693.59	468.84
(A)	<u>7,647.15</u>	<u>5,400.93</u>
Inventories at the end of the year:		
Finished goods	6,110.16	6,953.56
Work-in-process	1,480.78	693.59
(B)	<u>7,590.94</u>	<u>7,647.15</u>
Changes In Inventories:		
Finished goods	843.40	(2,021.47)
Work-in-process	(787.19)	(224.75)
Increase In Inventories:	(C)=(A)+(B)	
	<u>56.21</u>	<u>(2,246.22)</u>
9. Employee benefit expense		
Salaries, wages bonus and allowances	899.72	816.13
Contribution to provident and other funds (refer note 43)	27.58	26.92
Gratuity expense (refer note 43)	27.13	15.78
Staff welfare expenses	26.63	11.40
	<u>981.06</u>	<u>870.23</u>
10. Finance costs		
Interest expense		
on borrowings	1,537.78	1,333.98
on loan from holding company (refer note 48)	199.51	1,451.47
unwinding of interest on Preference capital (refer note 49)	513.88	-
Other borrowing costs (refer note 47)	116.33	87.35
Interest on delayed payment of tax	30.00	55.00
	<u>2,397.50</u>	<u>2,927.80</u>
11. Depreciation and amortisation expense		
Depreciation (Refer Note 15)	3,003.99	2,715.38
	<u>3,003.99</u>	<u>2,715.38</u>



Sunfresh Agro Industries Private Limited

Notes to financial statements

for the year ended 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
12. Other expenses		
Co-packing and conversion charges	205.66	287.64
Consumption of stores and spare parts	960.81	542.31
Repairs and maintenance		
- Machinery	411.36	160.00
- Others	177.49	80.81
Rent including lease rentals (refer note 39)	188.52	50.69
Rates and taxes (refer note 47)	261.33	102.07
Insurance	29.69	34.91
Power and fuel	3,089.25	1,885.95
Labour charges	678.48	467.14
Increase of excise duty on inventory	-	7.75
Advertisement and sales promotion expenses	1.43	5.25
Transport and forwarding expenses	649.19	257.99
Travelling and conveyance	98.46	32.62
Legal and professional expenses	141.88	152.67
Payment to auditors (refer note 41)	5.69	9.61
Loss on sale of fixed assets (net)	0.67	12.47
Corporate Social Responsibility (CSR) (refer note 42)	88.48	51.98
Gain on foreign currency transactions (net)	43.74	-
Capital advances and security deposits written off	-	64.86
Provision for doubtful trade and other receivables (net)	30.74	-
Miscellaneous expenses	88.57	65.11
	7,151.44	4,271.83
13. Statement of other comprehensive income		
(i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit plans	7.25	21.10
	7.25	21.10
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.51)	(7.30)
	4.74	13.80



Sunfresh Agro Industries Private Limited

Notes to financial statements
as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

14. Tax expense

14.1 Amounts recognised in Statement of Profit and Loss

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
(a) Income Tax expense		
Current tax		
Current tax on the profit for the year	649.13	1,061.19
Adjustment of current tax of prior periods	23.22	60.00
Total current tax expense	672.35	1,121.19
(b) Deferred tax		
Attributable to -		
Origination and reversal of temporary differences	349.01	1,560.13
MAT credit entitlement	(649.13)	(1,061.19)
Excess MAT credit relating to prior years written off (refer note 38(c))	-	347.15
Deferred tax expense	(649.13)	(1,061.19)
Tax expense for the year	(300.12)	846.09
	372.23	1,967.28

14.2 Amounts recognised in other comprehensive income

Items that will not be reclassified to profit or loss	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of the defined benefit plans	7.25	(2.51)	4.74	21.10	(7.30)	13.80
	7.25	(2.51)	4.74	21.10	(7.30)	13.80

14.3 Reconciliation of effective tax rate

	For the year ended 31-Mar-18		For the year ended 31-Mar-17	
Profit before tax		3,276.15		4,597.23
Tax using the Company's tax rate of 34.61% (31 March 2017 : 34.61%)	34.61%	1,133.81	34.61%	1,591.01
Tax effect of:				
Effect of non deductible expenses	2.12%	69.32	0.92%	42.25
Effect of tax exempt income	-14.84%	(486.24)	-2.61%	(120.21)
Effect of additional allowances for tax purpose	-10.57%	(346.35)	-4.59%	(210.87)
Effect of proposed application to ITSC (refer note 38 (C))	0.00%	-	14.49%	666.12
Effect of previous year adjustments	0.71%	23.22	0.00%	-
Others	-0.66%	(21.53)	-0.02%	(1.02)
	11.36%	372.23	42.79%	1,967.28

14.4 Recognised deferred tax asset and liability

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax asset		Deferred tax liabilities		Deferred tax asset/ (liabilities)	
	As at 31-Mar-18	As at 31-Mar-17	As at 31-Mar-18	As at 31-Mar-17	As at 31-Mar-18	As at 31-Mar-17
	Property, plant and equipment	-	-	(4,046.32)	(3,506.94)	(4,046.32)
Loans and borrowings	-	-	(216.31)	-	(216.31)	-
Employee benefits	12.90	13.53	-	-	12.90	13.53
Provisions	33.04	22.39	-	-	33.04	22.39
MAT credit entitlement (net)	2,797.45	-	-	2,148.32	2,797.45	2,148.32
Deferred tax asset/ (liabilities)	2,843.39	35.92	(4,262.63)	(1,358.62)	(1,419.24)	(1,322.70)



Sunfresh Agro Industries Private Limited

Notes to financial statements
as at 31 March 2018 (continued)

(Amount- INR in Lakhs, unless otherwise stated)

15. Property, plant and equipment

Reconciliation of carrying amount

Particulars	Freehold land	Leasehold land	Building	Plant and Machinery	Furniture and Fixture	Vehicles	Office Equipments	Computer	Grand Total
Gross carrying amount									
Balance as at 01 April 2016	70.00	642.96	7,245.00	21,737.00	58.33	97.77	6.64	2.09	29,859.79
Additions	-	-	414.12	4,061.11	1.15	-	5.48	1.19	4,483.05
Disposals	-	(642.96)	-	(32.83)	-	-	-	-	(675.79)
Balance as at 31 March 2017	70.00	-	7,659.12	25,765.28	59.48	97.77	12.12	3.28	33,667.05
Balance as at 01 April 2017	70.00	-	7,659.12	25,765.28	59.48	97.77	12.12	3.28	33,667.05
Additions	-	-	727.63	2,432.91	64.47	15.47	8.02	4.50	3,253.00
Disposals	-	-	-	(8.65)	-	-	-	-	(8.65)
Balance as at 31 March 2018	70.00	-	8,386.75	28,189.54	123.95	113.24	20.14	7.78	36,911.40
Accumulated depreciation									
Balance as at 01 April 2016	-	6.70	378.70	2,030.54	3.96	10.11	2.13	1.28	2,433.42
Depreciation for the year	-	6.41	423.67	2,265.55	4.81	10.10	4.04	0.80	2,715.38
Disposals	-	(13.11)	-	(8.49)	-	-	-	-	(21.60)
Balance as at 31 March 2017	-	-	802.37	4,287.60	8.77	20.21	6.17	2.08	5,127.20
Balance as at 01 April 2017	-	-	802.37	4,287.60	8.77	20.21	6.17	2.08	5,127.20
Depreciation for the year	-	-	471.85	2,508.41	7.45	11.18	4.08	1.02	3,003.99
Disposals	-	-	-	(2.90)	-	-	-	-	(2.90)
Balance as at 31 March 2018	-	-	1,274.22	6,793.11	16.22	31.39	10.25	3.10	8,128.29
Carrying amounts (net)									
As at 31 March 2017	70.00	-	6,856.75	21,477.68	50.71	77.56	5.95	1.20	28,539.85
As at 31 March 2018	70.00	-	7,112.53	21,396.43	107.73	81.85	9.89	4.68	28,783.11



Sunfresh Agro Industries Private Limited

Notes to financial statements
as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

16. Capital work in progress

Reconciliation of carrying amount

Particulars	Buildings	Plant and equipment	Furniture and fixtures	Total
Cost (gross carrying amount)				
Balance as at 01 April 2016	237.79	2,057.39	-	2,295.18
Additions	716.39	3,552.71	48.32	4,317.42
Capitalised during the year	(414.12)	(4,061.11)	-	(4,475.23)
Balance as at 31 March 2017	540.06	1,548.99	48.32	2,137.37
Balance as at 01 April 2017	540.06	1,548.99	48.32	2,137.37
Reclassification/Adjustment	27.27	(27.50)	0.23	-
Additions	393.70	1,513.94	15.12	1,922.76
Capitalised during the year	(726.58)	(2,309.09)	(63.67)	(3,099.34)
Balance as at 31 March 2018	234.45	776.34	-	960.79

Notes:-

Capital work-in-progress(CWIP) as at 31 March 2018, majorly comprises construction building and plant & machinery of 30 TPD powder plant and evaporator modification and Mozzarella Cheese Cold storage for increasing storage capacity for cheese & Panner. As at 31 March 2017, majorly comprises building construction in progress and plant and machinery under installation for milk powder plant.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
17. Non-current investments		
Investment in equity instruments (fully paid up)		
Unquoted :		
<i>Equity shares at FVTPL (Unquoted)</i>		
640 Shares (31 March 2017 : 640 shares) of Rs. 50 each of The Mula Pravara Electric Co-operative Society Limited	0.32	0.32
Total (Equity Instruments)	<u>0.32</u>	<u>0.32</u>
Aggregate amount of unquoted investments	<u>0.32</u>	<u>0.32</u>
18. Other non-current financial assets		
Security deposits	116.99	84.60
Deposits with banks	134.52	116.31
Subsidy income receivable	1,593.39	321.94
	<u>1,844.90</u>	<u>522.85</u>

Information about the Company's exposure to credit and market risks, and fair value measurement, is included in note 44.

19. Other non-current assets

Capital advances (for capital commitments refer note 38(d))	153.99	99.18
Prepaid Expenses	15.17	-
VAT receivable	11.06	107.02
	<u>180.22</u>	<u>206.20</u>

20. Inventories

Raw and packing material (at cost) (Including goods-in-transit of Rs.28.72 lakhs (31 March 2017: Rs.69.37 lakhs)	932.37	1,067.78
Work-in-progress		
Finishes goods *	1,480.78	693.59
(Including goods-in-transit of Rs.273.13 lakhs (31 March 2017: Rs.319.09 lakhs)	<u>6,110.16</u>	<u>6,953.56</u>
	<u>8,523.31</u>	<u>8,714.93</u>

*Valued at the lower of cost or net realisable value

Hypothecated as charge against borrowings [refer notes 32 (a)]

The write down of inventories to net realisable value as on 31 March 2018 is Rs. 395.41 lakhs (31 March 2017: Rs.164.99 lakhs). The write down are included in changes in inventories of finished goods and work in progress.

21. Trade receivables

(Unsecured)

- Unsecured, Considered good

- Considered doubtful

	12,951.29	16,199.90
	95.47	64.73
	<u>13,046.76</u>	<u>16,264.63</u>
Less: Loss allowance for doubtful debts		
	<u>(95.47)</u>	<u>(64.73)</u>
	<u>12,951.29</u>	<u>16,199.90</u>

The Company's exposure to credit risk and loss allowances related to trade receivables are disclosed in note 44.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
22. Cash and cash equivalents		
Balance with banks :		
In current account	3,100.31	3,247.84
In Cash credit account [Refer note32(a)]	13.56	-
Cash on hand	5.02	4.71
	<u>3,118.89</u>	<u>3,252.55</u>
23. Bank balances other than cash and cash equivalents		
Balance held as security against borrowing and other commitments (Initial maturity of more than three months and remaining maturity of less than twelve months)	44.30	58.19
	<u>44.30</u>	<u>58.19</u>
24. Current financial assets- Loans (Unsecured, considered good)		
Loans to employees	3.62	5.34
	<u>3.62</u>	<u>5.34</u>
Information about the Company's exposure to credit and market risks, and fair value measurement, is included in note 44.		
25. Other current financial assets		
Subsidy Income receivable		
Security deposits	1,272.15	1,650.43
Interest accrued on fixed deposits	2.92	5.88
Interest accrued on other deposits	2.86	12.08
	10.50	-
	<u>1,288.43</u>	<u>1,668.39</u>
Information about the Company's exposure to credit and market risks, and fair value measurement, is included in note 44.		
26. Other current assets		
Advance to suppliers		
To Related Party:		
Prabhat Dairy Limited (Refer note 45)	3,268.69	5,919.58
To other than related parties	31.41	2,533.16
Prepaid expenses	67.32	20.63
	<u>3,367.42</u>	<u>8,473.37</u>



Sunfresh Agro Industries Private Limited

Notes to financial statements as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
27. Share Capital		
i) Equity share capital		
a) Authorised :		
53,446,020 (31 March 2017 : 56,348,300) equity shares of Rs. 10 each	5,344.60	5,634.83
	<u>5,344.60</u>	<u>5,634.83</u>
b) Issued and Subscribed and Paid up:		
53,007,184 (31 March 2017 : 53,007,184) Equity shares of Rs. 10 each	5,300.72	5,300.72
	<u>5,300.72</u>	<u>5,300.72</u>

c) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31-Mar-2018		As at 31-Mar-2017	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year				
Equity shares of Rs. 10 each	5,30,07,184	5,300.72	5,19,02,895	5,190.29
Add: Shares issued during the year	-	-	11,04,289	110.43
At the end of the year				
Equity shares of Rs. 10 each	5,30,07,184	5,300.72	5,30,07,184	5,300.72

d) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares having a par value of Rs 10 per share. Accordingly all equity shares rank equally with regard to dividend and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of equity shareholders are in proportion to their share of paid up equity capital of the Company.

e) Shares held by holding / ultimate holding Company and particulars of shareholders holding more than 5% shares is set out below:

Name of shareholder	As at 31-Mar-18		As at 31-Mar-17	
	No. of Shares	% held	No. of Shares	% held
Cheeseland Agro (India) Private Limited, the holding Company	3,74,83,255	70.71%	3,74,83,255	70.71%
Prabhat Dairy Limited, the ultimate holding Company	1,55,23,929	29.29%	1,55,23,929	29.29%

ii) 0.01% Non - cumulative redeemable preference shares (Refer note 49)

	As at 31-Mar-18	As at 31-Mar-17
a) Authorised :		
11,553,980 (31 March 2017 : 151,700) 0.01% Non - cumulative redeemable preference shares of Rs. 10 each	1,155.40	15.17
	<u>1,155.40</u>	<u>15.17</u>
b) Issued and Subscribed and Paid up: (Refer note 49)		
11,553,980 (31 March 2017 : nil) 0.01% Non - cumulative redeemable preference shares of Rs. 10 each	1,155.40	-
	<u>1,155.40</u>	<u>-</u>

c) Reconciliation of 0.01% Non - cumulative redeemable preference shares outstanding at the beginning and at the end of the year:

Particulars	As at 31-Mar-2018		As at 31-Mar-2017	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year				
preference shares shares of Rs. 10 each	-	-	-	-
Add: Shares issued during the year	1,15,53,980	1,155.40	-	-
At the end of the year				
preference shares shares of Rs. 10 each	1,15,53,980	1,155.40	-	-

d) Rights, preferences and restrictions attached to Preference shares

The Company has a single class of preference shares having a par value of Rs 10 per share with no voting right. Preference Shares shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions. Each Convertible Preference Shares is entitled to a preferential dividend rate of 0.01% per annum (the "Preferential Dividend"). The Preferential Dividend is non cumulative in nature. From date of issue, these Preference shares are redeemable at end of 5th year at a price of Rs 137 per share or at the end of 7th year at a price of Rs 155 per share at the option of investor.

e) Shares held by ultimate holding Company and particulars of shareholders holding more than 5% shares is set out below:

Name of shareholder	No. of Shares 31-Mar-18		No. of Shares 31-Mar-17	
	No. of Shares	% held	No. of Shares	% held
Prabhat Dairy Limited, the ultimate holding Company	1,15,53,980	100.00%	-	-



Sunfresh Agro Industries Private Limited

Notes to financial statements as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
28 Other equity:		
Capital reserve		
At the commencement and at the end of the year	4,189.87	4,189.87
Securities premium reserve		
Opening balance		14,708.02
Add : Additions during the year	15,834.43	-
At the end of the year	-	1,126.41
	<u>15,834.43</u>	<u>15,834.43</u>
Other Equity		
Opening balance		
Add : Additions during the year (Net of Deferred tax)		
At the end of the year	744.75	-
	<u>744.75</u>	<u>-</u>
Retained earnings		
Opening balance		5,816.58
Net profit for the period	8,446.53	2,629.95
	<u>2,903.92</u>	<u>2,629.95</u>
Closing balance	<u>11,350.45</u>	<u>8,446.53</u>
Other Items of OCI		
Opening balance		
Remeasurement of post-employment benefit obligation	6.48	(7.32)
Deferred tax on above	7.25	21.10
	<u>(2.51)</u>	<u>(7.30)</u>
Closing balance	<u>11.22</u>	<u>6.48</u>
	<u>32,130.72</u>	<u>28,477.31</u>

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Remeasurement of defined benefit liability (asset)

Remeasurement of defined benefit liability (asset) comprises actuarial gains and losses.

29. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Net profit for the year attributable to equity shareholders	2,908.66	2,643.75
Weighted average number of equity shares of face value of Rs. 10 each	5,30,07,184	5,27,10,690
Basic and Diluted earnings per equity share of face value Rs. 10 each	<u>5.49</u>	<u>5.02</u>

A
B
A/B



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
30. Non - current borrowings		
<i>Secured (refer details below for assets pledged as security)</i>		
Others		
From bank (refer note a)	6.75	21.98
<i>Unsecured</i>		
11,553,980 (31 March 2017 : Nil) 0.01% Non cumulative Redeemable preference shares (Refer note 49)	10,928.95	-
	<u>10,935.70</u>	<u>21.98</u>

Notes:

a) Details of repayment, interest rate and security provided for vehicle loans

The vehicle loans from other banks are secured against such vehicles and carry interest rate ranging from 10.50% to 12.50% p.a. (31 March' 2017 : 10.50% to 12.50% p.a)

The Company's exposure to interest rate and liquidity risk are disclosed in note 44.

31. Provisions

Provision for employee benefits

Gratuity-Partly Funded (refer note 43)

21.36	35.29
<u>21.36</u>	<u>35.29</u>

32. Current Borrowings

From banks (refer note 'a' for details below for assets pledged as security)

 Secured (cash credit facility for working capital)

8,000.00	19,190.78
<u>8,000.00</u>	<u>19,190.78</u>

Note:

a) Details of loans from bank repayable on demand:

These loans are from various banks under multiple banking arrangements and in the nature of cash credit facilities and Working Capital Demand Loans are repayable on demand and carry interest rate ranging from 8.30% p. a. to 9.50% p. a. (2017 : 8.50% p.a. to 10.65% p.a.). These short term loans have been secured by way of creation of the following security in favour of IL & FS Trust Company Limited (being the Security Trustee):

1. First ranking pari passu charge over the Company's Current assets (present & future) by way of hypothecation.
2. Second ranking pari passu charge over the Company's Fixed movable assets (present & future) by way of hypothecation.
3. Second ranking pari passu charge by way of registered mortgage on the following lands and all the present & future structures thereon:
 - i) Survey No. 787 adm. 0.21 Hectares owned by the Company.
 - ii) Survey No. 121/6 adm. 0.21 Hectares owned by Mr. Vivek S. Nirmal.
 - iii) Survey No. 121/7 adm. 0.20 Hectares owned by Mr. Vivek S. Nirmal.
 - iv) Survey No. 121/10 adm. 0.56 Hectares owned by Mr. Vivek S. Nirmal.

- 4) Personal guarantee of Mr. Sarangdhar R. Nirmal and Mr. Vivek S. Nirmal.

The Company's exposure to interest rate and liquidity risk are disclosed in note 44.

33. Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note 40)

Total outstanding dues of creditors other than micro enterprises and small enterprises

1,906.98	1,705.78
<u>1,906.98</u>	<u>1,705.78</u>

The Company's exposure to liquidity risk are disclosed in note 44.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

	As at 31-Mar-18	As at 31-Mar-17
34. Other financial liabilities		
Current maturities of non current borrowings		
Secured		
From banks (refer note 30 (a))	13.55	14.91
Unsecured		
From Cheese Land Agro (India) Private Limited (refer note 45 & 48)		
Payable for purchase of fixed assets	-	11,553.98
Security deposits	490.31	732.88
Employee benefits payable (refer sub-note a)	3.89	3.89
	<u>22.97</u>	<u>78.33</u>
	<u>530.72</u>	<u>12,383.99</u>
a) Includes payable to directors Rs. 1.97 lakhs (31 March 2017 : 2.09 lakhs)		
The Company's exposure to interest rate and liquidity risk are disclosed in note 44.		
35. Other current liabilities		
Advances from customers	10.94	217.34
Statutory dues payables	522.23	193.07
	<u>533.17</u>	<u>410.41</u>
36. Provisions		
Provision for employee benefits		
Gratuity-Partly funded (refer note 43)	15.93	3.81
	<u>15.93</u>	<u>3.81</u>
37. Current tax liabilities (net)		
Current tax liabilities [net of advance tax]	281.86	936.30
	<u>281.86</u>	<u>936.30</u>



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs, unless otherwise stated)

38. Contingent liabilities and commitments (to the extent not provided for):

Contingent liabilities	As at 31-Mar-18	As at 31-Mar-17
a) Income Tax Matters [refer sub-note (a)]		
Financial year 2010-11		
Financial year 2011-12	9.82	9.82
	8.28	8.28
b) Sales Tax Matters [refer sub-note (a)]		
Financial year 2010-11	-	122.87

Notes:

i) The Company is contesting the demands related to Income Tax matters and the management believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of this proceedings will not have a material adverse effect on the Company's financial position and results of operations.

c) On October 09, 2015, a search was conducted by the Income Tax Department pursuant to the provisions of section 132(1) and section 133A of the Income Tax Act, 1961 ("the IT Act") at the offices of the Company at Shrirampur and Pune and also at the offices of the holding company and the residence of Executive Directors residing at Shrirampur. The Company has not received any demand notice with respect to the search.

Consequent to the survey carried out by the Income Tax department under section 133A of the IT Act on the Company, the Income Tax department has requisitioned books of accounts and other documents under section 132A of the IT Act. Accordingly, the Company had submitted the copies of the documents required by the tax authority.

During the previous year, the Company had decided to file an application with the Hon'ble Income Tax Settlement Commission (ITSC) with respect to the expected litigations which may arise pursuant to the survey carried out by the Income Tax authorities for AY 2010-11 to AY 2016-17. As on 31 March 2018, the Company is in process of filing the said application with ITSC.

Based on best estimate, management has carried an evaluation of possible tax obligation that may arise out of the said litigation. As per the management evaluation, the Company will have to pay additional tax amounting to Rs. 60 lakhs (including interest thereon), reversed excess MAT credit entitlement of Rs. 347.15 lakhs for assessment years 2010-11 to 2016-17 and provide for additional deferred tax liability charge due to write off of certain fixed assets in tax block for which depreciation claim would not be allowed by the tax authorities amounting to Rs. 258.97 lakhs. Accordingly, total provision was made pursuant to above matter amounting to Rs. 666.12 lakhs in the previous year.

The Company believes that they will not have any additional tax liability or penalty (if any) other than already accounted into books of accounts based on management best estimate.

Since the ultimate outcome of the assessment proceeding of a settlement application cannot presently be determined, no additional provision for tax including penalty, if any, as a result of such outcome, is made in the current financial statements.

d) Commitments	As at 31-Mar-18	As at 31-Mar-17
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,325.12	575.20
Other commitments (refer sub-note a)	2.24	2.36
	<u>1,327.36</u>	<u>577.56</u>

Notes:

a) The Company has taken land on lease from Directors and relatives of directors for a period ranging from 15 years to 29 years starting from December, 2006. In terms of the said lease agreement, the Company is required to pay an annual rent of Rs. 12,862 p.a. However, the Company has received a letter of waiver from them indicating that the total rent payable since inception of the lease till March 2018 has been waived and that the Company is not required to pay any lease rent for the above referred period.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs, unless otherwise stated)

39. Operating leases

The Company has entered into operating lease arrangements for office space. Lease arrangements provide for cancellation by either party and also contain a clause for renewal of the lease agreement and there are no non-cancellable arrangements. Total lease rental expenses for operating leases recognised in Statement of Profit and Loss is Rs. 188.52 lakhs (2017 : Rs. 50.69 Lakhs)

40. Compliance with Micro, Small and Medium Enterprises Development Act, 2006

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

41. Payment to auditors *

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Statutory audit fees		
Out of pocket expenses reimbursed	5.00	9.20
	0.69	0.41
	<u>5.69</u>	<u>9.61</u>

* Current year figures are excluding Goods and Service tax (GST) whereas Previous year ended figures are including service tax. Includes fee Rs. Nil (31 March 2017: Rs. 9.20 lakhs) and out of pocket expenses of Rs. Nil (31 March 2017: Rs. 0.41 lakhs) including service tax, paid to a firm other than MSKA & Associates.

42. Corporate Social Responsibility (CSR)

As per provisions of section 135 of Companies Act 2013, the Company was required to spend Rs. 72.18 lakhs (31 March 2017 : Rs. 45.12 lakhs) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. The Company has spent Rs. 88.48 lakhs (31 March 2017 : Rs. 51.98 lakhs) towards Corporate Social Responsibility activities.

The breakup of expenditure incurred on CSR activities during the year (April 2017 - March 2018):

Particulars of CSR activity	Amount paid	Amount yet to be paid	Total Amount
(i) Construction / acquisition of any asset	-	-	-
(ii) On purpose other than (i) above (Majorly towards for Livelihood enhancement and rural development).	88.48	-	88.48



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

43. Liabilities relating to employee benefits

The Company contributes to the following post-employment defined benefit plans.

(i) Defined Contribution Plans:

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contributions plans. The Company has no obligation other than to make specified contributions. The contribution are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund is Rs. 27.58 lakhs (31 March 2017: Rs. 26.92 lakhs). The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

(ii) Defined Benefit Plan:

Actuarial gains and losses in respect of defined benefit plans are recognised in Other Comprehensive Income. The Defined Benefit Plan comprise of Gratuity. Gratuity is a benefit to an employee based on 15 days last drawn salary for each completed year of service.

	As at 31-Mar-18	As at 31-Mar-17
Defined benefit obligation as at the end of the year	58.65	39.10
Defined benefit Plan Assets as at the end of the year	21.36	-
Liability for Gratuity Net liability recognised in the Balance Sheet as at the end of the year	<u>37.29</u>	<u>39.10</u>
Non-current		
Current	21.36	35.29
	15.93	3.81
A. Reconciliation of the net defined benefit liabilities		
I. Reconciliation of present value of defined benefit obligation		
Present value of defined benefit obligation as at beginning of the year	39.10	44.42
Current service cost	10.58	12.23
Past Service cost	14.51	-
Interest cost	2.84	3.55
Benefits paid	(1.35)	-
Actuarial (gains) / losses recognised in other comprehensive income		
- experience adjustment	(7.03)	(21.10)
	<u>58.65</u>	<u>39.10</u>
II. Reconciliation of present value of defined benefit Plan		
Fair value of plan assets as at beginning of the year		
Contribution made during the year		
Mortality charges	20.62	-
Return on plan assets	(0.28)	-
Actuarial (gains) / losses recognised in other comprehensive income	0.80	-
- experience adjustment	-	-
Fair value of plan Assets	<u>0.22</u>	<u>-</u>
	21.36	-
iii. Amounts to be recognised in the Balance Sheet		
Present value of defined benefit obligation		
Defined benefit Plan Assets	58.65	39.10
Net liability recognized in Balance Sheet	<u>21.36</u>	<u>-</u>
	37.29	39.10
iv. Expenses recognised in the Statement of Profit and Loss		
Current service cost		
Past Service cost	10.58	12.23
Interest cost	14.51	-
Return on plan assets	2.84	3.55
	<u>(0.80)</u>	<u>-</u>
	27.13	15.78



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Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

43. Liabilities relating to employee benefits (continued)

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
v. Remeasurement recognised in other comprehensive income		
Actuarial (gain)/ losses on defined benefit obligation	(7.03)	(21.10)
Actuarial (gain)/ losses on defined benefit Plan assets	(0.22)	-
Net Actuarial (gain)/ losses	(7.25)	(21.10)
vi. Expected contribution to the fund in the next year		
	37.00	

B. Defined benefit obligations

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages).

	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Discount rate	7.7%	7.4%
Salary escalation rate	8.0%	8.0%
Attrition rate	5.0%	5.0%
Expected average remaining working lives of employees (in years)	14.13	14.14

Assumptions regarding future mortality have been based on published standard table in accordance with Indian Assured Lives Mortality (2006-08) ultimate.

The discount rate is based on the prevailing market yield of Indian government securities as at Balance sheet date for the estimated terms of obligation.

Salary Escalation Rate : The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	For the year ended 31-Mar-18		For the year ended 31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(5.03)	5.91	(3.68)	4.38
Future salary growth (1% movement)	3.45	(2.96)	2.91	(2.45)
Attrition rate (1% movement)	1.07	(1.18)	0.57	(0.61)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, It does provide an approximation of the sensitivity of the assumptions shown.



Sunfresh Agro Industries Private Limited

Notes to financial statements as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount. Financial assets that are neither past due nor impaired include cash and cash equivalents; security deposits, term deposits, and other financial assets.

Non-current borrowing comprises liability portion of Preference Shares. The impact of fair value on such portion is not material and therefore not considered for above disclosure. Similarly, carrying values of non-current security deposits and non-current term deposits are not significant and therefore the impact of fair value is not considered for above disclosure.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

As on 31-03-2018

	Note	Carrying amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	17	0.32	-	-	-	-	0.32	0.32
Trade receivables	21	-	-	12,951.29	-	-	-	12,951.29
Cash and cash equivalents	22	-	-	3,118.89	-	-	-	3,118.89
Bank balances other than cash and cash equivalents	23	-	-	44.30	-	-	-	44.30
Loans	24	-	-	3.62	-	-	-	3.62
Other non-current financial asset	18	-	-	1,844.90	-	-	-	1,844.90
Other current financial asset	25	-	-	1,288.43	-	-	-	1,288.43
		0.32	-	19,251.43	-	-	0.32	19,251.74
Financial liabilities								
Long term borrowings	30	-	-	6.75	-	6.75	-	6.75
Preference share capital	30	-	-	10,928.95	-	10,928.95	-	10,928.95
Short term borrowings	32	-	-	8,000.00	-	8,000.00	-	8,000.00
Trade payables	33	-	-	1,906.98	-	-	-	1,906.98
Current maturity of long term debts	34	-	-	13.55	-	13.55	-	13.55
Other current financial liabilities	34	-	-	517.17	-	-	-	517.17
		-	-	21,373.40	-	18,949.25	-	18,949.25
				10,444.45				18,949.25



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Notes to financial statements
as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

A. Accounting classification and fair values (continued)

As on 31-03-2017

	Note	Carrying amount			Fair value			
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	17	0.32	-	-	-	-	0.32	0.32
Trade receivables	21	-	-	16,199.90	-	-	-	16,199.90
Cash and cash equivalents	22	-	-	3,252.55	-	-	-	3,252.55
Bank balances other than cash and cash equivalents	23	-	-	58.19	-	-	-	58.19
Loans	24	-	-	5.34	-	-	-	5.34
Other non-current financial asset	18	-	-	522.85	-	-	-	522.85
Other current financial asset	25	-	-	1,668.39	-	-	-	1,668.39
		0.32	-	21,707.22	-	-	0.32	21,707.54
Financial liabilities								
Long term borrowings	30	-	-	21.98	-	-	-	21.98
Short term borrowings	32	-	-	19,190.78	-	17.92	-	19,190.78
Trade payables	33	-	-	1,705.78	-	-	-	1,705.78
Current maturity of long term debts	34	-	-	11,568.89	-	11,568.89	-	11,568.89
Other current financial liabilities	34	-	-	815.10	-	-	-	815.10
		-	-	33,302.53	-	30,777.59	-	30,777.59



Sunfresh Agro Industries Private Limited

Notes to financial statements
as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Borrowings	Discounted cash flow: The valuation model considers the present value of expected payment, discounted using risk-adjusted discount rate	Not applicable	Not applicable

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Accordingly, unquoted equity shares have been considered as Level 3 financial instrument. The carrying amount of unquoted equity shares is not considered material and hence it has not been fair valued and carrying amount for the same has been considered as the fair value.

Valuation techniques used to determine fair value

Specific valuation techniques used to value the financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Valuation processes

The finance team performs the valuation of financial assets and liabilities required for financial reporting purposes. The valuation results are reviewed by CFO.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial Instruments – Fair values and risk management (continued)

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established a Risk Management Framework which is reviewed and monitored by the Risk Management Committee. The Committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. The Company, through its training and established procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk to which the Company is exposed to and how the entity manages the risk.

ii. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 12,951.29 lakhs and Rs. 16,199.90 lakhs as of 31 March 2018 and 31 March 2017, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company computes the expected credit loss allowance for trade receivables based on available external and internal credit risk factors such as the ageing of its dues, market information about the customer, industry information and the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top ten customers :

Particulars	For the year ended 31-Mar-18	For the year ended 31-Mar-17
Revenue from top ten customer	81,753	74,473

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	Amount in INR for the year ended	
	31-Mar-18	31-Mar-17
Balance at the beginning	64.73	64.73
Impairment loss recognised	30.74	-
Balance at the end	95.47	64.73

The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. Investments primarily include certificates of deposit which are funds deposited at a bank for a specified time period.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

iii. Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents, working capital facility with banks and the cash flows that are generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of 31 March 2018, the Company had a working capital of Rs. 18,028.60 lakhs (31 March 2017 : Rs. 3,741.60 lakhs). The working capital of the Company for this purpose has been derived as follows:

	As at 31-Mar-18	As at 31-Mar-17
Total current asset (A)	29,297.26	38,372.67
Total current liabilities (B)	11,268.66	34,631.07
Working capital (A-B)	18,028.60	3,741.60

The working capital as at 31 March 2018 calculated above includes cash and cash equivalents of Rs. 3,118.89 lakhs and deposits with banks of Rs. 44.30 lakhs. Also, the working capital as at 31 March 2017 calculated above includes cash and cash equivalents of Rs. 3,252.55 lakhs and deposits with banks of Rs. 58.19 lakhs.

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

As at 31-03-2018

Carrying amount	Contractual cash flows					
	Total	6 months or less	6 - 12 months	1-2 years	2-5 years	More than 5 years
Secured loans from banks	20.30	(20.30)	(6.60)	(6.95)	(6.75)	-
Preference share Capital	10,928.95	(15,828.92)	-	-	(15,828.92)	-
Working capital loans from banks	8,000.00	(8,000.00)	(8,000.00)	-	-	-
Trade payables	1,906.98	(1,906.98)	(1,906.98)	-	-	-
Payable for purchase of fixed assets	490.31	(490.31)	(490.31)	-	-	-
Security deposits	3.89	(3.89)	(3.89)	-	-	-
Employee benefits payable	22.97	(22.97)	(22.97)	-	-	-
	21,373.40	(26,273.37)	(10,430.75)	(6.95)	(6.75)	(15,828.92)

As at 31-03-2017

Carrying amount	Contractual cash flows					
	Total	6 months or less	6 - 12 months	1-2 years	2-5 years	More than 5 years
Secured loans from banks	36.89	(36.89)	(7.25)	(7.66)	(21.98)	-
Loans from related parties	11,553.98	(11,553.98)	(11,553.98)	-	-	-
Working capital loans from banks	19,190.78	(19,190.78)	(19,190.78)	-	-	-
Trade payables	1,705.78	(1,705.78)	(1,705.78)	-	-	-
Payable for purchase of fixed assets	732.88	(732.88)	(732.88)	-	-	-
Security deposits	3.89	(3.89)	(3.89)	-	-	-
Employee benefits payable	78.33	(78.33)	(78.33)	-	-	-
	33,302.53	(33,302.53)	(33,272.89)	(7.66)	(21.98)	-



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

iv. Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk is as follows:

	31-Mar-18		31-Mar-17	
	INR	Foreign currency	INR	Foreign currency
Financial liabilities				
Trade payables				
USD	403.61	6.21	349.35	5.39
Net exposure on respect of recognised liabilities	403.61	6.21	349.35	5.39
Other current financial liabilities				
EURO	7.11	0.09	225.70	3.26
Net exposure on respect of recognised liabilities	7.11	0.09	225.70	3.26

The following significant exchange rates have been applied during the year.

	Average rate		Year-end spot rate	
	31-Mar-18	31-Mar-17	31-Mar-18	31-Mar-17
INR				
USD	64.94	67.45	65.04	64.84
EURO	74.94	74.45	80.62	69.25

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars/Euro at March 31 would have affected the measurement of financial instruments denominated in US dollars/Euro and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast purchases.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended March 31, 2018				
10% movement - Profit / (loss)				
USD	40.36	(40.36)	35.78	(35.78)
EURO	0.71	(0.71)	0.63	(0.63)
	41.07	(41.07)	36.41	(36.41)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended March 31, 2017				
10% movement - Profit / (loss)				
USD	34.93	(34.93)	19.98	(19.98)
EURO	22.57	(22.56)	12.91	(12.91)
	57.50	(57.49)	32.89	(32.89)



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

v. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing financial instruments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows:

	31-Mar-18	31-Mar-17
Fixed-rate instruments		
Financial assets	178.83	174.50
Financial liabilities	10,949.25	11,590.87
Variable-rate instruments		
Financial liabilities	8,000.00	19,190.78

Fair value sensitivity analysis for fixed-rate instruments

A change of 100 basis points in interest rate would have increased or decreased profit or loss by Rs. 107.70 lakhs (31 March 2017: Rs. 114.16 lakhs). This analysis assumes that all other variables remain constant.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or loss		Equity, net of tax	
	100 bp increase (loss)	100 bp decrease (profit)	100 bp increase (loss)	100 bp decrease (profit)
Year ended March 31, 2018				
Variable-rate instruments	80.00	(80.00)	70.91	(70.91)
Cash flow sensitivity	80.00	(80.00)	70.91	(70.91)
Year ended March 31, 2017				
Variable-rate instruments	191.91	(191.91)	109.79	(109.79)
Cash flow sensitivity	191.91	(191.91)	109.79	(109.79)



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

44. Financial instruments – Fair values and risk management (continued)

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to equity holders.

The Company monitors capital using debt-equity ratio, which is total debt divided by total equity.

	As at 31-Mar-18	As at 31-Mar-17
Total debts	18,949.25	30,781.65
Less : Cash and cash equivalent and bank balances	3,163.19	3,310.74
Adjusted net debt	15,786.06	27,470.91
Total equity	37,431.44	33,778.03
Adjusted net debt to adjusted equity ratio	0.42	0.81



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs, unless otherwise stated)

45. Related party disclosure

(a) Key Management Personnel (KMP)

Mr. Sarangdhar R. Nirmal, Director
 Mr. Vivek S. Nirmal, Managing Director
 Mr. Kishor Nirmal
 Mr. Raviraj Vadhane, Chief Financial Officer (from 27 April 2016)
 Mr. Amit Gala, Chief Financial Officer (from 12 December 2015 upto 26 April 2016)
 Mr. Anil Goel (upto 15 March 2017)
 Ms. Anurag Pandya, Company Secretary
 Miss. Tasneem Husseni Bhanpurawala, Company secretary (w.e.f. November 15, 2017)

(b) Names of the related parties with whom transactions were carried out during the period and description of relationship :

Ultimate Holding Company and significant shareholder
 Prabhat Dairy Limited

Holding Company
 Cheese Land Agro (India) Private Limited

Trust which directly controls reporting Company and in which KMPs are interested.
 Nirmal Family Trust (Refer note a)

Enterprises / proprietary concerns in which KMPs or their relatives exercise significant influence :
 Prabhat Agro. Multi State Co-Operative Society Limited

Relatives of KMPs :

Mrs. Vijaya S. Nirmal
 Mr. Arvind J. Nirmal
 Mrs. Nisha K. Nirmal
 Mrs. Nidhi V. Nirmal
 Mrs. Mamta A. Goel
 Mrs. Sneha Nirmal Astunkar

c) Disclosure of related party transactions:

Particulars	Ultimate Holding Company	Holding Company	KMP/Relatives of KMP *	Enterprises / proprietary concerns in which key management personnel or their relatives exercise significant influence	Total
Purchase of good					
Prabhat Dairy Limited	70,520.44 (53,867.24)	-	-	-	70,520.44 (53,867.24)
Prabhat Agro Multi State Co-Operative Society Limited	-	-	-	365.92 (418.30)	365.92 (418.30)
Sale of good					
Prabhat Dairy Limited	12,359.23 (7,605.86)	-	-	-	12,359.23 (7,605.86)
Cheese Land Agro (India) Private Limited	-	444.93	-	-	444.93
Finance Cost					
Cheese Land Agro (India) Private Limited	-	199.51 (1,451.47)	-	-	199.51 (1,451.47)
Managerial remuneration					
Vivek S Nirmal	-	-	36.00 (36.00)	-	36.00 (36.00)
Salary					
Raviraj Vahadane	-	-	27.17 (6.04)	-	27.17 (6.04)
Kishor R. Nirmal	-	-	55.00 (55.00)	-	55.00 (55.00)
Anil Goel	-	-	-	-	-
Tasneem Husseni Bhanpurawala	-	-	(42.96)	-	(42.96)
Mr. Anurag Pandya	-	-	1.21	-	1.21
Relatives of KMP	-	-	5.44 (7.75)	-	5.44 (7.75)
Relatives of KMP	-	-	20.54 (14.25)	-	20.54 (14.25)
Issue of Equity Shares					
Prabhat Dairy Limited	(110.43)	-	-	-	(110.43)
Security Premium					
Prabhat Dairy Limited	(1,126.41)	-	-	-	(1,126.41)
Issue of 0.01 % non-cumulative preference share (including Premium) **					
Prabhat Dairy Limited	11,553.98	-	-	-	11,553.98



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs, unless otherwise stated)

45. Related party disclosure (continued)

Particulars	Ultimate Holding Company	Holding Company	KMP/Relatives of KMP *	Enterprises / proprietary concerns in which key management personnel or their relatives exercise significant influence	Total
Lease Rent payment					
Kishor Ramchandra Nirmal	-	-	-	25.83	25.83
	-	-	-	-	-
Borrowings Repaid					
Cheese Land (India) Private Limited	-	11,553.98	-	-	11,553.98
	-	-	-	-	-
Balances outstanding at the end of the year					
Trade Receivable					
Cheese Land (India) Private Limited	-	127.53	-	-	127.53
	-	-	-	-	-
Advances to suppliers					
Prabhat Dairy Limited	3,268.69	-	-	-	3,268.69
	(5,919.58)	-	-	-	(5,919.58)
Prabhat Agro Multi State Co-Operative Society Limited	-	-	-	(112.65)	(112.65)
	-	-	-	-	-
Employee benefits payable					
Vivek S Nirmal	-	-	1.97	-	1.97
	-	-	(3.00)	-	(3.00)
Kishor R. Nirmal	-	-	3.33	-	3.33
	-	-	(4.58)	-	(4.58)
Mr. Raviraj Vahadane	-	-	(3.02)	-	(3.02)
	-	-	-	-	-
Mr. Anil Goel	-	-	(2.37)	-	(2.37)
	-	-	-	-	-
Mr. Anurag Pandya	-	-	(0.65)	-	(0.65)
	-	-	-	-	-
Relatives of KMP	-	-	(0.79)	-	(0.79)
	-	-	-	-	-
Post employment defined benefit					
Vivek S Nirmal	-	-	7.35	-	7.35
	-	-	(4.35)	-	(4.35)
Kishor R. Nirmal	-	-	13.68	-	13.68
	-	-	(6.62)	-	(7)
Mr. Raviraj Vahadane	-	-	(0.50)	-	(0.50)
	-	-	-	-	-
Mr. Anurag Pandya	-	-	(0.15)	-	(0.15)
	-	-	-	-	-
Tasneem Husseni Bhanpurawala	-	-	0.01	-	0.01
	-	-	-	-	-
Borrowings					
Cheese Land (India) Private Limited	-	(11,553.98)	-	-	(11,553.98)
	-	-	-	-	-

Notes:

- a) Trust and enterprise which directly controls reporting Company and in which KMPs are interested.
b) Figures in bracket relate to the previous year.

* The Company has taken Land on lease from Directors and relatives of directors for a period ranging from 15 years to 29 years starting from December, 2006. In terms of the said lease agreement, the Company is required to pay an annual rent of Rs. 11,862/- pa. However the Company has received a letter of waiver from them indicating that the total rent payable since inception of the lease till 31 March 2018 has been waived and that the Company is not required to pay any lease rent for the above referred period. Accordingly the said transaction has not been disclosed above.

** Carrying value of Preference shares as on 31 march 2018 are at amortised cost

With respect to transactions with related parties, the Company is of view that such transactions have been carried out at arms length and conditions/ provisions as laid down in section 188 of the Companies Act, 2013 have been complied with.



Sunfresh Agro Industries Private Limited

Notes to financial statements

as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

46. Subsidy Income under Packaged Scheme of Incentive (PSI) 2007

The Company has received an Eligibility Certificate from the Department of Industries, Government of Maharashtra under the Package Scheme of Incentives, 2007 ('Scheme') pursuant to which the Company is eligible to receive benefits in the form of Electricity Duty exemption, Stamp Duty exemption and Industrial Promotion Subsidy (in form of refund of Value Added Tax and Central Sales Tax / Goods & Service Tax), subject to fulfilment of certain conditions under the scheme. These benefits are in the nature of Government Grants in accordance with Indian Accounting Standard (Ind AS) 20 - Accounting for Government Grants and Disclosure of Government Assistance.

As per Ind AS 20, Government grants shall not be recognised until there is reasonable assurance that the entity will comply with the conditions attached to them; and the grants will be received.

Until the year ended 31 March 2016, there was uncertainty of the timings of the actual receipt of the admitted claim from the Government, which was subject to number of factors beyond the control of the Company. Management believed that reasonable assurance of receipt of grant will be established when sanction for the first disbursement of the claim is received by the Company. Therefore, Company did not recognize income resulting from government grant on accrual basis till the year ended 31 March 2016.

During the previous year ended 31 March 2017, the Company had received first disbursement sanction letter. Since, the Company had received first disbursement sanction letter, the management believed that there was a reasonable assurance of receipt of grants accrued to the Company company.

Accordingly, the Company has recognized income on accrual basis under the Scheme amounting to Rs. 1115.50 lakhs [(31 March 2017 : 3,341.73 lakhs (Rs. 1,450.26 lakhs for the year ended 31 March 2017 and Rs. 1,891.47 lakhs for periods prior to 31 March 2016 which was disclosed as an exceptional item)].

Further, the Company has obtained an external tax expert opinion for treatment of the aforesaid income under the provisions of Income tax Act, 1961. Based on the said opinion the Company has reduced the above income from the tax block of fixed assets.

47. Import duty on advance licences

The company had imported raw-material under advance licences in the previous and current years. During the current year, the management ascertained that it would not be able to utilise the imported raw materials for export sales and accordingly it suo-moto paid the import duty liability (including interest and penalty) of Rs. 462.61 lakhs (31 March 2017 : Nil). Consequently, the Cost of material consumed includes Rs 359.70 lakhs (31 March 2017 : Nil) on account of import duty , Finance cost includes Rs 48.94 lakhs (31 March 2017 : Nil) on account of interest and rates and taxes includes Rs 53.96 lakhs on account of penalty thereof.

48. Loan from holding company

In the earlier years, the Company had obtained interest free loans from Cheese Land Agro (India) Private Limited (CAIPL) (Holding company). The balance outstanding as at 31 March 2017 was Rs. 11,553.98 lakhs.

As per the revised terms, interest was chargeable @ 7.5% p.a. such borrowings.

During the current year, the Company has repaid the entire loan amount outstanding of Rs. 11,553.98 lakhs along with interest accrued thereon by 12 July 2017. It has paid interest @ 7.5% for the period from 1 April 2017 to 30 June 2017. However, on requesting, Cheese Land Agro (India) Private Limited (CAIPL) (Holding company) has waived off interest for the period from 1 July 2017 till 12 July 2017.

The Company has accounted interest cost amounting to Rs. 199.51 (31 March 2017 : Rs. 1,451.47 lakhs being notional interest on interest free loans as per Ind AS 109).

49. Redeemable Preference shares

During the year, the Company has issued 11,553,980 (31 March 2017 : Nil) 0.01% Non - Cumulative Redeemable Preference shares of face value Rs 10 each at price of Rs. 100 each (premium Rs 90 each) to its ultimate holding company. From date of issue, these Preference shares are redeemable at end of 5th year at a price of Rs 137 per share or at the end of 7th year at a price of Rs 155 per share at the option of investor.

As per the provisions of Ind AS 109 - "Financial Instruments", being mandatorily redeemable, Preference shares are classified as liability. Preference shares are initially recognised at fair value. Fair value of the liability portion is determined using market interest rate of equivalent term borrowings. The remainder of the proceeds is attributable to equity which is recognised and included in shareholders equity, net of income tax effects.

Consequently to initial recognition at Fair value, the proceeds from issue of preference share of Rs 11,553.98 lakhs (31 March 2017 : Nil) is bifurcated into 'Preference share liability' portion of Rs 10415.08 lakhs (31 March 2017 : Nil) and equity component of Rs 1138.90 lakhs (31 March 2017 : Nil) (net of deferred tax Rs. 744.75 lakhs (31 March 2017 : Nil))

The liability component of Preference share being classified at amortised cost is subsequently measured using the effective interest method at Rs. 513.88 lakhs for the year ended 31 March 2018 (31 March 2017 : Nil) and accordingly interest expense is of Rs. 513.88 lakhs is charged to in profit or loss.



Sunfresh Agro Industries Private Limited

Notes to financial statements as at 31 March 2018 (continued)

(Amount- INR in Lakhs , unless otherwise stated)

50. Details of specified Bank Notes held (SBN) and transacted during the period 08 November 2016 to 30 December 2016 :

Particulars	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 08 November 2016	0.15	3.84	3.99
Add : Permitted receipts	-	28.79	28.79
Less : Permitted payments	-	37.66	37.66
Less : Amount deposited in Banks	0.15	0.01	0.16
Add : Withdrawal from Banks	-	5.23	5.23
Closing cash in hand as on 30 December 2016	-	0.19	0.19

51. The previous year's financial statements were audited by a firm other than MSKA & Associates.

52. Prior year comparatives

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

For MSKA & Associates (Formerly known as MZSK & Associates)

Chartered Accountants
ICAI Firm Registration No.105047W



Amrish Anup Vaidya
Partner
Membership No. 101739

Place: Navi Mumbai
Date: 18 May 2018



For and on behalf of Board of directors of
Sunfresh Agro Industries Private Limited
CIN. No : U01122PN2007PTC129505



Sarangdhar R Nirmal
Director
DIN: 00035234

Vivek S Nirmal
Managing Director
DIN: 00820923



Raviraj Mahadane
Chief Financial Officer



Tasneem H Bhanpurawala
Company Secretary
Membership No. A43936

Place: Navi Mumbai
Date: 18 May 2018

