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Independent Auditor's Report

To the Members of Daily Bread Gourmet Foods (India) Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Daily Bread Gourmet Foods (India) Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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



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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of matter

We draw attention to Note 1(a) in the financial statements which indicates that the Company has accumulated losses and its net worth has been substantially eroded, the Company has incurred a net loss during the current and previous years and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note 1(a), indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer note 40 to the financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022



Sunil Gaggar
Partner

Membership Number: 104315

Place: Bangalore

Date: 19 May 2015

Daily Bread Gourmet Foods (India) Private Limited

Annexure to the Independent Auditor's Report

With reference to the Annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of fixed assets have been physically verified during the year and no material discrepancies were observed on such verification.
- (ii) (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures for the physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013 ("the Act").
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government of India has not prescribed the maintenance of cost records with regard to the overall turnover specified under sub-section (1) of section 148 of the Act in respect of the products manufactured by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employee State Insurance, Income-tax, Sales-tax, Service-tax, duty of excise, Value added tax and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Wealth tax and duty of customs.



According to the information and explanations given to us, no undisputed amounts payable in respect Provident fund, Employee State Insurance, Income-tax, Sales-tax, Service-tax, duty of excise, Value added tax and any other material statutory dues were in arrears, as at 31 March 2015, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales-tax, Service-tax, duty of excise and Value added tax which have not been deposited by the Company on account of disputes except for the following:

Name of the Statute	Nature of the Dues	Amount* (Rs)	Period to which the amount relates (financial year)	Forum where dispute is pending
Uttar Pradesh, VAT Act, 2008	Value Added Tax	54,08,496 (54,08,496)	2007-08 & 2008-09	Deputy Commissioner, Commercial Taxes, Noida

*The amounts paid under protest have been shown in brackets

- (c) According to the information and explanations given to us there are no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules thereunder.
- (viii) The accumulated losses of the Company are not less than fifty percent of its net worth as at 31 March 2015. The Company has incurred cash losses in the current financial year and in the immediately preceding financial year.
- (ix) The Company did not have dues to any financial institution, bankers and debenture holders during the year.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the Company has not taken any term loan during the year.

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- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

for B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022



Sunil Gaggar

Partner

Membership Number: 104315

Place: Bangalore

Date: 19 May 2015

Daily Bread Gourmet Foods (India) Private Limited
Balance sheet


	Note No.	As at 31 March 2015	Rs. '000 As at 31 March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	276,726	226,726
(b) Reserves and surplus	3	(255,486)	(219,056)
		<u>21,240</u>	<u>7,670</u>
(2) Non-current liabilities			
(a) Long-term borrowings	4	-	7,000
(b) Other long-term liabilities	5	586	856
(c) Long-term provisions	6	1,601	1,604
		<u>2,187</u>	<u>9,460</u>
(3) Current liabilities			
(a) Trade payables	7	33,596	26,209
(b) Other current liabilities	8	10,606	50,659
(c) Short-term provisions	9	444	336
		<u>44,646</u>	<u>77,204</u>
		<u>68,073</u>	<u>94,334</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		36,928	56,775
(ii) Intangible assets		483	635
		<u>37,411</u>	<u>57,410</u>
(b) Long-term loans and advances	11	15,864	18,295
(2) Current assets			
(a) Inventories	12	3,459	4,633
(b) Trade receivables	13	5,555	6,888
(c) Cash and bank balances	14	4,483	5,574
(d) Short-term loans and advances	15	1,301	1,534
		<u>14,798</u>	<u>18,629</u>
		<u>68,073</u>	<u>94,334</u>
Significant accounting policies	1		

See accompanying notes to the financial statements


As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

for and on behalf of the Board of Directors


Sunil Gaggar
Partner
Membership number: 104315


Manjari Singhal
Director


Anshu
Director

Place : Bangalore
Date : 19 May 2015

Place : Bangalore
Date : 19 May 2015

Place : Bangalore
Date : 19 May 2015


Vasudevakumar Sriram
Chief Financial Officer

Place : Bangalore
Date : 19 May 2015


Manjunatha Ramachandra Hegde
Company Secretary

Place : Bangalore
Date : 19 May 2015

Daily Bread Gourmet Foods (India) Private Limited
Statement of profit and loss

		Rs. '000
	Note No.	For the year ended 31 March 2015
		For the year ended 31 March 2014
Revenue from operations		
Sale of products		160,545
Less: Excise duty		3,013
Net sale of products		<u>157,532</u>
Other operating revenues	16	<u>681</u>
		<u>158,213</u>
Other income	17	<u>16</u>
Total revenue		<u>158,229</u>
Expenses		
Raw materials including packaging materials consumed	18	74,223
Changes in inventories of finished goods	19	266
Employee benefits expense	20	44,360
Finance costs	21	3,928
Depreciation and amortisation	10	15,481
Other expenses	22	55,106
Total expenses		<u>193,364</u>
Loss before tax		<u>(35,135)</u>
Tax expense		<u>-</u>
Loss for the year		<u>(35,135)</u>
Earnings per equity share	29	
Basic and diluted [nominal value of Rs. 4 each (previous year: Rs.4 each)]		(0.62)
Weighted average number of equity shares used in computing earnings per share:		
- Basic and diluted		57,092,377
		51,736,213

Significant accounting policies

See accompanying notes to the financial statements

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/ W-100022

for and on behalf of the Board of Directors


Sunil Gagar

Partner

Membership number: 104315


Place : Bangalore

Date : 19 May 2015


Manjari Singh
Director

Place : Bangalore

Date : 19 May 2015


Anshu
Director

Place : Bangalore

Date : 19 May 2015


Vasudevakumar Sriram
Chief Financial Officer

Place : Bangalore

Date : 19 May 2015


Manjunatha Ramachandra Hegde
Company Secretary

Place : Bangalore

Date : 19 May 2015

Daily Bread Gourmet Foods (India) Private Limited
Cash flow statement

	For the year ended 31 March 2015	For the year ended 31 March 2014
Rs. '000		
Cash flows from operating activities		
Profit/ (loss) before taxation	(35,135)	(32,971)
Adjustments for:		
Depreciation and amortisation	15,481	12,598
Provision for doubtful debts and bad debts written off	191	733
Loss on sale/ retirement of fixed assets, net	3,325	625
Interest income	(16)	(18)
Finance costs	3,928	5,549
Operating cash flows before working capital changes	(12,226)	(13,484)
Decrease/ (increase) in inventories	1,174	1,003
Decrease/ (increase) in trade receivables	1,142	7,325
Decrease/ (increase) in other current /non current assets and loans and advances	2,433	1,243
Increase/ (decrease) in Trade payables, other current liabilities and provisions	6,608	(3,084)
Cash flow from operations	(869)	(6,997)
Income taxes paid, net of refund	231	219
Net cash used in operating activities	(638)	(6,778)
Cash flows from investing activities		
Purchase of fixed assets (including finance leased assets)	(649)	(2,227)
Proceeds from sale of fixed assets	547	-
Interest received	16	18
Net cash used in investing activities	(86)	(2,209)
Cash flow from financing activities		
Repayment of secured loans, net	(40,500)	(183)
Interest paid	(9,867)	(580)
Proceeds from share capital	50,000	7,000
Net cash provided used in financing activities	(367)	6,237
Net (decrease)/ increase in cash and cash equivalents	(1,091)	(2,750)
Cash and cash equivalent at the beginning of the year	5,574	8,324
Cash and cash equivalent at the end of the year (Refer note below)	4,483	5,574
Note:		
Cash and cash equivalent at the end of the year (Refer note 14)	4,483	5,574

As per our report of even date attached

for **BSR & Co. LLP**
Chartered Accountants

Firm registration number: 101248W/ W-100022



Sunil Gagar
Partner
Membership number: 104315

Place : Bangalore
Date : 19 May 2015

for and on behalf of the Board of Directors



Manjari Singh
Director

Place : Bangalore
Date : 19 May 2015



Vasudevakumar Sriram
Chief Financial Officer

Place : Bangalore
Date : 19 May 2015



Anshu
Director

Place : Bangalore
Date : 19 May 2015



Manjunatha Ramchandra Hegde
Company Secretary

Place : Bangalore
Date : 19 May 2015

1 Significant accounting policies**(a) Basis of preparation of financial statements**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the mandatory Accounting Standards ('AS') prescribed under section 133 of the Companies Act, 2013 ('the Act') read with rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Act and the Companies Act, 1956 to the extent relevant.

These financial statements have been prepared on a going concern basis notwithstanding losses in the current year, accumulated losses, substantial erosion of net worth, net losses in the current and previous years and the Company's current liabilities exceeding its current assets as at the balance sheet date considering the letter of financial and operational support from the holding Company and Management's forecast of future profitability and increase in the scale of operations. Accordingly, these financial statements do not include any adjustments relating to recoverability and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period end. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(c) Revenue recognitionSale of goods

Revenue from sale of goods (including sale of scrap) is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of sales tax and net of trade discounts and sales returns. Sales are presented both gross and net of excise duty.

Royalty & Franchisees Fees

Income from royalty and franchisee fees is accounted based on contractual agreements.

Interest

Interest on investments is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

(d) Fixed assets**Tangible Assets**

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation and provision for impairment of assets. The cost of fixed assets includes freight, duties, taxes and other incidental expenses related to the acquisition or construction of the respective assets. The cost of fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress

Intangible Assets

Intangible assets are recorded at their acquisition cost less accumulated depreciation.

(e) Depreciation and amortisation

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the Company. Depreciation for assets purchased/ sold during a period is proportionately charged. Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

The Company estimates the useful lives for fixed assets as follows:

<i>Class of assets</i>	<i>Years</i>
Plant and machinery	7.5 to 15
Showroom equipment (included in Plant and machinery)	3
Trade marks	5
Computers	3
Computer softwares	6
Office equipments	5
Motor vehicles	10
Furnitures and fixtures	10

Leasehold improvements are amortised over the lease term or its estimated useful life of 5 years, whichever is lower. Pro-rated depreciation is provided on all assets purchased or sold during the year.

The Company believes that the useful lives as given above best represent the useful lives of these assets based on internal assessment where necessary which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.



(f) Impairment of assets

The Company considers its manufacturing unit and its related retail outlets as cash generating unit attached to a location. The assets of the cash generating unit is examined for impairment as at the balance sheet date each year and impairment loss, if any, is provided for.

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. The recoverable amount is higher of the asset's net selling price and value in use.

After recognition of impairment loss, depreciation is provided on the revised carrying amount of the asset, less its residual value (if any), over its remaining useful life. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

(g) Borrowing costs

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are accounted as an expense in the statement of profit and loss.

(h) Inventories

Inventories are valued at the lower of cost (including prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products. Raw materials, packing materials and stores and spares are valued at cost computed on monthly moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of CENVAT and VAT credit, where applicable. Materials-in-process is valued at input material cost plus conversion cost as applicable.

Finished goods are valued at lower of net realisable value and prime cost, excise duty and other overheads incurred in bringing the inventories to their present location and condition.

(i) Foreign currency transactions

Transactions in foreign currency are recorded at exchange rates prevailing on the respective dates of the relevant transactions. Monetary assets and liabilities denominated in foreign currency are restated at the exchange rates prevailing at the balance sheet date. The gains or losses resulting from such transactions are adjusted to the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value / net realisable value are translated at the exchange rate prevalent at the date when the fair value / net realisable value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(j) Employee benefits

1. Short-term employee benefits

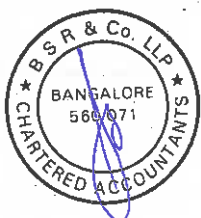
All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which include benefits like salaries, short term compensated absences and performance incentives and are recognised as expenses in the year in which the employee renders the related service.

2. Post-employment benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Scheme etc., are recognised as expenses in the year in which the employee renders the related service.

3. Other long-term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the year in which the employees render the related services are determined based on actuarial valuation using projected unit credit method carried out at each balance sheet date. Provision for long term compensated absences is based on actuarial valuation using projected unit credit method carried out as at 1st January every year.



(k) Leases

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalised at the inception of lease at lower of the fair value and present value of minimum lease payments. Assets taken on finance lease are depreciated over their estimated useful life or the lease term whichever is lower.

Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged to the statement of profit and loss on accrual basis.

(l) Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Deferred tax in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday period is recognized in the year in which the timing differences originate. For this purpose the timing differences, which originate first are considered to reverse first. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

(m) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events, for which 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. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(n) Earnings per share

Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included.

(o) Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

(p) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of 3 months or less.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

	Rs. '000	
	As at	As at
	31 March 2015	31 March 2014
Note 2 - Share capital		
Authorised		
Equity shares	300,000	240,000
[75,000,000 (previous year: 60,000,000) equity shares of Rs 4 each (previous year: Rs. 4 each)]		
Issued, subscribed and paid up		
Equity shares fully paid	276,726	226,726
[69,181,418 (previous year: 56,681,418) equity shares of Rs. 4 each (previous year: Rs. 4 each)]		
<p>Of the above total fully paid up equity shares, 69,181,417 equity shares of Rs. 4 each (previous year: 56,681,417 equity shares of Rs. 4 each) are held by Britannia Industries Limited, the holding company, and 1 equity share of Rs. 4 each (previous year: 1 equity share of Rs. 4 each) is held by the nominee of Britannia Industries Limited. The Bombay Burmah Trading Corporation Limited is the ultimate holding company.</p>		
<p>In the financial year 2010-11, pursuant to the resolution passed by the members at the extraordinary general meeting (EGM) held on 24 November 2010 and the order of the Honorable High Court of Karnataka dated 8 March 2011, the Company has reduced value of its equity share from Rs. 10 per share to Rs. 4 per share and repaid Rs. 0.03 per equity share.</p>		
<p>Rights attached to the equity shares:</p> <ul style="list-style-type: none"> - The Company has only one class of shares referred to as equity shares having a par value of Rs. 4 /-. Each holder of equity shares is entitled to one vote per share. - The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. - During the year ended 31 March 2015, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (previous year: Rs. Nil). The total dividend appropriation for the year ended March 31, 2015 amounted to Rs. Nil (previous year: Rs. Nil) including corporate dividend tax of Rs. Nil (previous year: Rs. Nil). - In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders. 		
	276,726	226,726

Shares in respect of equity in the company held by its holding or ultimate holding company, including shares held by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
Holding company				
Britannia Industries Limited	69,181,417	276,726	56,681,417	226,726
Excludes shares held by the nominee of Britannia Industries Limited				

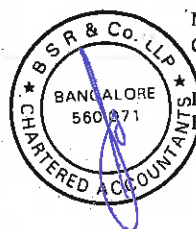
Details of shareholders holding more than 5% of total number of equity shares:

	31 March 2015		31 March 2014	
	Number of shares	% holding	Number of shares	% holding
Britannia Industries Limited	69,181,417	99.99%	56,681,417	99.99%
Excludes shares held by the nominee of Britannia Industries Limited				

Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

	31 March 2015		31 March 2014	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	56,681,418	226,726	51,681,418	206,726
Movement during the reporting year	12,500,000	50,000	5,000,000	20,000
Closing balance at the end of the reporting year	69,181,418	276,726	56,681,418	226,726

During the year, 12,500,000 equity shares of Rs 4 each were issued to Britannia Industries Limited by conversion of the loan, as per the approval of Board of Directors dated 20 March 2015.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

Note 3 - Reserves and surplus

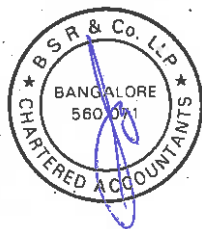
	Securities premium account	Surplus	Rs. '000 As at 31 March 2015
Balance at the beginning of the year	4,532	(223,588)	(219,056)
Deductions:			
Fixed assets charged off due to change in useful life as per Companies Act, 2013	-	(1,295)	(1,295)
Net profit/ (loss) after tax transferred from the statement of profit and loss	-	(35,135)	(35,135)
Balance at the end of the year	<u>4,532</u>	<u>(260,018)</u>	<u>(255,486)</u>
	Securities premium account	Surplus	As at 31 March 2014
Balance at the beginning of the year	4,532	(190,617)	(186,085)
Additions:			
Net profit/ (loss) after tax transferred from the statement of profit and loss	-	(32,971)	(32,971)
Balance at the end of the year	<u>4,532</u>	<u>(223,588)</u>	<u>(219,056)</u>

Note 4 - Long-term borrowings

	As at 31 March 2015	As at 31 March 2014
Unsecured		
Loans from holding company *	-	7,000
	<u>-</u>	<u>7,000</u>

* Unsecured loan from parent company was taken at various dates in the previous year at an interest rate of 10% p.a. repayable from April 2015 till March 2016.

During the year, 12,500,000 equity shares of Rs. 4 each were issued to Britannia Industries Limited by conversion of the loan, as per the approval of Board of Directors dated 20 March 2015.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

	Rs. '000	
	As at 31 March 2015	As at 31 March 2014
Note 5 - Other long-term liabilities		
Deposits from customers	586	856
	<u>586</u>	<u>856</u>
Note 6 - Long-term provisions		
Employee benefits (Refer note 25)	1,601	1,604
	<u>1,601</u>	<u>1,604</u>
Note 7 - Trade payables		
Due to micro and small enterprises [Refer note (a) below]		
Others	33,596	26,209
	<u>33,596</u>	<u>26,209</u>

(a) There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2015. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

	31 March 2015	31 March 2014
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal		
- Interest		
The amount of interest paid by the buyer as per the MSMED Act, 2006.		
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year		
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006		
The amount of interest accrued and remaining unpaid at the end of each accounting year		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.		

Note 8 - Other current liabilities

Current maturities of long-term unsecured loan from holding company (Refer note 4 for details of maturity and interest rates)		33,500
Interest accrued and due on borrowings	4,029	9,968
Other payables:		
- Advance from customers	118	143
- Payable to employees	4,421	4,062
- Statutory dues	1,131	1,607
- Other liabilities	907	1,379
	<u>10,606</u>	<u>50,659</u>

Note 9 - Short-term provisions

Employee benefits (Refer note 25)	444	336
	<u>444</u>	<u>336</u>



Daily Bread Courmest Foods (India) Private Limited
Notes to financial statements (continued)

Note 10 - Fixed Assets

Description	Gross block			Accumulated depreciation and amortisation			Impairment loss		Net block		
	As at 1 April 2014	Additions	Deletions*	As at 31 March 2015	As at 1 April 2014	Charge for the year**	Deletions*	As at 31 March 2015	Reversed/ utilized during the year**	As at 31 March 2015	As at 31 March 2014
Tangible assets											
Own assets											
Leasehold improvements	39,393	247	10,791	28,749	30,953	3,441	9,537	24,857	-	3,892	8,340
Plant and equipment	94,802	402	4,935	90,269	51,014	9,106	4,143	57,977	10	28,796	36,282
Furniture and fixture	12,559		3,109	9,450	5,347	1,831	1,563	5,615	179	3,656	7,033
Motor vehicles	562		456	1,06	129	40	166	3	-	103	433
Office equipment	4,218		505	3,713	2,335	1,446	487	3,294	2	287	1,749
Computers	5,113		1,612	3,501	4,004	745	1,613	3,136	-	194	938
Leased Assets											
Motor vehicle	1,032	-	945	87	1,032	15	960	87	-	-	-
Intangible assets											
Trademarks	57	-	-	57	57	-	-	57	-	-	-
Computer software	1,024	-	-	1,024	389	152	-	541	-	483	635
	1,081	-	-	1,081	446	152	-	598	-	483	635
Total	158,660	649	22,353	136,956	97,260	16,776	18,469	95,567	12	37,411	57,410
<i>Previous year</i>	<i>157,871</i>	<i>2,227</i>	<i>1,438</i>	<i>158,660</i>	<i>83,475</i>	<i>12,598</i>	<i>813</i>	<i>97,260</i>	<i>-</i>	<i>3,990</i>	<i>68,406</i>

* The Company has written off fixed assets with a gross block aggregating to Rs.19,920 (Previous Year - Rs. 1,438) with accumulated depreciation of Rs. 15,202 (Previous Year - Rs. 813). As a result of the same, the Company has recognised Rs. 3,325 as loss on disposal of fixed assets in the current year (Previous Year Loss - Rs. 623).

** During the year, the Company has written off assets that were impaired in the earlier years having a gross block of Rs. 29 (previous year: Rs. Nil) and a net block of Rs. 10 (previous year: Rs Nil).

Depreciation charge for the year	16,776
Fixed assets charged off due to change in useful life as per Companies Act, 2013	(1,995)
Net depreciation charge for the year	15,481

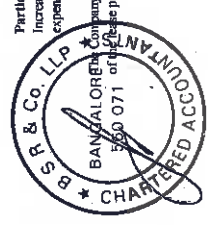
During the year ended March 31, 2015, the management based on internal technical evaluation reassessed the remaining useful life of assets primarily consisting of buildings and computers with effect from April 1, 2014. Accordingly the useful lives of certain assets required a change from the previous estimates.

Category of assets	Revised useful	
	Earlier useful life (Years)	Revised useful life (Years)
Plant and machinery	9.67 to 13.18	7.5 to 15
Showroom equipment and machinery	3	3
Trade marks	5	5
Computers	6.17	3
Computer softwares	5	6
Office equipment	13.48	5
Floor vehicles	10.53	10
Furniture and fixtures	15.48	10

Had the Company continued with the previously assessed useful lives, charge for depreciation for the year ended March 31, 2015 would have been lower by Rs 5,399 for assets held at April 1, 2014. The revision of the useful lives will result in the following changes in the depreciation expense as compared to the original useful life of the assets.

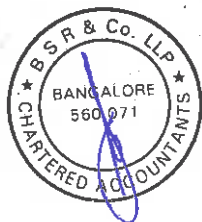
Particulars	2015-16	Alter 2015-16
Increase/(decrease) in depreciation expense	3,940	(9,339)

BANZALOREN COMPANY has entered into lease-cum sale-agreements to acquire certain properties in accordance with the terms of some of these agreements, the Company has the option to purchase or renew the properties on expiry of the period.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

	Rs. '000	
	As at 31 March 2015	As at 31 March 2014
Note 11 - Long-term loans and advances		
<i>Unsecured, Considered good:</i>		
Deposits	10,205	12,380
Sales tax deposit paid under protest	5,408	5,408
<i>Other loans and advances:</i>		
Advance income tax and tax deducted at source	187	418
Prepaid expenses	64	89
<i>Considered doubtful:</i>		
Loans, advances recoverable in cash or in kind or for value to be received	1,062	1,062
	<u>16,926</u>	<u>19,357</u>
Less: Provision for doubtful loans' advances	<u>(1,062)</u>	<u>(1,062)</u>
	<u>15,864</u>	<u>18,295</u>
Note 12 - Inventories *		
Raw materials	1,768	2,855
Packing materials	1,347	1,163
Finished goods	344	615
	<u>3,459</u>	<u>4,633</u>
* Refer note 1 (h) for mode of valuation for inventories.		
Note 13 - Trade receivables		
<i>Unsecured, Considered good:</i>		
-Over six months	192	-
-Others	5,363	6,888
<i>Unsecured/ Considered doubtful:</i>		
-Over six months	-	427
-Others	-	14
	<u>5,555</u>	<u>7,329</u>
Less: Provision for bad and doubtful debts	<u>-</u>	<u>(441)</u>
	<u>5,555</u>	<u>6,888</u>
Note 14 - Cash and bank balances		
<i>Cash and cash equivalents</i>		
- Cash on hand	181	204
- Current accounts	4,302	5,370
	<u>4,483</u>	<u>5,574</u>
Note 15 - Short-term loans and advances		
<i>Unsecured, Considered good:</i>		
Deposits	22	4
<i>Other loans and advances</i>		
Advances recoverable in cash or in kind or for value to be received	977	834
Prepaid expenses	302	696
	<u>1,301</u>	<u>1,534</u>



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

	Rs. '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Note 16 - Other operating revenues		
Royalty income	-	227
Scrap sales	442	101
Other receipts	239	265
Liabilities no longer required written back, net	-	447
	<u>681</u>	<u>1,040</u>
Note 17 - Other income		
Interest income on refund of income tax	16	18
Other non-operating income	-	463
- Other receipts	-	463
	<u>16</u>	<u>481</u>
Note 18 - Raw materials including packaging materials consumed		
Opening stock	4,018	4,479
Add: Purchases	73,320	100,771
Less: Closing stock	3,115	4,018
	<u>74,223</u>	<u>101,232</u>
Note 19 - Changes in inventories of finished goods		
Opening stock:		
- Finished goods	615	1,157
Closing stock:		
- Finished goods	344	615
	<u>271</u>	<u>542</u>
Less: Excise duty on opening stock of finished goods	20	41
Add: Excise duty on closing stock of finished goods	15	20
Increase/ (decrease)	<u>(5)</u>	<u>(21)</u>
	<u>266</u>	<u>521</u>
Note 20 - Employee benefits expense		
Salaries, wages and bonus	37,261	45,453
Contribution to provident and other funds	3,241	3,924
Workmen and staff welfare expenses	3,858	4,247
	<u>44,360</u>	<u>53,624</u>
Note 21 - Finance Cost		
Interest expense:		
- Loan from holding company	3,928	5,522
- Finance lease	-	27
	<u>3,928</u>	<u>5,549</u>



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

	Rs. '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Note 22 - Other expenses		
Power and fuel	13,157	17,468
Rent [Refer note 24]	13,631	14,415
Carriage, freight and distribution	10,526	9,898
Advertising and sales promotion	1,777	3,707
Security and house keeping	2,882	2,896
Repairs and maintenance		
- Plant and machinery	1,962	2,605
- Others	1,010	1,181
Bad debts written off	191	733
Legal and professional	335	730
Travel and conveyance	1,258	1,290
Rates and taxes	1,688	1,387
Communication	744	902
Loss on sale/ retirement of fixed assets, net	3,325	625
Insurance	271	194
Printing and stationery	794	921
Bank charges	608	572
Miscellaneous	947	823
	55,106	60,347



23 Contingent liabilities and commitments

- (a) Estimated amount of contracts remaining to be executed on capital account, other commitments and not provided for Rs Nil (previous year: Rs Nil).
- (b) Contingent liabilities Rs Nil (previous year: Rs Nil).

24 Leases

Operating leases

The Company has certain cancellable operating leases for office facilities and residential premises. Such leases are generally with the option of renewal against increased rent and premature termination of agreement. Rental expenses of Rs 13,631 thousands (previous year: Rs 14,415 thousands) in respect of obligation under operating leases have been recognised in the Statement of profit and loss .



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

25 Employee benefits

(a) Post retirement benefit - defined contribution plans

The Company has recognised an amount of Rs 2,184 thousand (previous year: Rs 2,610 thousand) as expenses under the defined contribution plans in the Statement of profit and loss for the year.

	Rs. '000	
	31 March 2015	31 March 2014
Benefit (contribution to) Provident fund	2,184	2,610
Total	2,184	2,610

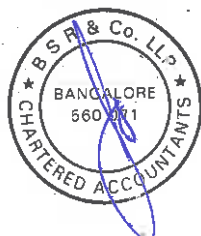
(b) Gratuity plan

The Company has a defined gratuity plan. Every employee who has completed five years or more of service gets a gratuity on separation computed on the basis of 15 days salary (last drawn salary) for each completed year of service. The following table sets out the status of the gratuity plan as required under AS 15.

	Rs '000				
	31 March 2015	31 March 2014	31 March 2013	31 March 2012	31 March 2011
1. Reconciliation of opening and closing balances of the present value of the defined benefit obligation:					
Obligations as at 1 April	1,148	1,353	846	787	609
Service cost	365	489	306	355	278
Interest cost	106	112	74	65	49
Benefits settled	(329)	(341)	(200)	-	(26)
Actuarial (gain) / loss	(112)	(465)	327	(361)	(123)
Past service cost	-	-	-	-	-
Obligations as at year end 31 March	1,178	1,148	1,353	846	787
2. Change in plan assets:					
Plan assets as at 1 April at fair value	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-
Actuarial gain / (loss)	-	-	-	-	-
Contributions	-	-	200	-	26
Benefits settled	-	-	(200)	-	(26)
Plan assets as at 31 March at fair value	-	-	-	-	-
3. Reconciliation of					
Present value of obligation as at 31 March	1,178	1,148	1,353	846	787
Plan assets as at 31 March at fair value	-	-	-	-	-
Amount recognised in balance sheet asset / (liability)	(1,178)	(1,148)	(1,353)	(846)	(787)
4. Expenses recognised in					
Current service cost	365	489	306	355	278
Interest cost	106	112	74	65	49
Expected return on plan assets	-	-	-	-	-
Actuarial (gain) / loss	(112)	(465)	327	(361)	(123)
Net cost	359	136	707	59	204
5. Amount recognised in the balance sheet :					
Opening net liability	1,148	1,353	846	787	609
Expense as above	359	136	707	59	204
Employers contribution paid	(329)	(341)	(200)	-	(26)
Closing net (asset)/liability	1,176	1,148	1,353	846	787
6. Experience Adjustment					
On Plan Liability (Gains) / Losses	(306)	(338)	193	(293)	(154)
On Plan Assets (Losses) / Gains	-	-	-	-	-
7. Principal actuarial assumptions:					
Discount factor	9.31%	9.31%	8.25%	8.75%	8.25%
Estimated rate of return on plan assets	9.31%	9.31%	8.25%	8.75%	8.25%
Attrition rate					
0-5 years					
Retail	7.00%	7.00%	7.00%	60.00%	1.00%
Other staff	7.00%	7.00%	7.00%	5.00%	1.00%
more than 5 years	2.00%	2.00%	2.00%	2.00%	1.00%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%	5.00%
Retirement age (in years)	58	58	58	58	58

Note:

(i) The discount rate is based on prevalent market yield on Government securities as at balance sheet date for estimated term of obligations.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

25 Segment reporting

Based on guiding principles in the Accounting Standard 17 on Segment Reporting, the primary business segment of the Company is foods, comprising bakery products. As the Company operates in a single primary business segment, disclosure requirements are not applicable. The Company primarily caters to the domestic market and accordingly there is no reportable secondary segment.

27 Related party disclosures under Accounting Standard 18

(i) **Relationships**

1. Ultimate Holding Company	The Bombay Burmah Trading Corporation Limited
2. Holding Company	Britannia Industries Limited (BIL)
3. Holding Company of BIL	Associated Biscuits International Limited (ABIL), UK
4. Key Management Personnel	Aloke Ashok Totlani, Director (resigned w.e.f 12 January 2015) Nasim Ahamed Delvi, Director (appointed w.e.f 12 January 2015)

(ii) **Related party transactions**

		Rs '000	
	Relationship	For the year ended 31 March 2015	For the year ended 31 March 2014
Britannia Industries Limited (BIL)			
Sales	Holding Company	157	135
Unsecured loan received	Holding Company	-	7,000
Interest on loan	Holding Company	3,928	5,522
Rent paid	Holding Company	566	-
Britannia Dairy Private Limited (BDPL)			
Sale of products	Subsidiary of Holding Company	2	-
Sale of fixed asset	Subsidiary of Holding Company	165	-
Remuneration			
Aloke Ashok Totlani	Key Management Personnel	2,189	2,742
Nasim Ahamed Delvi	Key Management Personnel	384	-

(iii) **Amount outstanding as at the balance sheet date**

		Rs '000	
	Relationship	For the year ended 31 March 2015	For the year ended 31 March 2014
Britannia Industries Limited (BIL)			
Unsecured loan	Holding Company	-	40,500
Interest due on loan	Holding Company	4,029	9,968
Other payables	Holding Company	55	25

During the year, 12,500,000 equity shares of Rs. 4 each were issued to Britannia Industries Limited by conversion of the loan, as per the approval of Board of Directors dated 20 March 2015.

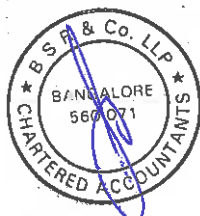
28 Auditor's remuneration (included in legal and professional fees, excluding service tax)

	Rs '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
As auditors		
- Statutory audit	60	60
- Reimbursement of out-of-pocket expenses	15	17
	75	77

29 Earnings per share

	(Figures in Rs '000 except number of shares)	
	For the year ended 31 March 2015	For the year ended 31 March 2014
(a) Net loss attributable to the equity shareholders	(35,135)	(32,971)
(b) Weighted average number of equity shares outstanding during the year	57,092,377	51,736,213
(c) Basic and diluted earning per share	(0.62)	(0.64)

30 Deferred tax asset arising on account of timing differences on depreciation, unabsorbed depreciation and carry forward business losses have not been recognised as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets will be realised.



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

31 (a) Gross sales

Product group	Rs '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Bread	96,569	112,286
Cake and pastries	50,877	74,589
Savouries	10,343	11,988
Others	2,756	4,952
	160,545	203,815

(b) Raw materials including packing materials consumed

Product group	Rs '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Maida	23,009	30,491
Dark chocolate	1,929	2,275
Sugar	4,048	5,363
Plastic cover	2,009	2,084
Others	43,228	61,019
	74,223	101,232

	31 March 2015		31 March 2014	
	Value	%	Value	%
Imported	-	-	-	-
Indigenous	74,223	100%	101,232	100%
	74,223	100%	101,232	100%

32 Opening and closing stocks of finished goods

	Rs '000	
	For the year ended 31 March 2015	For the year ended 31 March 2014
a) Opening Stock		
Bread	160	157
Cake and pastries	385	748
Savouries	21	12
Others	49	240
	615	1,157
b) Closing Stock		
Bread	87	160
Cake and pastries	236	385
Savouries	3	21
Others	18	49
	344	615



Daily Bread Gourmet Foods (India) Private Limited
Notes to financial statements (continued)

- 33 * The Company has not incurred any expenditure in foreign currency during the current year (previous year: Nil)
- 34 The Company does not have any earning in foreign currency during the current year (previous year: Nil)
- 35 The Company does not have any forward contracts during the year (previous year: Nil)
- 36 The Company does not have any imports during the year (previous year: Nil)
- 37 The Company has not given any loans, made investment or given guarantee or provided security to any person or body corporate under Section 186.
- 38 The Company has made efforts to select and appoint independent Directors and consequent reconstitution of the Audit Committee as prescribed by the Act under section 149 read with Companies (Appointment and Qualification of Directors) Rules , 2014 and as per Section 177(1) and (2) of the Act , read with Rule 6 of Companies (Meetings of Board and its Powers) Rules,2014 respectively. However , it has not been able to achieve the requirements till date . The Company will make resonable efforts to Comply with these requirements in near future and does not foresee any significant liability on account of this non-compliance .
- 39 Figures in rupees have been rounded off to the nearest thousand, unless otherwise stated.
- 40 During the year ended 31 March 2015 the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- 41 The Company has reclassified previous year figures to conform to current year's classification

As per our report of even date attached

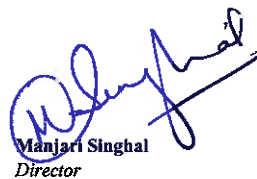
for **BSR & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022



Sunil Gaggar
Partner
Membership number: 104315

Place : Bangalore
Date : 19 May 2015

for and on behalf of the Board of Directors



Manjari Singh
Director

Place : Bangalore
Date : 19 May 2015



Anshu
Director

Place : Bangalore
Date : 19 May 2015



Vasudevakumar Sriram
Chief Financial Officer

Place : Bangalore
Date : 19 May 2015



Manjunatha Ramachandra Hegde
Company Secretary

Place : Bangalore
Date : 19 May 2015