

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Nature Bio-Foods Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Nature Bio-Foods Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon. The Directors report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITOR'S REPORT

To the Members of Nature Bio-Foods Limited
Report on the Financial Statements

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



INDEPENDENT AUDITOR'S REPORT

To the Members of Nature Bio-Foods Limited
Report on the Financial Statements

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

11. The standalone financial statements of the Company for the year ended March 31, 2018, were audited by another firm of chartered accountants under the Act who, vide their report dated May 23, 2018, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of above matter.

Report on other legal and regulatory requirements

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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".



INDEPENDENT AUDITOR'S REPORT

To the Members of Nature Bio-Foods Limited
Report on the Financial Statements

(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 financial statements – Refer Note 31 to the financial statements;
- ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Prमित Agrawal
Partner

Membership Number: 099903

Place: Gurugram

Date: May 14, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Nature Bio-Foods Limited on the standalone financial statements for the year ended March 31, 2019

Page 1 of 2

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Nature Bio Foods Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 internal financial controls with reference to financial statements was 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 internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 internal financial controls system with reference to financial statements.



Annexure A to Independent Auditors' Report

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of Nature Bio-Foods Limited on the standalone financial statements for the year ended March 31, 2019

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Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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.

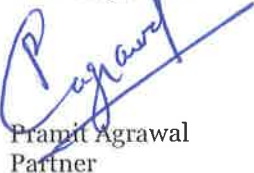
Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements 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, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Pramit Agrawal
Partner

Membership Number: 099903

Place: Gurugram
Date: May 14, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Nature Bio-Foods Limited on the standalone financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
(c) The title deeds of immovable properties, as disclosed in Note 4 on Property, plant and equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. 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 to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- 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 undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, duty of customs, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 31 to the financial statements regarding management's assessment on certain matters relating to provident fund.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of service-tax, duty of customs, duty of excise, value added tax, goods and service tax as at March 31, 2019 which have not been deposited on account of any dispute. The particulars of income tax as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	514,888	AY 2010-11	ITAT
Income Tax Act, 1961	Income Tax Demand	1,32,230	AY 2013-14	CIT-Appeals



Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Nature Bio-Foods Limited on the financial statements for the year ended March 31, 2019

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- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In our opinion and according to the information and explanation given to us, the moneys raised by way of term loans have been applied to the purpose for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has made private placement of shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised. The Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year under review.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N50001


Pranjit Agrawal
Partner

Membership Number: 099903

Place: Gurugram
Date: May 14, 2019

Nature Bio-Foods Limited
Balance sheet as at March 31, 2019

	Notes	March 31, 2019 (Rs. In Lakhs)	March 31, 2018 (Rs. In Lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,751.90	2,452.14
Capital work-in-progress	4	287.59	246.07
Intangible assets	5	2.40	6.62
Financial assets			
i) Investments	6 (a)	14.02	10.08
ii) Loans	6 (b)	20.09	351.20
iii) Other financial asset	6 (c)	16.24	-
Deferred tax assets (net)	7	-	61.79
Current tax assets (net)	8	271.15	-
Other non-current assets	9	391.90	-
Total non-current assets		3,755.29	3,127.90
Current assets			
Inventories	10	15,371.99	12,210.30
Financial assets			
i) Trade receivables	6 (d)	3,525.47	4,893.63
ii) Cash and cash equivalents	6 (e)	364.80	10.58
iii) Other bank balance	6 (f)	-	16.79
iii) Loans	6 (b)	4.90	-
iv) Other financial assets	6 (c)	751.50	59.93
Other current assets	11	1,942.67	1,437.30
Total current assets		21,961.33	18,628.53
Total assets		25,716.62	21,756.43
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	200.10	200.00
Other equity			
Equity component of compound financial instrument	13 (a)	3,952.90	-
Reserves and surplus	13 (b)	8,423.15	6,618.53
Total equity		12,576.15	6,818.53
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	14 (a)	2,085.91	104.41
ii) Other financial liabilities	14 (b)	18.67	18.67
Provisions	15	58.94	45.48
Deferred tax liabilities (net)	7	46.36	-
Total non-current liabilities		2,209.88	168.56
Current liabilities			
Financial liabilities			
i) Borrowings	14 (a)	8,746.91	9,782.25
ii) Trade payables			
a) total outstanding dues of micro and small enterprises	14 (c)	22.87	43.67
b) total outstanding dues other than (ii) (a) above	14 (c)	1,680.61	4,414.35
iii) Other financial liabilities	14 (d)	169.11	105.36
Provisions	15	60.23	17.43
Current tax liabilities	17	-	253.24
Other current liabilities	16	250.86	153.04
Total current liabilities		10,930.59	14,769.34
Total liabilities		13,140.47	14,937.90
Total equity and liabilities		25,716.62	21,756.43

The above balance sheet should be read in conjunction with the accompanying notes.


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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/N500016


Prमित Agrawal
Partner
Membership Number: 099903

Place: Gurugram
Date : May 14, 2019

For and on behalf of the Board of Directors


Jai Sheel Oberoi
Director & CEO
DIN No. 06919497

Place: Gurugram
Date : May 14, 2019


Anmol Arora
Director
DIN No. 07727210

Place: Gurugram
Date : May 14, 2019

Nature Bio-Foods Limited
Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Notes	Year ended March 31, 2019 (Rs. In Lakhs)	Year ended March 31, 2018 (Rs. In Lakhs)
Income			
Revenue from operations	18	33,741.82	35,150.21
Other income and other gains/(losses)	19	578.70	912.03
Total income		34,320.52	36,062.24
Expenses			
Cost of materials consumed	20	12,048.20	7,993.72
Purchase of stock-in-trade		13,536.60	17,759.25
Changes in inventories of finished goods and stock-in-trade	21	(2,178.38)	(1,880.39)
Employee benefit expense	22	1,209.22	1,227.04
Finance costs	23	843.12	741.10
Depreciation and amortisation expense	24	500.17	367.63
Other expenses	25	5,510.89	6,041.65
Total expenses		31,469.82	32,250.00
Profit before tax		2,850.70	3,812.24
Income tax expense			
- Current tax	27	913.52	1,342.04
- Tax related to earlier years		7.33	33.24
- Deferred tax	7	115.83	(17.47)
Total Tax expense		1,036.68	1,357.81
Profit for the year		1,814.02	2,454.43
Other Comprehensive Income			
<u>Items that will not be reclassified to profit or loss:</u>			
Remeasurement of post employment benefit obligations {Gain /(Loss)}	15 (b)	(21.98)	(5.77)
Income tax relating to these items	7	7.68	2.00
Other comprehensive income for the year, net of tax		(14.30)	(3.77)
Total comprehensive income for the year		1,799.72	2,450.66
Earnings per equity share of Rs. 10 each :			
Basic (Rs.)	26	81.55	122.72
Diluted (Rs.)		81.55	122.72

The above statement of profit and loss should be read in conjunction with the accompanying notes.

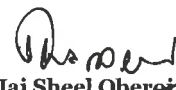
This is the Statement of profit and Loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/N500016


Pramit Agrawal
Partner
Membership Number: 099903

Place: Gurugram
Date : May 14, 2019

For and on behalf of the Board of Directors


Jai Sheel Oberoi
Director & CEO
DIN No. 06919497

Place: Gurugram
Date : May 14, 2019


Anmol Arora
Director
DIN No. 07727210

Place: Gurugram
Date : May 14, 2019

Nature Bio-Foods Limited
Statement of Changes in Equity for the year ended March 31, 2019

a) Equity share capital

	Notes	Rs. in Lakhs
As at April 01, 2017	12	200.00
Add: Shares issued during the year		-
As at March 31, 2018	12	200.00
Add: Shares issued during the year		0.10
As at March 31, 2019	12	200.10

b) Other equity

(Rs. in Lakhs)

	Notes	Retained Earnings	Securities Premium	Equity component of compound financial instrument	Total
Balance as at April 01, 2017	13	4,167.87	-	-	4,167.87
Profit for the year		2,454.43	-	-	2,454.43
Other comprehensive income		(3.77)	-	-	(3.77)
Total comprehensive income for the year		6,618.53	-	-	6,618.53
Balance as at March 31, 2018		6,618.53	-	-	6,618.53
Balance as at April 1, 2018	13	6,618.53	-	-	6,618.53
Profit for the year		1,814.02	-	-	1,814.02
Other comprehensive income		(14.30)	-	-	(14.30)
Total comprehensive income for the year		1,799.72	-	-	1,799.72
Transactions with owners in their capacities as owners:					
Issue of equity shares	13	-	4.90	-	4.90
Issue of Cumulative compulsorily convertible preference shares	13	-	-	3,952.90	3,952.90
Balance as at March 31, 2019	13	8,418.25	4.90	3,952.90	12,376.05


The above statement of changes in equity should be read in conjunction with the accompanying notes.

For Price Waterhouse Chartered Accountants LLP
 Firm Registration Number : 012754N/N500016


Prमित Agrawal
 Partner
 Membership Number: 099903

Place: Gurugram
 Date : May 14, 2019

For and on behalf of the Board of Directors


Jai Sheel Oberoi
 Director & CEO
 DIN No. 06919497

Place: Gurugram
 Date : May 14, 2019


Anmol Arora
 Director
 DIN No. 07727210

Place: Gurugram
 Date : May 14, 2019

Nature Bio-Foods Limited
Cash Flow Statement For the Year ended March 31, 2019

(Rs. In Lakhs)

	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from operating activities		
Profit before tax	2,850.70	3,812.24
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	500.17	367.63
Interest income	(4.81)	(40.78)
Decrease in value of Insurance	1.06	-
Unrealised Gain on MTM forwards	(528.71)	-
Net fair value gain on derivatives not designated as hedges	(0.99)	-
Unrealised loss on foreign currency transaction	89.20	(196.62)
Liabilities no longer required and written back	(9.79)	(102.61)
Bad and Doubtful debts	18.25	2.88
Loss/(profit) on sale of property, plant & equipments (net)	53.97	4.67
Finance cost	788.88	682.09
Operating profit before working capital changes	3,757.93	4,529.50
Movement for working capital:		
Increase/ (Decrease) in trade payables	(2,744.75)	3,192.39
Increase/(Decrease) in other financial liabilities	0.01	243.08
Increase/(Decrease) in other current liabilities	97.82	(4,494.82)
Increase/(Decrease) in provisions	34.28	(5.91)
(Increase)/ Decrease in trade receivables	1,260.71	1,490.44
(Increase)/ Decrease in inventories	(3,161.69)	(3,531.41)
(Increase)/ Decrease in other financial assets	(167.76)	6.70
(Increase)/ Decrease in other non current financial assets	332.65	(6.21)
(Increase)/ Decrease in other current assets	(505.37)	(1,251.58)
(Increase)/ Decrease in other non current asset	(375.35)	-
Cash generated/(used in) operations	(1,471.52)	172.18
Direct taxes paid (net of refunds)	1,445.29	1,124.80
Net cash from/(used in) operating activities	(2,916.81)	1,296.98
B. Cash flow from investing activities		
Purchase of property, plant equipment and intangible assets (including capital work-in-progress)	(887.92)	(971.97)
Sale proceeds from property, plant and equipment	1.01	-
Interest received	4.81	-
Proceeds /(Investment) in fixed deposits	-	1.42
Investment in equity shares of subsidiary Company	(5.00)	(0.01)
Net cash from/(used in) investing activities	(887.10)	(970.56)
C. Cash flow from financing activities		
Proceeds from issuance of equity share capital (including securities premium)	5.00	-
Proceeds from issuance of preference shares (net of transaction cost) (including securities premium)	5,982.87	-
Proceeds from term loan	6.77	-
Repayment of term loan	(12.29)	-
Proceeds from/(repayment) of non current borrowings (net)	-	48.85
Proceeds from/(repayment) of packing credit loan (net)	(1,145.07)	25.89
Interest paid	(679.14)	(682.09)
Net cash from/(used in) financing activities	4,158.14	(607.35)
Net increase in cash and cash equivalents	354.22	(280.92)
Cash and cash equivalents at the beginning of the year	10.58	291.50
Cash and cash equivalents at the end of the year	364.80	10.58



Nature Bio-Foods Limited
Cash Flow Statement For the Year ended March 31, 2019

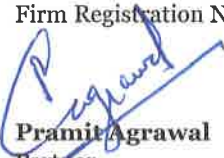
Cash and cash equivalents comprises:

Cash on hand	2.75	2.16
Balances with the banks:		
- in current accounts	362.05	8.42
	364.80	10.58

The above cash flow statement should be read in conjunction with the accompanying notes.

This is the cash flow statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/N500016


Pramit Agrawal
Partner
Membership Number: 099903

Place: Gurugram
Date : May 14, 2019

For and on behalf of the Board of Directors


Jai Sheel Oberoi
Director & CEO
DIN No. 06919497

Place: Gurugram
Date : May 14, 2019


Anmol Arora
Director
DIN No. 07727210

Place: Gurugram
Date : May 14, 2019

NATURE BIO-FOODS LIMITED
FOR THE YEAR ENDED MARCH 31, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

Nature Bio-Foods Limited ('the Company') was incorporated on November 25, 2005 under the provisions of erstwhile Companies Act, 1956. The Company is a wholly owned subsidiary of LT Foods Limited, a listed company incorporated in India.

The Company is in the business of milling, processing and marketing of branded and non-branded basmati rice and manufacturing of rice food products in the domestic and overseas market. Its operations include procurement, storage, processing, packaging and distribution of food products.

2. Significant accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

(i) Basis of Preparation

a. Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

b. Historical Cost Convention

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Defined benefit plans – plan assets measured at fair value.

c. Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per Company's operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

d. Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.



- e. New and amended standards adopted by the Company

The Company has applied the Ind AS 115, "Revenue from Contracts with Customers" for the first time for their annual reporting period commencing 1 April 2018. Refer note 37 for change its accounting policies for adoption of Ind AS 115.

(ii) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The Company has identified its Whole Time Directors as Chief Operating Decision Maker (CODM), who assesses the financial performance of the Company and makes strategic decisions.

The Company has structured its operations into the following three segments:

Rice: Organic rice processing and marketing by the Company.

Soyabean: Organic Soyabean traded by the Company.

Others: Organic pulses, organic flour, organic oil and oilseeds, organic nuts, organic spices and herbs, organic millets, etc. traded by the Company.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets / liabilities".

(iii) Foreign currency transactions

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Effective April 1, 2018, the Company has adopted Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of 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 effect on account of adoption of this amendment is insignificant.



(iv) Revenue Recognition

Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method. Refer note 37 for change its accounting policies for adoption of Ind AS 115.

The Company earns revenue primarily from sale of goods. Revenue is recognized upon transfer of control of promised goods to the customers. The point at which control passes is determined by each customer arrangement. Revenue from providing freight and insurance services is recognized over a period of time.

At contract inception, the company assesses its promise to transfer products or services to a customer to identify separate performance obligations. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling prices. Where the standalone selling prices are not directly observable, these are estimated based on expected cost plus margin or residual method to allocate the total transaction price.

Revenue represents net invoice value including fixed and variable consideration. Variable consideration arises on the sale of goods as a result of discounts and allowances given and accruals for estimated future returns and rebates. Revenue is not recognised in full until it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Once the uncertainty associated with the returns and rebates is resolved, revenue is adjusted accordingly.

A Contract liability is recognised where payment received from the customers exceeds the goods sold by the Company. The same has been disclosed as "Advance from Customers" under Other Current Liabilities.

Other income

Export incentives: Income from export incentives (Duty Credit Scripts) are recognised on an accrual basis.

(v) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

(vi) Leases

As a lessee

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(vii) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(viii) Investments in Subsidiaries

Investments in equity shares of subsidiaries are carried at cost less provision for impairment, if any. Investment in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recordable. An impairment loss is recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.



(ix) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(x) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(xi) Inventories

Inventories are valued at the lower of cost or net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- a. Raw materials: cost includes cost of purchases and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on the basis of the weighted average method.
- b. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on the basis of the weighted average method.
- c. Traded goods: cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on the basis of the weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

(xii) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

a. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and;
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and contractual terms of the cash flow.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the



business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

b. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instruments that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income/ (expenses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other income in the period in which it arises. Interest income from these financial assets is included in other income.

c. 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. Note 29 details how the Company determines 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.



d. De-recognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset continues to be recognised to the extent of continuing involvement in the financial asset.

e. Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Financial Liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

c. Financial liabilities

(i) Classification and measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition.

At initial recognition, the Company measures a financial liability at its fair value plus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expenses,



are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses 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.

(ii) Derecognition of 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 liability is based on the modified term is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified term is recognised in profit or loss.

(xiii) Derivatives and hedging activities

The Company uses foreign currency forward contracts to hedge its foreign currency risk. Such forward contracts are initially recognised at fair value on the date on which forward currency contract is entered into and are subsequently re-measured at fair value. Forward currency contracts are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gain or losses arising from changes in fair value of forward currency contract are taken directly to profit or loss.

Embedded derivatives

Derivatives embedded in host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

(xiv) Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency.

(xv) Property, plant and equipment

All items of property, plant and equipment are carried at historical cost less accumulated depreciation /amortisation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".



Depreciation methods, estimated useful lives and residual value

Depreciation is recognised so as to write off the cost of assets less their residual values over the useful lives, using the written down value method. For certain assets, the useful life has been considered as prescribed under Schedule II of the Companies Act, 2013 and for the remaining assets the useful life have been determined by the management based on technical evaluation considering the nature of assets.

Estimated useful lives are as given below:

Class of Property, plant and equipment	Useful life
Buildings	30/15/10/5/3 Years
Plant and Equipment	30/15/10/8/5 Years
Office Equipment	6/5/3 Years
Furniture and fixtures	10/5 Years
Vehicles	8/5 Years
Computers	5/3 Years
Lab Equipments	15/10 Years

The residual values are not more than 5% of the original cost of the asset.

The useful lives and residual value are reviewed, and adjusted if appropriate, at the end of each reporting period.

Cost of leasehold land is amortized over the period of the lease. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within Other Income/Other Expense in Statement of Profit and loss.

(xvi) Intangible Assets

Intangible assets being Computer software are stated at their cost of acquisition net of accumulated amortisation and accumulated impairment loss, if any.

Intangible assets are amortised on as written down basis over their estimated useful lives which has been considered as 3 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising from derecognition of an intangible asset shall be determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset. It shall be recognised in profit or loss when the asset is derecognised.

(xvii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless



payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(xviii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

(xix) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(xx) Compound Financial Instruments

Compound financial instruments issued by the Company comprises of cumulative compulsorily convertible preference shares (CCCPS).

CCCPS are separated into liability, equity and derivative components based on the terms of the contract. On issuance of CCCPS, the fair value of the liability component is determined using a fair valuation principles as stated in IND AS 109. This amount is classified as financial liability measured at amortised cost until it is extinguished on redemption. The remainder of the proceeds is allocated to the benefit derived by the Company for obtaining the loan at below market rate of interest and is recognized in equity. The carrying amount of such equity is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the CCCPS based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

Refer note 2(xiii) for embedded derivatives.

(xxi) Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the



reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent assets are disclosed when there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

(xxii) Employee benefits

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as financial liabilities in the balance sheet.

ii. Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation using the Projected Unit Credit method at the end of each year. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Gratuity obligation

The Company provides for gratuity, a Defined Benefit Plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the Balance Sheet date. The Gratuity Fund is recognized by the income tax authorities and is administered through trustees. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yield at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.



The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(xxiii) Earnings per share (EPS)

a. Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit or loss for the period attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any.

b. Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(xxiv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



3. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements:

The areas involving critical estimates or judgements are:

- Estimated useful life of tangible assets – Note 4
- Estimation of defined benefit obligations – Note 15

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 4 : Property, plant and equipment

Description	(Rs. In Lakhs)									
	Leasehold Land	Building	Plant and machinery	Furniture and fixture	Vehicles	Office equipment	Computers	Lab Equipments	Total	Capital Work in Progress
Year ended March 31, 2018										
Gross carrying amount										
Opening gross carrying amount	-	1,045.77	902.72	132.01	141.14	137.82	57.32	-	2,416.78	109.26
Additions during the year	271.27	311.43	67.09	10.18	89.53	85.67	-	-	835.17	242.24
Disposals during the year	-	-	-	-	-	-	-	-	-	105.43
Closing gross carrying amount	271.27	1,357.20	969.81	142.19	230.67	223.49	57.32	-	3,251.95	246.07
Accumulated depreciation										
Opening accumulated depreciation	-	101.64	202.11	13.95	52.29	22.33	40.38	-	432.69	-
Depreciation charge during the year	0.69	118.96	132.49	31.74	30.62	43.08	9.49	-	367.07	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Closing accumulated depreciation	0.69	220.60	334.60	45.69	82.91	65.41	49.87	-	799.76	-
Net carrying amount	270.58	1,136.60	635.21	96.50	147.76	158.08	7.45	-	2,452.14	246.07
Year ended March 31, 2019										
Gross carrying amount										
Opening gross carrying amount	271.27	1,357.20	969.81	142.19	230.67	223.49	57.32	-	3,251.95	246.07
Transfer from (refer note (vi) below)	-	(18.85)	(33.14)	(3.19)	-	-	(0.97)	-	(56.15)	-
Transfer to (refer note (vi) below)	-	8.66	8.66	0.97	20.00	13.37	-	13.14	56.15	-
Additions during the year	-	565.68	97.94	6.99	89.18	63.62	11.79	15.44	850.64	892.15
Disposals during the year	-	-	98.53	-	-	0.48	2.74	-	101.75	850.63
Closing gross carrying amount	271.27	1,904.03	944.74	146.96	339.85	300.00	65.40	28.58	4,000.84	287.59
Accumulated depreciation										
Opening accumulated depreciation	0.69	220.60	334.60	45.69	82.91	65.41	49.87	-	799.76	-
Transfer from (refer note (vi) below)	-	(10.78)	(17.40)	(0.67)	-	-	(0.48)	-	(29.33)	-
Transfer to (refer note (vi) below)	-	-	5.75	0.48	12.20	5.70	-	5.20	29.33	-
Depreciation charge during the year	0.69	210.27	124.61	25.24	56.64	62.43	12.32	3.76	495.95	-
Disposals during the year	-	-	44.13	-	-	0.04	2.60	-	46.77	-
Closing accumulated depreciation	1.38	430.09	403.43	70.74	151.75	133.50	59.41	8.96	1,248.94	-
Net carrying amount	269.89	1,483.94	541.31	76.22	188.10	166.50	6.29	19.62	2,751.90	287.59



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2019

Notes:

(i) Leased assets

The Company has entered into a long term leasehold arrangement for land for a period upto 99 years which have been considered as a finance lease arrangement. The amount capitalised in the books represents the amount paid at the time of inception of the lease. The details are as given below:

	March 31, 2019	March 31, 2018
Leasehold land		
Cost	271.27	271.27
Accumulated depreciation	1.38	0.69
Net carrying amount	269.89	270.58

(ii) Property, plant and equipment pledged as security :

Refer to note 36 for information on property, plant and equipment pledged as security by the Company.

(iii) Contractual obligations :

Refer to note 33(a) for disclosure of contractual commitments for acquisition of property, plant and equipment.

(iv) Capital Work in progress :

Capital Work in progress mainly comprises of plant and machinery, storage facility etc.

(v) Details of depreciation expense are stated in Note 24 on Depreciation and amortisation expense.

(vi) During the year, the Company has regrouped certain items of property, plant & equipment capitalised in previous years.

(vii) Critical Judgement :

Management reviews its estimate of the useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economy obsolescence that may change the utility of property, plant and equipment.



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note 5 : Intangible assets

(Rs. In Lakhs)

Particulars	Computer Software	Total
Year ended March 31, 2018		
Gross carrying amount		
Opening gross carrying amount	-	-
Additions during the year	7.18	7.18
Disposals during the year	-	-
Closing gross carrying amount	7.18	7.18
Accumulated amortisation		
Opening accumulated amortisation	-	-
Amortisation charge during the year	0.56	0.56
Disposals during the year	-	-
Closing accumulated depreciation	0.56	0.56
Net carrying amount	6.62	6.62
Year ended March 31, 2019		
Gross carrying amount		
Opening gross carrying amount	7.18	7.18
Additions during the year	-	-
Disposals during the year	-	-
Closing gross carrying amount	7.18	7.18
Accumulated amortisation		
Opening accumulated amortisation	0.56	0.56
Amortisation charge during the year	4.22	4.22
Disposals during the year	-	-
Closing accumulated depreciation	4.78	4.78
Closing net carrying amount	2.40	2.40

Note :

(i) Details of amortisation expense are stated in Note 24 on Depreciation and amortisation expense.



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note 6 : Financial Assets

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
6 (a) Non-current investments		
Investment in equity instruments (fully paid up)		
Subsidiaries:		
49,994 (March 31, 2018 : Nil) equity shares of Ecopure Specialities Limited, India	5.00	-
10 (March 31, 2018 : 10) equity shares of Nature Bio Foods BV, Netherland	0.01	0.01
Total (equity instruments)	5.01	0.01
Investments at fair value through statement of profit & loss		
Keyman insurance policy	9.01	10.07
Total non current investments	14.02	10.08
Aggregate amount of quoted investments and market value there of	-	-
Aggregate amount of unquoted investments; and	5.01	0.01
Aggregate amount of impairment in value of investments	-	-

	(Rs. In Lakhs)			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
6 (b) Loans				
Intercorporate Deposits	-	-	-	328.00
Security deposits	4.90	20.09	-	23.20
Total Loans	4.90	20.09	-	351.20
Break-up of security details				
Loans considered good- Secured	-	-	-	-
Loans considered good- Unsecured	4.90	20.09	-	351.20
Loans which have significant increase in credit risk	-	-	-	-
Loans- credit impaired	-	-	-	-
Total	4.90	20.09	-	351.20
Less: Loss allowance	-	-	-	-
Total Loans	4.90	20.09	-	351.20

	(Rs. In Lakhs)			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
6 (c) Other Financial assets				
Foreign exchange forward contracts	528.71	-	-	-
Interest accrued but not due on fixed deposits	0.72	-	0.47	-
Interest accrued and due on advance for property	-	-	39.36	-
Subvention on interest expense receivable	15.91	-	7.87	-
Export incentive recoverable	206.16	-	12.23	-
Bank deposits*	-	15.25	-	-
<i>Derivatives not designated as hedges:</i>				
Derivative component of compound financial instrument	-	0.99	-	-
Total other financial assets	751.50	16.24	59.93	-

* These comprises fixed deposit under lien having maturity of more than 12 months.



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 6 (d) : Trade receivables	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Trade receivables	1,393.72	3,107.82
Receivables from related parties (refer note 34)	2,131.75	1,785.81
Total Receivables	3,525.47	4,893.63

Break-up of security details

Trade receivable considered good- Secured	-	-
Trade receivable considered good- Unsecured	3,525.47	4,893.63
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Total	3,525.47	4,893.63
Less: Allowance for doubtful debts	-	-
Total Trade receivables	3,525.47	4,893.63

(i) Includes receivables from companies in which Director of the Company is also a Director

202.02	-
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Note 6 (e): Cash and cash equivalents**Cash and cash equivalents**

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Cash on hand	2.75	2.16
Balances with banks		
- in current accounts	362.05	8.42
	364.80	10.58

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Note 6 (f): Other bank balance

Deposits with original maturity more than 3 months but residual maturity less than 12 months

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
	-	16.79
	-	16.79



Nature Bio-Foods Limited
Notes forming part of the financial statements for the year ended March 31, 2019

Note 7 : Deferred tax assets

The balance comprises temporary differences attributable to:

Deferred Tax Assets:

Provision for employees benefits

Depreciation

Provision for legal Claims

Key managerial insurance policy

Total

Deferred tax liabilities:

Derivative MTM

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
	30.79	21.77
	97.01	38.61
	10.86	
	-	1.41
Total	138.66	61.79
	185.02	-
	(46.36)	61.79

Net deferred tax assets/(liabilities)*

* Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

Movement in deferred tax assets (net)

	Depreciation	Provision for employees benefits	Provision for legal claims	Key managerial insurance policy	Derivative MTM	Total
As at April 01, 2017	26.73	14.19	-	1.40	-	42.32
(Charged)/credited:						
- to profit or loss	11.88	5.59	-	-	-	17.47
- to Other comprehensive income	-	2.00	-	-	-	2.00
As At March 31, 2018	38.61	21.78	-	1.40	-	61.79
(Charged)/credited:						
- to profit or loss	58.40	1.33	10.86	(1.40)	(185.02)	(115.83)
- to Other comprehensive income	-	7.68	-	-	-	7.68
As at March 31, 2019	97.01	30.79	10.86	-	(185.02)	(46.36)

Note 8 : Current tax assets (net)

Advance income tax (net of provision for tax Rs. 920.85 Lakhs)

Total current tax assets (net)

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
	271.15	-
Total current tax assets (net)	271.15	-

Note 9 : Other non-current assets

Capital advances

Prepaid expenses

Advance to MVL Credit Holding & Leasing Limited (refer note (i) below)

Advance to First Idea Builders (refer note (i) below)

Interest accrued and due on advance for property

Total other non-current assets

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
	16.55	-
	7.99	-
	250.00	-
	78.00	-
	39.36	-
Total other non-current assets	391.90	-

Note (i): Advance paid for acquisition of property



Nature Bio-Foods Limited

Notes forming part of the financial statements for the year ended March 31, 2019

Note 10 : Inventories	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Raw materials	6,018.01	5,100.21
Finished goods	6,214.47	3,601.15
Traded goods	2,563.47	2,998.41
Stores and spares	64.50	28.07
Packing Material	511.54	482.46
Total inventories	15,371.99	12,210.30

Note:

(i) Write down of inventories to net realisable value amounted to Rs. 35.72 lakhs (March 31, 2018 - Rs. Nil). These were recognised as an expense during the year and included in changes in value of inventories of finished goods and stock-in-trade in statement of profit and loss.

Note 11 : Other current assets	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Prepaid expenses	100.92	105.13
Advance to employees	3.71	17.13
Advances to vendors	111.54	759.89
Balance with government authority	332.79	555.15
Advance to related parties (refer note 34 & note (i) below)	1,393.71	-
Total other current assets	1,942.67	1,437.30

(i) Includes advance to companies in which Director of the Company is also a Director



Note 12 : Equity share capital

	Equity shares		Preference shares	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
Authorised share capital (par value of Rs 10)				
As at April 01, 2017	2,000,000	200.00	-	-
Increase during the period	-	-	-	-
As at March 31, 2018	2,000,000	200.00	-	-
Increase during the year	500,000	50.00	2,400,000	240.00
As at March 31, 2019	2,500,000	250.00	2,400,000	240.00

(i) Movements in equity share capital

Issued, subscribed and paid-up equity share capital (par value of Rs 10)

	Number of shares	Rs. in Lakhs
As at April 01, 2017	2,000,000	200.00
Add: Shares issued during the year	-	-
As at March 31, 2018	2,000,000	200.00
Add: Shares issued during the year	1,000	0.10
As at March 31, 2019	2,001,000	200.10

Terms and rights attached to equity shares

The Company has issued one class of equity shares having a face value of Rs. 10/- per share. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Shares of Company held by its holding company :

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,000,000	99.95	2,000,000	100

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
LT Foods Limited- Holding Company	2,000,000	99.95	2,000,000	100

Note 13 (a) : Equity component of compound financial instrument

	Rs. in Lakhs	
	March 31, 2019	March 31, 2018
Balance at the beginning of the year	-	-
Add : Equity component of financial instrument issue during the year - net of transaction costs (refer note (i) below)	3,952.90	-
Balance at the end of the year	3,952.90	-

Note (i): During the year the Company has issued Tranche I of 2,398,000 numbers of 0.01% Cumulative compulsorily convertible preference shares (CCCPS) having face value of Rs 10 at a premium of Rs 240 through private placement of shares. Out of the total, 2,374,020 CCCPS are subscribed by India Agri Business Fund II Ltd and 23,980 CCCPS are subscribed by Real Trust II. CCCPS carries cumulative dividend of 0.01% p.a. CCCPS shall be converted into equity shares and in any event at the expiry of 8 years from the Tranche I completion date. As at March 31, 2019, Rs. 3,952.90 lakhs considered as equity component (refer above), Rs. 2,029.97 lakhs considered as liability component (refer note 14(a)) and Rs. 0.99 lakhs considered as derivative component (refer note 6(c)).

Note 13 (b) : Reserves and Surplus

Particulars	Rs. in Lakhs	
	March 31, 2019	March 31, 2018
Securities premiums	4.90	-
Retained earnings	8,418.25	6,618.53
Total Reserves & Surplus	8,423.15	6,618.53

(i) Securities premium (refer note (i) below)

	Rs. in Lakhs	
	March 31, 2019	March 31, 2018
Balance at the beginning of the year	-	-
Add: Securities Premium on issue of equity shares	4.90	-
Balance at the end of the year	4.90	-

(ii) Retained earnings

	Rs. in Lakhs	
	March 31, 2019	March 31, 2018
Balance at the beginning of the year	6,618.53	4,167.87
Net profit for the year	1,814.02	2,454.43
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment defined benefit obligation, net of tax (refer note 15)	(14.30)	(3.77)
Balance at the end of the year	8,418.25	6,618.53

Note (i): Company has issued 1,000 equity shares having face value of Rs 10 at a premium of Rs 490 through private placement of shares. Out of this, 990 shares are subscribed by India Agri Business Fund II Ltd and 10 shares to Real Trust II. Securities premium issued during the year is Rs. 490. The reserve is utilised in accordance with the provisions of the Companies Act 2013.



(Rs. In Lakhs)

Note 14 : Financial Liabilities

Note 14 (a) Borrowings

Secured:

Vehicle loan from banks (refer note (i), (ii) & (iii) below)
From banks
From other financial institutions
Packing credit loan from Banks (refer note (iv) below)

Unsecured:

Liability component of compound financial instrument - net of transaction costs
(refer note 13 (a)(i))

Less : Current maturities of long term debts (included in note 14(d))

As at March 31, 2019		As at March 31, 2018	
Non Current	Current	Non Current	Current
39.71	-	4.81	-
71.47	-	111.89	-
-	8,746.91	-	9,782.25
2,029.97	-	-	-
2,141.15	8,746.91	116.70	9,782.25
55.24	-	12.29	-
2,085.91	8,746.91	104.41	9,782.25

(i) Details of Security provided in respect of secured borrowings are as under:

(a) Vehicle loan is secured by hypothecation of the respective motor vehicle financed

(b) Packing credit loan security:

Primary Security: Packing credit loans from banks are secured by hypothecation of both present and future stock of raw material, semi finished goods, finished goods, Stores and spares, packing material, stock in trade, other current assets and moveable fixed assets.

Collateral Security: Personal Guarantee by Mr. Vijay Kumar Arora, Mr. Ashwani Kumar Arora & Mr. Surinder Kumar Arora and corporate guarantee by LT Foods Limited

(ii) Details of terms of secured borrowings is as under:

(a) Vehicle loans:

Name of the bank	Amount of sanction	Year of sanction	Rate of Interest	Date of Maturity	Total amount of installment	Balance outstanding March 31, 2019	Balance outstanding March 31, 2018
Vehicle loans							
HDFC Bank	10.00	2016-17	9.50%	Aug 08, 2018	11.53	-	4.81
Daimler Financial Services India Pvt.Ltd.	65.22	2015-16	11.35%	Feb 23, 2020	87.53	38.47	47.96
Daimler Financial Services India Pvt.Ltd.	65.00	2017-18	9.71%	Jan 13, 2021	80.19	55.13	63.93
Yes Bank	19.28	2018-19	9.05%	June 22, 2021	22.13	14.56	-
Yes Bank	4.00	2018-19	9.04%	June 22, 2021	4.59	3.02	-
						111.18	116.70

Details of terms of repayment of vehicle loans are as under:

Financial year:

2018-19
2019-20
2020-21
2021-22

March 31, 2019
-
55.24
53.81
2.13
111.18

(b) Packing credit Loan- Loan taken from banks repayable within six months and having interest rate in the range 9.00% to 11%.

(iii) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Cash and cash equivalents
Current borrowings
Current maturities of long term borrowings
Non-Current borrowings
Net Debt

(Rs. In Lakhs)	
March 31, 2019	March 31, 2018
364.80	10.58
(8,746.91)	(9,782.25)
(55.24)	(12.29)
(2,085.91)	(104.41)
(10,523.26)	(9,888.37)

Particulars

Net debt as on April 01, 2017
Cash flows
Current maturities of long term borrowings
Interest expense
Interest paid
Net debt as on March 31, 2018
Cash flows
Current maturities of long term borrowings
Interest expense
Interest paid
Net debt as on March 31, 2019

	Rs. in Lakhs			
	Cash and cash equivalents	Current Borrowings	Non-Current Borrowings	Total
291.50	(9,756.36)	(55.56)	(9,520.42)	
(280.92)	(25.89)	(48.85)	(355.66)	
-	(12.29)	-	(12.29)	
-	674.42	7.67	682.09	
-	(674.42)	(7.67)	(682.09)	
10.58	(9,794.54)	(104.41)	(9,888.37)	
354.22	1,032.61	(2,076.21)	(689.38)	
-	(55.24)	-	(55.24)	
-	681.57	107.31	788.88	
-	(669.54)	(12.60)	(679.14)	
364.80	(8,802.15)	(2,085.91)	(10,523.26)	



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Note 14 (b) : Other non-current financial liabilities		
Present value of long term maturities of Finance lease obligations	18.67	18.67
Total other non-current financial liabilities	18.67	18.67

	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Note 14 (c) : Trade payables		
Trade Payables: micro and small enterprises (refer note 32)	22.87	43.67
Trade payable : Others	1,680.29	2,473.68
Trade payable to related Parties (refer note 34 and note (i) below)	0.32	1,940.67
Total trade payables	1,703.48	4,458.02

(i) Includes payable to companies in which Director of the Company is also a Director

0.32	-
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	(Rs. In Lakhs)	
	March 31, 2019	March 31, 2018
Note 14 (d) : Other current financial liabilities		
Current maturities of long term borrowings (refer note 14 (a))	55.24	12.29
Employees benefits payable	66.39	58.60
Employee related payable	7.26	8.10
Payable to fair farming foundation	16.85	26.37
Payable for finance lease obligations	2.58	-
Capital creditors	20.79	-
Total other current financial liabilities	169.11	105.36



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 15 : Provisions	(Rs. In Lakhs)			
	As at March 31, 2019		As at March 31, 2018	
	Current	Non Current	Current	Non Current
(i) Employee benefit obligations				
Gratuity	6.02	58.94	1.22	45.48
Compensated absences	23.13	-	16.21	-
(ii) Others				
Provision for litigation (refer note (i) below)	31.08	-	-	-
Total provisions	60.23	58.94	17.43	45.48

(i) Information about individual provisions and significant estimates

The provision for litigation is on account of on an going litigation with a sales agent. The ultimate liability on account of litigation may vary from the amount provided and is dependent on the outcome of the relevant proceedings. The timing and probability of the outflow with regard to the matter depends on the conclusion of this matter. No reimbursements are expected in respect of this matter. Refer below for movement of this provision :

Movement in provision for litigation

	Amount Rs. in Lakh
As at March 31, 2018	-
Provision recognised during the year	31.08
Amount reversed during the year	-
As at March 31, 2019	31.08



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 15(b) : Employee benefit obligations

(i) Leave obligations

The leave obligations cover the Company's liability for privileged earned leaves.

The amount of the provision of Rs. 23.13 lakhs (March 31, 2018 – Rs. 16.21 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leaves or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	March 31, 2019	March 31, 2018
Leave obligations not expected to be settled within the next 12 months	19.63	14.99

(ii) Gratuity

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount). Benefits under the defined benefit plans are based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers all regular employees. In the case of the gratuity scheme, the Company contributes to a trust administered by Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited. The Gratuity fund is approved by Income Tax Authorities. Commitments are actuarially determined at year-end. Actuarial valuation is done based on "Projected Unit Credit" method. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance sheet amounts - Defined benefit plan : Gratuity

The Company has formed a trust which has taken the "Employee Group Gratuity Assurance Scheme" with Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited to fund its obligation towards payment of gratuity to its employees.

ii(a) Amount recognised in the statement of profit and loss :

(Rs. In Lakhs)

Description	March 31, 2019	March 31, 2018
Current service cost	11.60	10.11
Interest cost	3.80	2.81
Past Service Cost	-	6.83
Adjustment	(3.13)	(12.99)
Amount recognised in the statement of profit and loss	12.27	6.76

ii(b) Movement of Defined benefit obligation during the period :

(Rs. In Lakhs)

Description	March 31, 2019	March 31, 2018
Present value of defined benefit obligation as at the start of the year	46.71	34.59
Current service cost	11.60	10.11
Interest cost	4.04	2.81
Actuarial loss/(gain) recognised during the year	22.04	(5.77)
Benefits paid	(13.51)	(1.86)
Past service cost	-	6.83
Present value of defined benefit obligation as at the end of the year	70.88	46.71

ii(c) Movement in the liability recognised in the balance sheet is as under:

(Rs. In Lakhs)

Description	March 31, 2019	March 31, 2018
Liability as at the start of the year	46.70	29.62
Total Charge /(Credit) recognised in profit & Loss	15.40	19.75
Total Remeasurement recognised in OC income/loss	21.98	(5.79)
Adjustment	(3.13)	3.13
Benefits paid	(16.00)	-
Liability as at the end of the year	64.96	46.70
Current Liability as at the end of the year	6.02	1.22
Non Current Liability as at the end of the year	58.94	45.48

ii(d) Change in fair value of assets:

(Rs. In Lakhs)

Description	March 31, 2019	March 31, 2018
Fair value of plan assets at the beginning of the year	3.13	4.97
Interest Income Plan Assets	0.24	-
Actual Company Contributions	16.00	-
Actuarial Gains/(Losses)	0.06	0.02
Benefits paid	(13.51)	(1.86)
Fair value of plan assets at the end of the year	5.92	3.13



Nature Bio-Foods Limited**Notes forming part of financial statements for the year ended March 31, 2019**

ii(e) In accordance with Indian Accounting Standard 19, an actuarial valuation was carried out in respect of the gratuity based on the following significant assumptions:

(Rs. In Lakhs)

Assumptions	March 31, 2019	March 31, 2018
Discount rate	7.51%	7.79%
Estimated Rate of Return on Plan Assets	7.51%	7.79%
Withdrawal rate	12.30%	2.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
Rate of increase in compensation	7.00%	5.00%

The discount rate assumed is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

ii(f) Sensitivity analysis :

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Description	March 31, 2019	March 31, 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	70.88	46.71
- Impact due to increase of 1 %	(4.26)	(5.79)
- Impact due to decrease of 1 %	4.78	6.49
Impact of the change in salary increase		
Present value of obligation at the end of the year	70.88	46.71
- Impact due to increase of 1 %	4.48	6.27
- Impact due to decrease of 1 %	(4.21)	(5.76)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

Maturity profile of defined benefit obligation (undiscounted)

Description	March 31, 2019	March 31, 2018
Within next 12 months	6.81	1.27
Between 2-5 years	32.20	7.64
Beyond 5 years	35.96	14.15

(iii) Provident fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Contribution made by the Company during the year is Rs 39.95 lakhs (March 31, 2018: Rs 33.85 lakhs).

(iv) : Employee benefits Contribution plans

The Company has charged the following costs in the Statement of Profit and Loss under the head Contribution to provident and other funds in Note 22 - Employee benefit expenses.

(Rs. In Lakhs)

	March 31, 2019	March 31, 2018
Provident fund	39.95	33.85
Employees' State Insurance	10.39	10.03
Total	50.34	43.88



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 16 : Other current liabilities

Statutory dues
Advances from customers

Total other current liabilities

(Rs. In Lakhs)	
March 31, 2019	March 31, 2018
63.12	40.73
187.74	112.31
250.86	153.04

Note 17 : Current tax liabilities

Provision for taxation (Net of advance tax March 31, 2018 Rs. 1,831.71 Lakhs)

Total other current tax liabilities

(Rs. In Lakhs)	
March 31, 2019	March 31, 2018
-	253.24
-	253.24



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 18 : Revenue from operations	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Sale of products:		
Export	29,505.44	30,817.54
Domestic	4,183.64	4,300.22
Other operating revenues:		
Sales of Scrap	52.74	32.45
Total revenue from operations	33,741.82	35,150.21

Pursuant to adoption of Ind AS 115, the reconciliation of revenue recognised in the statement of profit and loss with the contracted price on account of adjustments made to the contract price is as follows. Also, refer note 37

	(Rs. In Lakhs)
	Year ended March 31, 2019
Contract price	34,325.54
Adjustments for :	
Discounts	(514.53)
Refunds	(69.19)
Revenue from operations	33,741.82

Note 19 : Other income and other gains/(losses)	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
(a) Other income		
Export incentives	252.07	39.32
Interest income from financial assets at amortised cost :		
(i) Deposits with banks	4.81	2.96
(ii) Others (refer note (i) below)	-	39.36
Income from freight assistance scheme	20.00	20.00
Liabilities no longer required written back	9.79	58.72
Miscellaneous income	-	93.22
Total other income	286.67	253.58

Note (i): Others include interest on inter corporate deposit

(b) Other gains/ (losses)	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Net gain/(loss) on foreign currency transaction and translations	(80.57)	317.08
Net Gain on foreign exchange forward contracts	371.61	341.37
Net fair value gain on derivatives not designated as hedges	0.99	-
Total other gain/(losses)	292.03	658.45
Total (a+b)	578.70	912.03



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Note 20 : Cost of materials consumed		
a) Cost of raw material consumed		
Inventory at the beginning of the year	5,100.21	3,469.09
Add : Purchases during the year	12,260.38	8,899.59
	17,360.59	12,368.68
Less : Inventory at the end of the year	6,018.01	5,100.21
Cost of raw material consumed during the year	11,342.58	7,268.47
b) Cost of packing material consumed		
Inventory at the beginning of the year	482.46	490.62
Add : Purchases during the year	734.70	717.09
	1,217.16	1,207.71
Less : Inventory at the end of the year	511.54	482.46
Cost of packing material consumed during the year	705.62	725.25
Cost of material consumed during the year	12,048.20	7,993.72
Consumption details		
- Packing material	705.62	725.25
- Raw Materials	11,342.58	7,268.47
	12,048.20	7,993.72

Note 21 : Changes in inventories of finished goods and traded goods

	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the beginning of the year		
Finished Goods	3,601.15	2,474.99
Stock in Trade	2,998.42	2,244.19
Total inventories at the beginning of the year	6,599.57	4,719.18
Inventories at the end of the year		
Finished Goods	6,214.47	3,601.15
Stock in Trade	2,563.47	2,998.42
Total inventories at the end of the year	8,777.95	6,599.57
Net (increase)/decrease	(2,178.38)	(1,880.39)

	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Note 22 : Employee benefits expense		
Salaries, wages and bonus	1,068.72	1,130.64
Gratuity	12.27	6.76
Contribution to provident and other funds	50.34	43.88
Leave compensation	9.73	3.70
Staff welfare expenses	68.16	42.06
Total Employee benefit expense	1,209.22	1,227.04

	(Rs. In Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Note 23 : Finance costs		
(a) Interest expense on :		
(i) Borrowings (net of subvention interest income of Rs 341.79 lakhs (March 31, 2019 Rs 249.01 lakhs))	679.14	682.09
(ii) Interest on financial liabilities not at fair value through profit or loss	109.73	-
(b) Bank charges	54.25	59.01
Total finance costs	843.12	741.10



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

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Notes forming part of financial statements for the year ended March 31, 2019

Note 24 : Depreciation and amortisation expense	(Rs. In Lakhs)	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
(i) Depreciation of property, plant and equipment (refer note 4)	495.95	367.07
(ii) Amortisation of intangible assets (refer note 5)	4.22	0.56
Total Depreciation and amortisation expense	500.17	367.63

Note 25 : Other expenses	(Rs. In Lakhs)	
	Year ended	Year ended
	March 31, 2019	March 31, 2018
Milling charges and other process charges	586.33	454.97
Rent (refer note 33(b))	299.36	250.12
Consumption of stores and spares parts	15.65	10.86
Power and fuel	270.06	222.00
Labour Charges	29.78	20.28
Insurance charges	41.79	35.18
Rates and taxes	108.51	57.16
Auditors' remuneration (refer note 25 (a) below)	14.40	3.90
Telephone and communication charges	11.57	16.90
Legal and professional charges	263.52	145.71
Repairs and maintenance		
-Plant and machinery	37.58	44.50
-Buildings	29.68	121.58
-Others	51.95	40.19
Conveyance	18.49	25.21
Tour and travelling expenses	206.60	170.65
Donations (refer note (25 (b) below)	34.00	0.22
Corporate social responsibility expenditure (refer note (25 (c) below)	29.00	-
Freight, Clearing & Forwarding	2,144.58	2,538.75
Testing, inspection and certification	899.96	743.24
Business promotion	104.09	68.97
Brokerage and commission	17.17	10.94
Provision for legal claim	31.08	-
Other selling expenses	-	942.49
Bad debts written off	18.25	-
Commission guarantee (refer note 34)	67.39	-
Loss on retirement/ sale of property, plant and equipment	53.97	-
Miscellaneous expenses	126.13	117.83
Total other expenses	5,510.89	6,041.65

Notes 25 (a) : Auditors' remuneration comprises:

As auditor:		
-Statutory audit fees	12.50	3.50
-Limited review fees	1.25	-
-Re-imbursment of expenses	0.65	0.40
Total	14.40	3.90

Note 25 (b) : Donations includes Rs 25 lakhs (2017-18-Nil) to Bhartiya Janta Party as political contribution.

Note 25 (c) : Corporate Social Responsibility expenditure

Contribution to Fair Farming Foundation	29.00	-
	29.00	-
(i) Gross amount required to be spent by the company during the year	52.46	29.83
(ii) Amount spent during the year on:		
(a) Construction/acquisition of an asset	-	-
(b) On purposes other than (a) above	29.00	-



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 26 : Earnings per share (EPS)

	March 31, 2019	March 31, 2018
(a) Net profit after tax available for equity shareholders (Rs. in Lakhs)	1,814.02	2,454.43
(b) Weighted average number of equity shares of Rs. 10 each outstanding during the year	2,000,375	2,000,000
(c) Weighted average number of equity shares and potential equity shares during the year (refer note (ii) below)	2,224,527	2,000,000
Basic earnings per share (in rupees) (a/c) [refer note (i) below]	81.55	122.72
Diluted earnings per share (in rupees) (a/c)	81.55	122.72

Note (i): CCCPS issued during the year are considered to be potential equity shares. They have been considered in the determination of diluted EPS as well as basic EPS from their date of issue as they are mandatorily convertible into equity shares. Details relating to CCCPS issued during the year are set out in note 13(a)(i).

(ii) Weighted average number of shares :

	March 31, 2019	March 31, 2018
Weighted average number of equity shares	2,000,375	2,000,000
Adjustments for calculation of diluted earning per share:		
- Cumulative compulsorily convertible preference shares	224,152	-
Weighted average number of equity shares and potential equity shares during the year	2,224,527	2,000,000

Note 27 : Income tax expenses

This note provides an analysis of the Company's income tax expense

(a) Income tax expense :

Current tax

	March 31, 2019	March 31, 2018
Current tax on profits for the year	913.52	1,342.04
Tax related to earlier years	7.33	33.24
Total current tax expense	920.85	1,375.28

Deferred tax (refer note 7)

Decrease (increase) in deferred tax assets	(76.87)	(17.47)
(Decrease) increase in deferred tax liabilities	185.02	-
Total deferred tax expense/(benefit)	108.15	(17.47)
Income tax expense	1,029.00	1,357.81

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Profit before income taxes	2,850.70	3,812.24
Tax at the India's statutory income tax rate of 34.944% (March 31, 2018: 34.61%)	996.15	1,319.34

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Donation	1.57	0.08
Corporate social responsibility expense	5.07	-
Gain on recognition of derivatives not designated as Hedge	(0.34)	-
Interest on CCCPS	38.34	-
Fee, Interest & penalties paid	1.45	14.63
Depreciation & amortisation (leasehold land)	0.24	11.88
Deduction under Chapter VIA	(7.26)	(6.68)
Others	(13.55)	18.56
Adjustment for current tax relating to earlier years	7.33	-
Total income tax expense	1,029.00	1,357.81



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note 28 : Fair value measurements

Financial instruments by category

Particulars	March 31, 2019			March 31, 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	9.01	-	5.01	10.07	-	0.01
Security deposits	-	-	24.99	-	-	23.20
Intercorporate Deposits	-	-	-	-	-	328.00
Foreign exchange forward contracts	528.71	-	-	-	-	-
Subvention on Interest Expense receivable	-	-	15.91	-	-	7.87
Interest accrued	-	-	0.72	-	-	39.83
Export incentive	-	-	206.16	-	-	12.24
Bank deposits	-	-	15.25	-	-	-
Derivative component of compound financial instrument	0.99	-	-	-	-	-
Trade receivables	-	-	3,525.47	-	-	4,893.63
Cash and cash equivalents	-	-	364.80	-	-	10.58
Other bank balance	-	-	-	-	-	16.79
Total financial assets	538.71	-	4,158.31	10.07	-	5,332.15
Financial liabilities						
Borrowings	-	-	10,832.82	-	-	9,886.66
Finance obligation	-	-	18.67	-	-	18.67
Current maturities of long term borrowings	-	-	55.24	-	-	12.29
Employees payable	-	-	73.65	-	-	66.70
Other payables	-	-	19.43	-	-	26.37
Capital creditors	-	-	20.79	-	-	-
Trade payables	-	-	1,703.48	-	-	4,458.02
Total financial liabilities	-	-	12,724.08	-	-	14,468.71

(i) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise 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. For example, unlisted equity securities, etc.

There are no transfers among levels 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Asset and liabilities measured at fair value- recurring fair value measurements

(Amount in Rs. Lakhs)

Particulars	Notes	March 31, 2019			March 31, 2018		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
Investments	6 (a)	-	9.01	-	-	10.07	-
Foreign exchange forward contracts	6 (c)	-	528.71	-	-	-	-
Derivative component of compound financial instrument	6 (c)	-	0.99	-	-	-	-

Asset and liabilities measured at amortized cost for which fair values are disclosed

(Amount in Rs. Lakhs)

Particulars	Notes	March 31, 2019			March 31, 2018		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
Investments	6 (a)	-	-	5.01	-	-	0.01
Security deposits	6 (b)	-	-	24.99	-	-	23.20
Intercorporate Deposits	6 (b)	-	-	-	-	-	328.00
Subvention on Interest Expense receivable	6 (c)	-	-	15.91	-	-	7.87
Interest accrued	6 (c)	-	-	0.72	-	-	39.83
Export incentive	6 (c)	-	-	206.16	-	-	12.24
Bank deposits	6 (c)	-	-	15.25	-	-	-
Trade receivables	6 (d)	-	-	3,525.47	-	-	4,893.63
Cash and cash equivalents	6 (e)	-	-	364.80	-	-	10.58
Other bank balance	6 (f)	-	-	-	-	-	16.79
Financial liabilities							
Borrowings	14 (a)	-	-	10,832.82	-	-	9,886.66
Finance obligation	14 (b)	-	-	18.67	-	-	18.67
Current maturities of long term borrowings	14 (d)	-	-	55.24	-	-	12.29
Employees payable	14 (d)	-	-	73.65	-	-	66.70
Other payables	14 (d)	-	-	19.43	-	-	26.37
Capital creditors	14 (d)	-	-	20.79	-	-	-
Trade payables	14 (c)	-	-	1,703.48	-	-	4,458.02

(ii) Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, security deposits, bank deposits, interest accrued, export incentives, loans, employee related payable are considered to be the same as their fair values, due to their short term nature.

The fair value for borrowings was calculated based on cash flow discounted using a current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk.

For financial assets and liabilities except for derivative instrument which have been accounted for based on level 2 inputs, that are measured at fair value, amounts are equal to the fair values.



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note 29 : Financial Risk Management

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.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortized cost	- Ageing analysis - Credit ratings	Diversification of bank deposits, robust trade credit controls including credit limits and letter of credit
Liquidity risk	Trade payables and other liabilities	- Rolling cash flow forecast	Regular review of working capital resulting in effective and efficient working capital management.
Market risk- interest rates	Long term borrowings at variable rates	- Sensitivity analysis	Negotiation of terms that reflects the market factors
Market risk- foreign exchange risk	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	- Cash flow forecasting - Sensitivity analysis	Foreign exchange forward contracts to hedge foreign currency risk exposures

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including cash and cash equivalents and deposits with banks and financial institutions.

Trade receivables

The Company believes that customer credit risk is low considering historical trends, credit control policies, market information etc. There is no significant increase in credit risk since previous year. Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivable are non-interest bearing. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. The Company uses specific identification method in determining the allowance for credit losses of trade receivable considering historical credit loss experience and is adjusted for forward looking information. Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions.

Other financial assets measured at amortised cost

Credit risk from bank balances and other financial assets are considered low considering historical trends, credit worthiness of counterparties etc. Credit risk from balances with banks and financial institutions is managed by the Company's finance department. Credit risk arising from bank balances/bank deposits and investment in derivative financial instruments with banks is limited as the Company deals with reputable banks and recognised financial institutions with high credit ratings. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

(i) Maturity profile of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

(Rs. in Lakhs)					
Contractual maturities of financial liabilities	Carrying Value	Less than 6 Months	More than 6 months up to 1 year	More than 1 year	Total
As at March 31, 2019					
Borrowings (refer note 14 (a))	10,832.82	8,746.91	-	2,085.91	10,832.82
Trade payables (refer note 14 (c))	1,703.48	1,703.48	-	-	1,703.48
Other financial liabilities (refer note 14 (d))	187.78	169.11	-	18.67	187.78
Total	12,724.08	10,619.50	-	2,104.58	12,724.08
As at March 31, 2018					
Borrowings (refer note 14 (a))	9,886.66	9,782.25	-	104.41	9,886.66
Trade payables (refer note 14 (c))	4,458.02	4,458.02	-	-	4,458.02
Other financial liabilities (refer note 14 (d))	124.03	124.03	-	-	124.03
Total	14,468.71	14,364.30	-	104.41	14,468.71



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to US Dollar (USD), Euro (EUR) and Great Britain Pound (GBP). Foreign exchange risk arises from recognized assets and liabilities denominated in currency that is not the company's functional currency (INR). To minimize the foreign exchange risk arising from operating activities, the Company enters the foreign exchange forward contracts and also continuously monitors the currency rate variations for any further remedial measures. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's Indian Rupees exposure to foreign currency risk at the end of the reporting period is expressed as follows:

(a) Foreign currency risk exposure

Currency	As at March 31, 2019		As at March 31, 2018	
	Foreign currency in Lakhs	Rs. in Lakhs	Foreign currency in Lakhs	Rs. in Lakhs
Bill Discounted (Borrowings)				
United States Dollar (USD)	-	-	1.43	92.86
Trade payable				
Euro (EUR)	0.94	72.86	2.36	190.21
United States Dollar (USD)	0.08	5.31	1.96	127.25
Great Britain Pound(GBP)	-	-	0.00	0.31
Trade receivable				
Euro (EUR)	29.59	2,298.83	30.36	2,448.02
United States Dollar (USD)	9.77	676.03	34.24	2,226.96

(b) Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens 5% against the relevant currency. For a 5% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

	As at March 31, 2019 (FC in Lakhs)		As at March 31, 2018 (FC in Lakhs)	
	5% Weakening*	5% Strengthening*	5% Weakening*	5% Strengthening*
Foreign currency monetary liabilities :				
Euro (EUR)	(0.05)	0.05	(0.12)	0.12
United States Dollar (USD)	(0.00)	0.00	(0.17)	0.17
Foreign currency monetary Assets :				
Euro (EUR)	(1.48)	1.48	(1.52)	1.52
United States Dollar (USD)	(0.49)	0.49	(1.71)	1.71

* Holding all other variables constant.

(D) Interest rate risk

Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At March 31, 2019 the Company is not exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments are in fixed deposits bearing fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	(Rs. in Lakhs)	
	March 31, 2019	March 31, 2018
Variable rate borrowing	-	-
Fixed rate borrowing	8,858.09	9,898.95
Total borrowings	8,858.09	9,898.95

Sensitivity

In case of fixed rate borrowings a change in interest rates at the reporting date would not affect profit or loss.

Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.



Nature Bio-Foods Limited**Notes forming part of financial statements for the year ended March 31, 2019****Note 30 : Capital management**

The Company's capital management objectives are :

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of adjusted net debt to equity ratio

The Company's adjusted net debt to equity ratio as at year end were as follows.

Particulars	March 31, 2019	March 31, 2018
Total Borrowings	10,888.06	9,898.95
Less : Cash and cash equivalents	364.80	10.58
Net debt	10,523.26	9,888.37
Total Equity	12,576.15	6,818.53
Adjusted net debt to adjusted equity ratio	0.84	1.45

Loan covenants :

Under the terms of the Yes bank's borrowing facilities, the Company is required to comply with the following financial covenants:

- (a) Net debt/Tangible Net worth ratio shall be less than 2.5 times
- (b) Debt service coverage ratio ("DSCR") shall be greater than 1.50 times

The Company has complied with these covenants through out the reporting period.

Particulars	March 31, 2019	March 31, 2018
	In times	In times
(a) Net debt/Tangible Net worth ratio	0.84	1.45
(b) Debt service coverage ratio ("DSCR")	4.84	6.53



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note : 31 (a) Contingent Liabilities

Claims against the Company not acknowledged as debts:	March 31, 2019 Rs. In Lakhs	March 31, 2018 Rs. In Lakhs
Income tax demands (refer note (i) below)	5.15	6.57
Total	5.15	6.57

It is not possible for the company to estimate the timings or amount of cash outflows, if any, in respect of the above, pending resolution of the proceedings.

Notes:

(i) During the assessment year 2010-11 the Income tax department (Department) has added back Rs 2,442,523 on account of various reasons to the total income of the Company. The department has issued notice of demand u/s 156 of the Income Tax Act, 1961 on March 28, 2013 demanding Rs 514,888. The Company had contested the above before CIT(Appeals), but it was dismissed vide order dated May 19, 2016. The Company has contested the above order before Hon'ble ITAT. No provision is necessary in this regard since the Company has been advised that it has a good case. Aforesaid demand is including interest upto March 28, 2013 but excluding interest from April 1, 2013 onwards and penalty, if any.

(ii) The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Financial Statements.

Note : 31(b)

Foreign Brokerage Firm, M/s FoodTech Solutions, engaged by the Company has made claim on account of commission on export sales, of USD 3 millions (equivalent to Rs. 2098.57 lakhs) which were disputed and not accepted by the Company. Subsequently, the said brokerage firm has invoked the arbitration clause and initiated legal proceedings in International Arbitration Court for recovery of the claim and the matter is still pending at the Jurisdiction court.

Based on the legal advice from the external legal counsel, the Company expects an outflow of Euro 40,000 (equivalent to Rs. 31.08 lakhs) for which provision has been created in the financial statements. Refer Note 15

Note 32: Dues to Micro and Small Enterprises

According to the information available with the Management, on the basis of intimation received from suppliers, regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows:

Particulars	March 31, 2019 Rs. In Lakhs	March 31, 2018 Rs. In Lakhs
(i) Principal amount remaining unpaid at the end of the year	21.83	43.67
(ii) Interest due thereon remaining unpaid	1.04	-
(iii) The amount of interest paid along with the payment made to the suppliers beyond the appointed date	-	-
(iv) The amount of interest due and payable for the year	1.04	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	1.04	-
(vi) The amount of further interest due and payable in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 33: Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2019 (Rs. in Lakhs)	March 31, 2018 (Rs. in Lakhs)
Property Plant and equipment (net of advance Rs. 266.55 Lakhs, March 31, 2018 - Nil)	161.66	491.23
Total	161.66	491.23

(b) Leases

(i) Finance Lease

The Company has taken on finance lease a piece of land in Mandideep at District Raisen for a term of 99 years commencing from January 11, 2018 for the purpose of Non Polluting Industrial Activity

The total of minimum future lease payments under finance lease is as under:

Future lease payments due	Minimum Lease Payments		Present value of Minimum lease payments	
	March 31, 2019 (Rs. in Lakhs)	March 31, 2018 (Rs. in Lakhs)	March 31, 2019 (Rs. in Lakhs)	March 31, 2018 (Rs. in Lakhs)
Within one year	2.58	2.58	2.29	2.29
Later than one year but not later than five years	10.30	10.30	6.88	6.88
Later than five years	236.91	239.49	9.50	9.50

(ii) Non-cancellable operating Lease

The Company has taken on lease various offices and warehouses under non cancellable operating lease arrangements expiring within one year to 5 years. The leases have varying terms, escalation clause and renewal rights. Commitments for minimum lease payments in relation to non cancellable operating leases are given below :

	March 31, 2019 (Rs. in Lakhs)	March 31, 2018 (Rs. in Lakhs)
Minimum lease payments:		
Within one year	49.87	82.83
Later than one year but not later than five years	69.85	102.64
Later than five years	52.03	70.18
Lease payments for the year recognised in the Statement of Profit and Loss (refer note: 25)	299.36	259.12



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 34 : Related party disclosures

A. Name of the related parties and nature of relationship

(i) Related Parties where Control exists

Nature of Relationship	Name of Entity
Holding Company	LT Foods Limited

(ii) Other Related Parties with whom there were transactions during the year

Nature of Relationship	Name of Entity
Fellow Subsidiary Companies	Daawat Foods Limited LT Foods Americas Inc. LT Foods Europe BV Raghunath Agro Industries Private Limited

Wholly owned subsidiary Companies Nature Bio Foods BV
Ecopure Specialities Limited

Entities in which Key Management
Personnel have significant influence Do IT BV
VK foods

Post- employment benefits plan Trust Nature Bio Foods Limited Employees Gratuity Assurance Scheme

(iii) Key Management Personnel (KMP)

Nature of Relationship	Name of Person
Key Management Personnel	Mr. Anmol Arora, Whole Time Director Mr. Vijay Kumar Arora, Director Mr. Jai Sheel Oberoi, Whole Time Director & CEO (w.e.f May 23, 2018) Mr. Surinder Kumar Arora, Director & Chairman Mr. Ashwani Kumar Arora, Director Mr. Poppe Engbert Braam, Director Mr. Sunect Gupta, Director (w.e.f Nov 15, 2018) Mr. Rajesh Kumar Srivastava, Director (w.e.f Nov 15, 2018) Mr. Surender Kumar Tuteja, Director (w.e.f May 23, 2018) Ms. Ambika Sharma, Director (w.e.f Aug 17, 2018) Mr. Ashok Kumar Yadav, Director (till Aug 20, 2018) Mr. Anil Kumar Bhandari, Director (till Aug 10, 2018) Mr. Chhotu Ram Sharma, Director (till Sep 27, 2018) Mr. Tapan Ray, CEO (till Jan 5, 2018)

Relative of Key Management Personnel Nayan Ray



B. The nature and volume of transactions during the year with the above related parties are as follows:

Nature of transactions	Holding Company	Fellow Subsidiaries			Wholly owned subsidiary Companies		Entities in which Key Management Personnel have significant influence		Post-employment benefits plan Trusts	KMP	Relative of KMP	Total
		Daawat Foods Limited	LT Foods Americas Inc.	Raghunath Agro Industries Private Limited	LT Foods Europe BV	Nature Bio Foods BV	Ecopure Specialities Limited	VK foods				
Transactions during the year:												
Sale of goods	415.81 (403.08)	13.39 (1,309.68)	8,684.81 (9,150.65)	-	301.27 (103.73)	3,420.34	-	1,448.20 (1,639.29)	-	-	-	14,283.82 (12,598.83)
Purchase of goods	124.60	1,932.73 (5,393.25)	-	-	-	-	-	-	-	-	-	2,057.33 (5,368.60)
Rent paid	67.09 (80.92)	15.00	-	-	-	-	-	-	-	-	-	82.09 (96.48)
Processing charges paid	28.93 (57.82)	404.61 (265.39)	-	-	-	-	-	-	-	-	-	433.54 (323.21)
Corporate guarantee commission	67.39 (-)	-	-	-	-	-	-	-	-	-	-	67.39
Reimbursement of expenses paid	27.48 (7.24)	18.64	0.32	-	-	-	-	-	-	-	-	46.44 (7.24)
Reimbursement of expenses received	-	142.69	-	-	-	-	-	-	-	-	-	142.69
Remuneration paid to KMP	-	-	-	-	-	-	-	-	-	95.45 (299.84)	(11.57)	95.45 (311.41)
Investment in equity shares	-	-	-	-	-	5.00 (0.01)	-	-	-	-	-	5.00 (0.01)
Director's sitting fee	-	-	-	-	-	-	-	-	-	6.80 (3.96)	-	6.80 (3.96)
Employer's Contribution to Post-employment benefit trust	-	-	-	-	-	-	-	16.00	16.00	-	-	16.00

C. Balance outstanding as at year end:

Nature of transactions	Holding Company	Fellow Subsidiaries			Wholly owned subsidiary Companies		Entities in which Key Management Personnel have significant influence		Post-employment benefits plan Trusts	KMP	Relative of KMP	Total
		Daawat Foods Limited	LT Foods Americas Inc.	Raghunath Agro Industries Private Limited	LT Foods Europe BV	Nature Bio Foods BV	Ecopure Specialities Limited	VK foods				
Trade receivable	-	-	321.85 (1,650.50)	-	72.77 (98.52)	1,535.11	-	202.02 (36.79)	-	-	-	2,131.75 (1,785.81)
Trade payables	-	-	-	0.32	-	-	-	-	-	-	-	0.32
Other current assets (advances)	1,544.20	232.38	-	-	-	-	-	-	-	-	-	1,993.71
Non-current investments	-	-	-	-	-	0.01 (0.01)	-	-	-	-	-	5.01 (0.01)
Guarantees issued by	8,746.91 (9,782.25)	-	-	-	-	-	-	-	-	8,746.91 (9,782.25)	-	17,493.82 (19,564.50)

Key managerial personnel compensation:

Particulars	March 31, 2019	March 31, 2018
Short term employee benefits	93.27	299.39
Post-employment benefits	0.43	0.22
Long term employee benefits	1.75	0.23
Total	95.45	299.84

Figures in brackets represents previous year's comparatives

Note: All outstanding balances are unsecured and are payable/receivable in cash.



Nature Bio-Foods Limited
Notes forming part of financial statements for the year ended March 31, 2019

Note 35 : Segment Reporting

The Company's reporting segments are identified based on activities/products, risk and reward structure, organization structure and internal reporting systems. The operating segments are presented in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). For management purposes, the Company is organized into business units based on its products and services and has three reportable segments as follows:

- (i) Rice
- (ii) Soybean
- (iii) Others - Comprises of pulses, oilseeds, dry fruits, spices etc.

The Company has identified its Whole Time Directors as CODM, who assesses the financial performance and makes strategic decisions. The chief operating decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

(a) Summary of Segment Information:

Particulars	Rice		Soyabean		Others		Unallocable		Total	
	Year ended 31 Mar. 2019	Year ended 31 Mar. 2018	Year ended 31 Mar. 2019	Year ended 31 Mar. 2018	Year ended 31 Mar. 2019	Year ended 31 Mar. 2018	Year ended 31 Mar. 2019	Year ended 31 Mar. 2018	Year ended 31 Mar. 2019	Year ended 31 Mar. 2018
REVENUE:										
Revenue from external customers	21,410.74	25,560.18	6,054.32	5,686.76	6,224.02	3,870.82	-	-	33,689.08	35,117.76
Other Operating Revenue	-	-	-	-	-	-	52.74	32.45	52.74	32.45
Total Segment Revenue	21,410.74	25,560.18	6,054.32	5,686.76	6,224.02	3,870.82	52.74	32.45	33,741.82	35,150.21
(Other Income)	113.71	-	-	-	138.36	39.32	326.63	872.71	578.70	912.03
Total Segment Income	21,524.45	25,560.18	6,054.32	5,686.76	6,362.38	3,910.14	379.37	905.16	34,320.52	36,062.24
RESULTS										
Segment Result	7,490.93	10,107.81	1,300.65	1,236.80	2,122.51	725.64	-	-	10,914.09	12,070.26
Less: Expenses	3,414.71	2,368.42	1,006.15	942.62	804.05	82.87	1,995.37	4,123.00	7,220.28	7,516.92
Operating income	4,076.22	7,739.39	294.50	294.18	1,318.46	642.77	-	-	3,693.81	4,553.34
Less: Finance Cost	-	-	-	-	-	-	843.12	741.10	843.12	741.10
Segment Profit before taxation									2,850.69	3,812.24
Tax expense	-	-	-	-	-	-	-	-	1,036.67	1,357.81
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	(14.30)	(3.77)
Total comprehensive income for the year									1,799.72	2,450.66
Segment Assets	15,236.09	13,540.73	870.36	2,299.33	2,791.02	2,414.33	-	-	18,897.48	18,254.39
Unallocated Assets	-	-	-	-	-	-	6,819.14	3,502.05	6,819.14	3,502.05
Total Assets									25,716.62	21,756.44
Segment Liabilities	986.62	3,273.52	11.52	27.82	442.13	1,204.95	-	-	1,440.26	4,506.29
Unallocated Liabilities	-	-	-	-	-	-	24,276.36	17,250.14	24,276.36	17,250.14
Total Liabilities									25,716.62	21,756.43
Capital Expenditure	1,093.7	-	-	-	-	-	-	-	1,093.71	-
Unallocable Expenditure	-	-	-	-	-	-	44.5	1,084.59	44.51	1,084.59
Depreciation/Amortization	493.35	-	-	-	-	-	-	-	493.35	-
Unallocable Depreciation	-	-	-	-	-	-	6.82	367.63	6.82	367.63
Segment Revenue based on the locations of the customers :									500.17	367.63
America									15,591.42	15,624.47
Europe									13,183.72	13,684.00
India									4,314.79	4,334.59
Other than America, Europe & India									651.89	1,507.15
									33,741.82	35,150.21

Notes :

- (i) Unallocated expenses includes legal & professional expenses, travelling expenses, rates & taxes and business promotion expenses which are not attributable directly to each of the segment.
- (ii) Unallocated assets include corporate assets, cash and bank balances, investments, Advance income tax, loans, other financial assets and other assets which are not attributable directly to each of the segment.
- (iii) Unallocated liabilities include corporate liabilities, bank borrowings, provision for income tax and other non-allocable liabilities

(b) Revenue from major customers:

Revenues of Rs. 17,132.48 lakhs (March 31, 2018 Rs. 14,885.88 lakhs from two customers) are derived from three individual external customers.



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 36 : Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

(Rs. in Lakhs)

Particulars	Notes	March 31, 2019	March 31, 2018
Current			
Financial assets			
Trade receivable	6 (d)	3,525.47	4,893.63
Cash and cash equivalents	6 (e)	364.80	10.58
Other bank balance	6 (f)	-	16.79
Loans	6 (b)	4.90	-
Other Financial Assets	6 (c)	751.50	59.93
Non-Financial assets			
Inventory	10	15,371.99	12,210.30
Other Current Assets			
Total current assets pledged as security	A	20,018.66	17,191.23
Non-current assets			
Property Plant and equipment	4	1,288.06	1,297.64
Total non-current assets pledged as security	B	1,288.06	1,297.64
Total assets pledged as security	(A+B)	21,306.72	18,488.87

Note 37 : Changes in accounting policies

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on March 28, 2018 which includes Ind AS 115 'Revenue from Contracts with Customers' effective from reporting periods beginning on or after April 01, 2018. Effective April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method, which is applied to contracts that are not completed on or before March 31, 2018. Accordingly, the comparatives have not been retrospectively restated. The Company has evaluated and there is no material impact on the financial statements including retained earnings as at April 01, 2018 resulting from the implementation of this standard.

No Significant judgements have been made by the company in applying Ind AS 115 that significantly affect the determination of the amount and timing of revenue from contracts with customers

Note 38: New and amended Ind AS standards**a) Ind AS 116, Leases:**

Ministry of Corporate Affairs (MCA) has issued the companies (Indian Accounting Standards) Second Amendment Rules, 2019 on March 30, 2019 notifying new standard IND AS 116 "Leases". This Ind AS is applicable for annual period beginning on or after April 01, 2019. The Company is in the process of evaluating Ind AS 116 and expecting that there will be no material impact on the financial statements resulting from implementation of this standard.

b) Ind AS 12, Income Taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for taxes on dividend. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date of application of this amendment is annual period beginning on or after April 01, 2019. The Company is in the process of evaluating this amendment to Ind AS 12 and expecting that the said amendment will not have any impact on the financial statements of the company.



Nature Bio-Foods Limited

Notes forming part of financial statements for the year ended March 31, 2019

Note 39: Events occurring after the reporting period

(a) Approval of financial statements - The financial statements were authorised for issue by the Board of Directors on May 14, 2019.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number : 012754N/N500016



Pramit Agrawal
Partner
Membership Number: 099903

Place: Gurugram
Date : May 14, 2019

For and on behalf of the Board of Directors



Jai Sheel Oberoi
Director & CEO
DIN No. 06919497

Place: Gurugram
Date : May 14, 2019



Anmol Arora
Director
DIN No. 07727210

Place: Gurugram
Date : May 14, 2019