

Walker Chandlok & Co LLP

Walker Chandlok & Co LLP
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India

Independent Auditor's Report

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To the Members of Daawat Kameda (India) Private Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

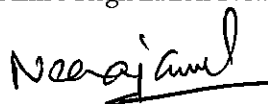
9. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure "A", as required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 22 May 2018 as per Annexure "B" expressed an unqualified opinion; and



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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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigation which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



per **Neeraj Goel**
Partner
Membership No.: 099514



Place: Gurugram
Date: 22 May 2018

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Annexure A to the Independent Auditor's Report of even date to the members of Daawat Kameda (India) Private Limited on the financial statements for the year ended 31 March 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i)(a),(b) and (c) of the Order are not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.



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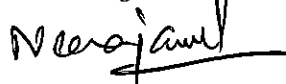
Annexure A to the Independent Auditor's Report of even date to the members of Daawat Kameda (India) Private Limited on the financial statements for the year ended 31 March 2018

- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the Company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the Company has made private placement of shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised were applied for the purposes for which these securities were issued, though idle/surplus funds which were not required for immediate utilisation have been invested in liquid investments.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



per Neeraj Goel

Partner

Membership No.: 099514



Place: Gurugram

Date: 22 May 2018

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Daawat Kameda (India) Private Limited on the financial statements for the year ended 31 March 2018

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Daawat Kameda (India) Private Limited ("the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's 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

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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Annexure B to the Independent Auditor's Report of even date to the members of Daawat Kameda (India) Private Limited on the financial statements for the year ended 31 March 2018

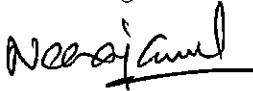
Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 issued by ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013



per Neeraj Goel
Partner
Membership No.: 099514



Place: Gurugram
Date: 22 May 2018

DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Balance Sheet as at March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

	Notes	As at March 31, 2018
ASSETS		
Non-Current Assets		
a) Other non-current assets	2	9.28
b) Income tax assets	3	1.05
Total non-current assets		<u>10.33</u>
Current Assets		
a) Inventories	4	3.82
b) Financial assets		
(i) Trade receivables	5	10.79
(ii) Cash and cash equivalents	6	246.67
c) Other current assets	7	11.71
Total current assets		<u>272.99</u>
Total assets		<u><u>283.32</u></u>
EQUITY AND LIABILITIES		
Equity		
a) Equity share capital	8	335.00
b) Other equity	9	(77.42)
Total equity		<u>257.58</u>
Current Liabilities		
a) Financial Liabilities		
(i) Trade payables	10	2.57
(ii) Other financial liabilities	11	21.97
b) Other current liabilities	12	1.20
Total current liabilities		<u>25.74</u>
Total equity and liabilities		<u><u>283.32</u></u>

Summary of significant accounting policies

1

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Balance sheet referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants

For and on behalf of Board of Directors of
Daawat Kameda (India) Private Limited

Neeraj Goel

per Neeraj Goel
Partner



Ritesh Arora

Ritesh Arora
Director
DIN :06975957

Vijay Kumar Arora

Vijay Kumar Arora
Director
DIN :00012203

Place: Gurugram
Date: May 22, 2018

DAAWAT KAMEDA (INDIA) PRIVATE LIMITED
Statement of Profit and Loss for the period ended March 31, 2018
 (All amounts are in ₹ in lakhs unless otherwise stated)

	Note	For the period March 14, 2017 to March 31, 2018
Revenue		
Revenue from operations	13	27.09
Other income	14	10.54
Total income		<u>37.64</u>
Expenses		
Cost of material consumed	15	-
Purchases of stock-in-trade	16	24.45
Other expenses	17	90.61
Total expenditure		<u>115.06</u>
Loss before tax		<u>(77.42)</u>
Tax Expense:		
-Current tax		-
-Deferred tax		-
Total tax expense		<u>-</u>
Loss for the year		<u>(77.42)</u>
Other Comprehensive Income		
1) Items that may be reclassified to Profit and Loss		-
1) Items that will not be reclassified to Profit and Loss		-
Other comprehensive income for the year		<u>-</u>
Total comprehensive loss for the year		<u>(77.42)</u>
Loss per equity share (Refer no 18)		
--Basic		(2.55)
--Diluted		(2.55)

Summary of significant accounting policies


The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants

For and on behalf of Board of Directors of
Daawat Kameda (India) Private Limited

Neeraj Goel
per Neeraj Goel
Partner



Ritesh Arora
Ritesh Arora
Director
DIN :06975957

Vijay Kumar Arora
Vijay Kumar Arora
Director
DIN :00012203

Place: Gurugram
Date: May 22, 2018

DAAWAT KAMEDA (INDIA) PRIVATE LIMITED
Cash Flow Statement for the year ended March 31, 2018
(All amounts are in ₹ in lakhs unless otherwise stated)


For the period
March 14, 2017 to
March 31, 2018

A CASH FLOW FROM OPERATING ACTIVITIES			
Loss before tax			(77.42)
Operating loss before working capital changes			(77.42)
Changes in:			
Trade and other receivables			(10.79)
Inventories			(3.82)
Non-current assets			(0.01)
Other current assets			(11.71)
Trade payables			2.57
Other current liabilities			1.20
Other financial liabilities			21.97
Cash used in operations			(78.01)
Income taxes paid			(1.05)
Net cash used in operating activities (A)	[A]	A	(79.06)
B CASH FLOWS FROM INVESTING ACTIVITIES			
Capital advances			(9.27)
Net cash used in investing activities	[B]	B	(9.27)
C CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital			335.00
Net cash flows from financing activities	[C]	C	335.00
Net increase in cash and cash equivalents (A+B+C)	[A+B+C]		246.67
Cash and cash equivalents at the beginning of the year			-
Cash and cash equivalents at the end of the year			246.67
Components of cash and cash equivalents (refer note 6)			
Balances with banks			
- on current account			76.67
- on fixed deposit			170.00
Total cash and cash equivalents			246.67

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Cash Flow Statement referred to in our report of even date.


For Walker Chandiook & Co LLP
Chartered Accountants


per Neeraj Goel
Partner



For and on behalf of Board of Directors of
Daawat Kameda (India) Private Limited


Ritesh Arora
Director
DIN :06975957


Vijay Kumar Arora
Director
DIN :00012203

Place: Gurugram
Date: May 22, 2018

DAAWAT KAMEDA (INDIA) PRIVATE LIMITED
Statement of Changes in Equity for the year ended March 31, 2018
 (All amounts are in ₹ in lakhs unless otherwise stated)

A. Equity share capital

Balance as at March 31, 2017	-
Issued during the year	335.00
Balance as at March 31, 2018	335.00

B. Other equity

	Reserves and Surplus	Total
	Retained Earnings	
Balance as at March 31, 2017	-	-
Loss for the year	(77.42)	(77.42)
Other comprehensive income	-	-
Total comprehensive loss for the year	(77.42)	(77.42)
Balance as at March 31, 2018	(77.42)	(77.42)

This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiook & Co LLP
 Chartered Accountants

Neeraj Goel

per Neeraj Goel
 Partner



For and on behalf of Board of Directors of
 Daawat Kameda (India) Private Limited

Ritesh Arora

Ritesh Arora
 Director
 DIN :06975957

Vijay Kumar Arora

Vijay Kumar Arora
 Director
 DIN :000122003

Place: Gurugram
 Date: May 22, 2018

DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

1. i) Corporate Information

Daawat Kameda (India) Private Limited (the 'Company') is a Private Limited Company domiciled in India and incorporated on March 14, 2017 under the provisions of the Companies Act, 2013. Daawat Kameda (India) Private Limited is primarily engaged in the business of trading of Rice Base Snack (Kari-Kari).

ii) Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

iv) Significant Accounting Policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities

b) Inventory

Inventories are valued as follows:

Raw materials, stores and spares.

Raw materials, stores and spares are valued at lower of cost and net realisable value. Cost of raw materials, and stores and spares is determined on a 'First in First Out' basis.

Traded Goods

Lower of cost and net realisable value. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

c) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

d) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

e) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, GST etc..

The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction as set out below:

Sale of Goods:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Interest Income:

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

f) Financial Instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- at the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- in all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED
Summary of significant accounting policies for the year ended March 31, 2018

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- i. **Financial assets at amortised cost** – a financial instrument is measured at amortised cost if both the following conditions are met:
 - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

g) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

h) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses.

i) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

j) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

v) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognized in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- a. **Allowance for doubtful debts** – The allowance for doubtful debts reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognized in the financial statements.

vi) Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach –

Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting policies, changes in accounting estimates and errors;

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Summary of significant accounting policies for the year ended March 31, 2018

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

2 Other non-current assets	As at March 31, 2018
Prepaid expenses	0.01
Capital advances	9.27
	<u>9.28</u>
3 Income tax assets	As at March 31, 2018
Tax deducted at source	1.05
	<u>1.05</u>
4 Inventories	As at March 31, 2018
Raw material	
Peanuts	3.42
Stores and spares	0.40
	<u>3.82</u>
5 Trade receivables	As at March 31, 2018
Unsecured	
-Considered good*	10.79
	<u>10.79</u>
* Includes amounts due from related parties	
LT Foods Limited	10.79
6 Cash and cash equivalents	As at March 31, 2018
Balance with Banks	
- on current accounts	76.67
- on deposits with maturity of less than 3 months	170.00
	<u>246.67</u>
7 Other current assets	As at March 31, 2018
Prepaid expenses	0.08
Advance to suppliers	0.90
Balances with government authorities	9.51
Interest accrued but not due on fixed deposits	1.23
	<u>11.71</u>



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018
(All amounts are in ₹ in lakhs unless otherwise stated)

8 Equity share capital

	As at March 31, 2018
Authorised share capital 4,000,000 shares of ₹ 10 each	400
Issued, subscribed and paid up equity shares 3,350,000 shares of ₹ 10 each	335

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2018	
	No. of shares	Amount
Equity shares at the beginning of the year	-	-
Add: Issue of share capital	3,350,000	335
Equity shares at the end of the year	3,350,000	335

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having the par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2018	
	No of shares	% holding
Kameda Seika Co., Ltd	1,641,500	49%
LT Foods Limited	1,708,500	51%
	3,350,000	100

9 Other equity

(i) Retained earnings

	As at March 31, 2018
Opening balance	
Add: Net loss for the year	(77.42)
Add: Items of other comprehensive income for the year	
Balance at the end of the year	(77.42)



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

10 Trade payables

As at
March 31, 2018

Dues to

Micro, small and medium enterprises

Others

2.57

2.57

Due to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent information available with the management is given below:-

S.No	Particulars	As at March 31, 2018
i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	
	Principal amount remaining unpaid	-
	Interest accrued and remaining unpaid as at year end	-
ii)	Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act	-
iii)	Amount paid to the suppliers beyond the respective due date.	-
iv)	Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-
v)	Amount of interest accrued and remaining unpaid at the end of accounting period.	-
vi)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-
		-

11 Other current financial liabilities

As at
March 31, 2018

Other liabilities*

21.97

21.97

*Includes payable to Related Parties

LT Foods Limited

11.54

12 Other current liabilities

As at
March 31, 2018

Statutory liabilities

0.86

Expenses payable

0.34

1.20



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

	Revenue from operations	For the period March 14, 2017 to March 31, 2018
13	Sale of traded goods *	27.09
		<u>27.09</u>
	*Details of products sold	For the period March 14, 2017 to March 31, 2018
	Traded goods sold	
	Kari-kari	27.09
		<u>27.09</u>
14	Other income	For the period March 14, 2017 to March 31, 2018
	Interest income on fixed deposits	10.54
		<u>10.54</u>
15	Cost of material consumed	For the period March 14, 2017 to March 31, 2018
	Opening stock	-
	Add: Purchases	
	Peanuts	3.42
		<u>3.42</u>
	Less: Closing stock	
	Peanuts	3.42
		<u>3.42</u>
	Cost of material consumed	-
16	Purchases of stock-in-trade	For the period March 14, 2017 to March 31, 2018
	Kari-kari	24.45
		<u>24.45</u>
17	Other expenses	For the period March 14, 2017 to March 31, 2018
	Research and development expenses	6.77
	Survey fees	1.08
	Advertisement	25.30
	Legal and professional expenses	18.39
	Audit remuneration (refer point A)	2.00
	Rates and taxes	1.06
	Other administrative expenses	0.79
	Travelling and conveyance	2.45
	Net Loss on foreign currency transactions and translations	1.13
	Clearing, forwarding and freight charges	3.63
	Freight outward	2.05
	Other selling expenses	25.79
	Bank charges	0.18
		<u>90.61</u>
A.	Auditors' Remuneration	For the period March 14, 2017 to March 31, 2018
	Statutory audit	2.00
		<u>2.00</u>



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

	As at March 31, 2018
18 Earnings per share	
The calculation of Earning Per Share (EPS) as disclosed in the Statement of Profit and Loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share"	
Loss attributable to equity shareholders	(77.42)
Numbers of weighted average equity share outstanding at the year end for Basic and Diluted	30.39
Nominal value per share	10.00
Earnings per equity share	
Basic	(2.55)
Diluted	(2.55)

	As at March 31, 2018
19 Income tax	
The income tax expense consists of the following :	
Current tax expense for the current year	-
Deferred tax expense/(benefit)*	-
Total income tax	<u>-</u>
The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the statement of profit and loss is as follows:	
Loss before income taxes	(77.42)
At India's statutory income tax rate of 25.75%	(19.94)
Impact of deferred tax on unabsorbed business loss*	19.94
Total income tax expense	<u>-</u>

*The unabsorbed losses amount to ₹ 79.10 Lakhs on which deferred tax asset has not been recognised as there is no reasonable certainty that sufficient taxable income will be available in the future years against which that deferred tax asset can be realised.

20 Contingencies and commitments

Capital Commitment remaining to be executed and not provided for net of capital advances is ₹ 0.25 Lakhs



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

21 Related party disclosures

The Company's related party transactions and outstanding balances are with its joint venture, key management and others as described below.

A. Relationships

a) Joint venturer

LT Foods Limited
Kameda Seika Co., Ltd

B. Key management personnel and Directors

Name	Designation
Vijay Kumar Arora	Director (from March 14, 2017)
Ashwani Kumar Arora	Additional Director (from April 6, 2017)
Ritesh Arora	Director (from March 14, 2017)
Shinichi Furusawa	Director (from April 19, 2017)
Hiroyuki Horibe	Director (from April 19, 2017)

Transactions with Related Parties

Particulars	For the year ended March 31, 2018
Sales	
LT Foods Limited	27.09
Issue of Share Capital	
LT Foods Limited	170.85
Kameda Seika Co., Ltd	164.15
Reimbursement of expenses	
LT Foods Limited	11.54
Purchases	
Kameda Seika Co., Ltd	18.40

Particulars	As at March 31, 2018
Balances at the year-end {net receivable/(net payable)}	
LT Foods Limited	(0.75)



DAAWAT KAMEDA (INDIA) PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2018

(All amounts are in ₹ in lakhs unless otherwise stated)

22 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	March 31, 2018	
		Carrying value	Amortised cost
Financial assets			
Trade receivables	Level 3	10.79	10.79
Cash and cash equivalents	Level 3	246.67	246.67
Total financial assets		257.46	257.46
Financial liabilities			
Trade payables	Level 3	2.57	2.57
Other financial liabilities	Level 3	21.97	21.97
Total financial liabilities		24.54	24.54

The management assessed that financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

23 Financial risk management

i) Financial instruments by category

Particulars	March 31, 2018
	Amortised cost
Financial assets	
Trade receivables	10.79
Cash and cash equivalents	246.67
Total	257.46
Financial liabilities	
Trade payables	2.57
Other financial liabilities	21.97
Total	24.54

ii) Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required

The Company's risk management is carried out by a central treasury department (of the Group) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.



(All amounts are in ₹ in lakhs unless otherwise stated)

A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

- cash and cash equivalents,
- trade receivables,
- deposits with banks

a) Credit risk management

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- A: Low
- B: Medium
- C: High

Assets under credit risk –

Credit rating		As at March 31, 2018
A: Low	Cash and cash equivalents	246.67
	Trade Receivables	10.79

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company has trade receivables which are due from related parties where the Company has greater visibility of creditworthiness.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity of Company based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Less than 1 year	1-3 year	Total
Trade payables	2.57	-	2.57
Other financial liabilities	21.97	-	21.97
Total	24.54	-	24.54



24 First time adoption of Ind AS
Transition to Ind AS

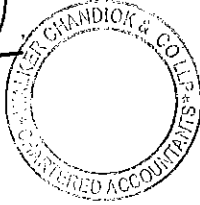
These are the Company's first financial statements prepared in accordance with Ind AS, as these are the first financial statements of the Company so no previous IGAAP to Ind AS reconciliations are required. The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended 31 March 2018.

25 These are the first financial statements of the Company accordingly no comparative information is presented.

For Walker Chandiook & Co LLP
Chartered Accountants

Neeraj Goel

per Neeraj Goel
Partner



Ritesh Arora

Ritesh Arora
Director
DIN :06975957

For and on behalf of Board of Directors of
Daawat Kameda (India) Private Limited

Vijay Kumar Arora

Vijay Kumar Arora
Director
DIN :00012203

Place: Gungram
Date: May 22, 2018