

**Independent Auditors' Report  
To the Members of Manna Foods Private Limited  
Report on the Ind AS financial statements**

We have audited the accompanying Ind AS financial statements of **Manna Foods Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

**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 and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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**To the Members of Manna Foods Private Limited**  
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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

**Opinion**

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the Company as at March 31, 2017, and its financial performance including other comprehensive income, its loss, its cash flows and the changes in equity for the year ended on that date.

**Report on other legal and regulatory requirements**

1. 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 enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order.
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 purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The balance sheet, the statement of profit and loss, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of written representations received from the directors as on 31 March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act.

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- (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 B".
- (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 these Ind AS financial statements - Refer Note 29 to the Ind AS financial statements;
  - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer note 37 to the Ind AS financial statements.

*for B S R & Co. LLP*  
*Chartered Accountants*  
ICAI Firm Registration Number: 101248W/W-100022

SD/-  
**Amar Sunder**  
*Partner*  
Membership No. 078305  
Place: Chennai  
Date: 24 May 2017

**Annexure A to the Independent Auditors' Report to the members of Manna Foods Private Limited for the year ended 31 March 2017**

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- (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 three year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. However, none of the fixed assets have been physically verified by the management during the current year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between physical stock and book records were not material.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required to be maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) The Company does not have any loan, investment, guarantee and security which requires compliance under Sections 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered 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, employees' state insurance, income-tax, sales-tax, service tax, duty of excise, value added tax, cess and any other material statutory dues have generally been regularly deposited during the period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of customs.

**Annexure A to the Independent Auditors' Report to the members of Manna Foods Private Limited for the year ended 31 March 2017 (continued)**

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According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of duty of excise as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (Rs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Central Excise Act, 1944	Excise duty	8,473,071	1993-94, 1994-95, 2000-01 and 2004-05 to 2007-08	Commissioner (Appeals)
Central Excise Act, 1944	Excise duty	29,458	2004-05	Assistant Commissioner
Central Excise Act, 1944	Excise duty	87,630	1994-95	Assistant Commissioner of Central Excise
Central Excise Act, 1944	Excise duty	165,641	July 2011 to September 2011	CESTAT

(viii) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding loans or borrowings to any financial institution, banks, government or dues to debenture holders during the year.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) The Company has not paid or provided for any managerial remuneration during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.

**Annexure A to the Independent Auditors' Report to the members of Manna Foods Private Limited  
for the year ended 31 March 2017 (continued)**

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- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

*for B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm Registration Number: 101248W/W-100022

SD/-

**Amar Sunder**

*Partner*

Membership No. 078305

Place: Chennai

Date: 24 May 2017

**Annexure B to the Independent Auditor's Report to the members of Manna Foods Private Limited for the year ended 31 March 2017**

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

We have audited the internal financial controls over financial reporting of **Manna Foods Private Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Annexure B to the Independent Auditor's Report to the members of Manna Foods Private Limited  
for the year ended 31 March 2017**

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**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting**

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

**Opinion**

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

*for B S R & Co. LLP*

*Chartered Accountants*

ICAI Firm Registration No: 101248W/W-100022

SD/-

**Amar Sunder**

*Partner*

Membership No: 078305

Place: Chennai

Date: 24 May 2017

**Manna Foods Private Limited**

Balance Sheet as at 31 March 2017

(All amounts are in Indian Rupees, except share data or as stated)

	Note	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	630,771,508	514,302,905	574,538,510
Capital work-in-progress	5	626,838	116,692,713	1,892,508
Intangible assets	5	201,143	-	-
<b>Financial assets</b>				
Investments	6	5,258,321	4,621,561	12,918,563
Deferred tax assets (net)	7	-	-	-
Other tax assets	8	27,739,233	17,827,218	9,300,646
Other non-current assets	9	6,217,329	7,763,385	5,923,040
<b>Total non-current assets</b>		<b>670,814,372</b>	<b>661,207,782</b>	<b>604,573,267</b>
<b>Current assets</b>				
Inventories	10	9,031,594	10,522,682	7,759,531
<b>Financial assets</b>				
Trade receivables	11	40,498,154	11,534,404	6,888,970
Cash and cash equivalents	12	5,180,348	22,552,559	11,326,566
Loans	13	63,899	24,899	35,994
Other current assets	14	50,404,608	41,606,025	31,737,539
<b>Total current assets</b>		<b>105,178,603</b>	<b>86,240,569</b>	<b>57,748,600</b>
<b>Total assets</b>		<b>775,992,975</b>	<b>747,448,351</b>	<b>662,321,867</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	16	48,750,020	48,750,020	48,750,020
<b>Other equity</b>				
Retained earnings	17	(21,618,908)	(5,496,053)	7,884,641
Others (including items of other comprehensive income)		3,512,213	3,185,162	11,410,012
<b>Total equity</b>		<b>30,643,325</b>	<b>46,439,129</b>	<b>68,044,673</b>
<b>Non-current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	18	523,556,980	534,452,940	488,270,692
Provisions	19	1,954,321	393,701	350,045
<b>Total non-current liabilities</b>		<b>525,511,301</b>	<b>534,846,641</b>	<b>488,620,737</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Trade payables	20	31,777,479	35,662,034	16,895,428
Other financial liabilities	21	138,710,248	65,040,304	49,749,477
Provisions	19	83,917	338,294	168,783
Other current liabilities	22	49,266,705	65,121,949	38,842,769
<b>Total current liabilities</b>		<b>219,838,349</b>	<b>166,162,581</b>	<b>105,656,457</b>
<b>Total equity and liabilities</b>		<b>775,992,975</b>	<b>747,448,351</b>	<b>662,321,867</b>
Significant accounting policies	2			

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

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/ W-100022

for and on behalf of the Board of Directors of  
**Manna Foods Private Limited**

SD/-

**Amar Sunder**

Partner

Membership No: 078305

SD/-

**Vinay Singh Kushwaha**

Director

SD/-

**Venkatraman Natarajan**

Director

Place: Chennai

Date:

Place: Mumbai

Date: 24 May 2017

Place: Mumbai

Date: 24 May 2017

# Manna Foods Private Limited

Statement of profit and loss for the year ended 31 March 2017

(All amounts are in Indian Rupees, except share data or as stated)

	Note	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Revenue from operations	23	401,043,518	365,311,762
Other income	24	4,923,797	5,381,441
<b>Total income</b>		<b>405,967,315</b>	<b>370,693,203</b>
<b>Expenses</b>			
Employee benefits expenses	25	44,985,084	38,374,517
Finance costs	26	58,591,814	52,139,974
Depreciation and amortisation expense	5	66,527,507	64,438,641
Other expenses	27	251,985,765	229,120,765
<b>Total expenses</b>		<b>422,090,170</b>	<b>384,073,897</b>
<b>Loss before tax</b>		<b>(16,122,855)</b>	<b>(13,380,694)</b>
Tax expense:			
Current tax		-	-
Deferred tax charge / (credit)		-	-
<b>Loss for the year</b>		<b>(16,122,855)</b>	<b>(13,380,694)</b>
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Defined benefit actuarial gains and losses		(386,643)	102,886
Equity instruments through other comprehensive income		713,694	(8,327,736)
<b>Total Comprehensive income for the year</b>		<b>(15,795,804)</b>	<b>(21,605,544)</b>
<b>Earnings per share (for continuing operations)</b>			
Basic earning per share		(3.31)	(2.74)
Diluted earning per share		(3.31)	(2.74)
Weighted average number of equity shares used in computing earnings per share:			
- Basic and diluted		4,875,002	4,875,002

Significant accounting policies

2

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

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/ W-100022

for and on behalf of the Board of Directors of  
**Manna Foods Private Limited**

SD/-

**Amar Sunder**

Partner

Membership No: 078305

SD/-

**Vinay Singh Kushwaha**

Director

SD/-

**Venkatraman Natarajan**

Director

Place: Chennai

Date:

Place: Mumbai

Date: 24 May 2017

Place: Mumbai

Date: 24 May 2017

**Manna Foods Private Limited**

Cash flow statement for the year ended 31 March 2017

(All amounts are in Indian Rupees, except share data or as stated)

	As at 31 March 2017	As at 31 March 2016
<b>A Cash flow from operating activities</b>		
Profit before tax from continuing operations	(16,122,855)	(13,380,694)
<i>Adjustments for:</i>		
Depreciation of property, plant & equipment	66,503,708	64,438,641
Amortisation of intangible assets	23,799	-
Remeasurement of post employment benefit obligations	(386,643)	102,886
Gain on disposal of property, plant and equipment	(107,199)	-
Change in fair value of investment	713,694	(8,327,736)
Dividend income	(864)	(1,018)
Interest income	(647,187)	(1,209,458)
Finance costs	58,591,814	52,139,974
	<b>108,568,267</b>	<b>93,762,595</b>
<b>Change in operating assets and liabilities</b>		
Decrease/(increase) in inventories	1,491,088	(2,763,151)
Increase in trade receivables	(37,822,580)	(14,547,391)
Increase in loans and other current assets	820,256	(1,142,450)
Increase/ (decrease) in trade payable	(3,884,555)	18,766,606
Increase in provisions	1,306,243	213,167
Increase in other current liabilities	206,780	7,666,464
<b>Cash generated from operating activities</b>	<b>70,685,499</b>	<b>101,955,840</b>
Income tax paid, net	(9,912,015)	(8,526,572)
<b>Net cash from operating activities</b>	<b>60,773,484</b>	<b>93,429,268</b>
<b>B Cash flow from investing activities</b>		
Acquisition of property, plant and equipment	(78,423,162)	(97,507,288)
Proceeds from sale of property, plant and equipment	225,000	-
Proceeds from sale of investments	(636,760)	8,297,002
Interest received	707,434	1,242,929
Dividend received	864	1,018
<b>Net cash from investing activities</b>	<b>(78,126,624)</b>	<b>(87,966,339)</b>
<b>C Cash flow from financing activities</b>		
Interest paid	(33,321,818)	(49,930,486)
Repayment of borrowing	(33,183,264)	(45,821,449)
Availment of unsecured loans	66,486,011	101,514,999
<b>Net cash from financing activities</b>	<b>(19,071)</b>	<b>5,763,064</b>
<b>Net change in cash and cash equivalents</b>	<b>(17,372,211)</b>	<b>11,225,993</b>
<b>D Cash and cash equivalents at beginning of year</b>	<b>22,552,559</b>	<b>11,326,566</b>
<b>E Cash and cash equivalents at end of year</b>	<b>5,180,348</b>	<b>22,552,559</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	5,995	17,197
Balances with banks	5,174,353	22,535,362
<b>Cash and cash equivalents as per cash flow statement</b>	<b>5,180,348</b>	<b>22,552,559</b>

Significant accounting policies

2

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

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration No: 101248W/ W-100022

for and on behalf of the Board of Directors of  
**Manna Foods Private Limited**SD/-  
**Amar Sunder**  
Partner

Membership No: 078305

SD/-  
**Vinay Singh Kushwaha**  
DirectorSD/-  
**Venkatraman Natarajan**  
DirectorPlace: Chennai  
Date:Place: Mumbai  
Date: 24 May 2017Place: Mumbai  
Date: 24 May 2017

# Manna Foods Private Limited

Statement of changes in equity for the year ended 31 March 2017

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. Equity share capital	Note	No of shares		Amount	
Balance as at 1 April 2015		4,875,002		48,750,020	
Changes in equity share capital during 2015 - 2016	16	-		-	
<b>Balance as at 31 March 2016</b>		<b>4,875,002</b>		<b>48,750,020</b>	
Changes in equity share capital during 2016 - 2017	16	-		-	
<b>Balance as at 31 March 2017</b>		<b>4,875,002</b>		<b>48,750,020</b>	
<b>b. Other equity</b>					
		<b>Other comprehensive income</b>			
		<b>Retained earnings</b>	<b>Equity instruments through other comprehensive income</b>	<b>Other items of other comprehensive income</b>	<b>Total other equity</b>
Balance as at 1 April 2015 as per the previous GAAP		7,884,641	-	-	7,884,641
Impact arising from fair valuation of equity instruments		-	11,410,012	-	11,410,012
Balance as at 1 April 2015		7,884,641	11,410,012	-	19,294,653
Profit for the year		(13,380,694)	-	-	(13,380,694)
Equity instruments through other comprehensive income		-	(8,327,736)	-	(8,327,736)
Other comprehensive income for the year		-	-	102,886	102,886
<b>Balance as at 31 March 2016</b>		<b>(5,496,053)</b>	<b>3,082,276</b>	<b>102,886</b>	<b>(2,310,891)</b>
Profit or loss		(16,122,855)	-	-	(16,122,855)
Equity instruments through other comprehensive income		-	713,694	-	-
Other comprehensive income for the year		-	-	(386,643)	(386,643)
<b>Balance as at 31 March 2017</b>		<b>(21,618,908)</b>	<b>3,795,970</b>	<b>(283,757)</b>	<b>(18,820,389)</b>

Significant accounting policies 2

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

As per our report of even date attached

for **BSR & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No: 101248W/ W-100022  
SD/-  
**Amar Sunder**  
Partner  
Membership No: 078305

for and on behalf of the Board of Directors of  
**Manna Foods Private Limited**

SD/-  
**Vinay Singh Kushwaha**  
Director

SD/-  
**Venkatraman Nataraj**  
Director

Place: Chennai

Date:

Place: Mumbai

Date: 24 May 2017

Place: Mumbai

Date: 24 May 2017

# Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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## 1 Background

Manna Foods Private Limited ('Company') was incorporated on May 27, 1994. The Company is a subsidiary of Britannia Industries Limited, a public company incorporated in India. The Company has setup its manufacturing facility in Madurai, located in Tamil Nadu. It is primarily engaged in manufacturing of various biscuits and rusk for Britannia Industries Limited.

## 2 Basis of preparation

### 2.1 Statement of compliance

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

The financial statements upto and for the year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First time adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 4.

### 2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are in Indian Rupees, except share data or as stated.

### 2.3 Use of estimates

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

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

#### Critical estimates and judgments

The areas involving critical estimates and judgements:

Note 35 – measurement of defined benefit obligations: key actuarial assumptions

Note 15 - impairment of financial assets

Note 19 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow resources.

Note 22 - Determination of contract contains a lease

Note 3.2 – Estimated useful life of tangible and intangible assets

### 2.4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

# Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

## 3 Significant accounting policies

### 3.1 Financial instruments

#### i. Recognition and initial measurement

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

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

#### ii. Classification and subsequent measurement

Financial assets

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

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

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

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

#### Financial assets: Subsequent measurement and gains and losses

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

## **Manna Foods Private Limited**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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### **3.1 Financial instruments (continued..)**

#### **Financial liabilities: Classification, subsequent measurement and gains and losses**

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

#### **iii. Derecognition**

##### **Financial assets**

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

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

##### **Financial liabilities**

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

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

#### **iv. Offsetting**

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

### **3.2 Property, plant and equipment**

#### **i. Recognition and measurement**

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

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

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

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

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

#### **ii. Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 3.2 Property, plant and equipment (continued..)

#### iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Useful life
Buildings	3-60 years
Plant and Machinery	7.5-15 years
Furniture and office equipments	10 years
Vehicles	8 years
Office Equipments	5 years
Computers	3 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Estimates in respect of certain items of plant and equipment were revised in 2016.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

### 3.3. Intangible assets

#### i. Intangible assets

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

#### iii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

#### iv. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Useful life
Software	5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

### 3.4 Inventories

Stores and spares are valued at the lower of cost and net realisable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities. The costs of inventories is determined using weighted average method of valuation.

## **Manna Foods Private Limited**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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### **3.5 Impairment**

#### **i. Impairment of financial instruments**

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI - debt investments.

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation, or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

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

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

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

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

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

#### **Measurement of expected credit losses**

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

#### **Presentation of allowance for expected credit losses in the balance sheet**

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

#### **Write-off**

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

# Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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## 3.5 Impairment (continued..)

### ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

## 3.6 Employee benefits

### (i) Short-term employee benefits

Short-term employee benefit are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### (ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme and contributions equal to specified percentage of the covered employees salary to a fund managed by LIC as Superannuation. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

### (iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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

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

### v. Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then

## 3.7 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

## **Manna Foods Private Limited**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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### **3.8 Revenue recognition**

#### **Rendering of services:**

Conversion charges are accrued based on the production of manufactured goods from the factory premises.

### **3.9 Leases**

#### **i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

#### **ii. Assets held under leases**

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

#### **iii. Lease payments**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

### **3.10 Recognition of dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

## **Manna Foods Private Limited**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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### **3.11 Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

#### **i. Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### **ii. Deferred tax**

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

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

### **3.12 Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing costs directly attributable to acquisitions or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that assets. Other borrowing costs are recognised as an expenses in the period in which they are incurred.

### **3.13 Cash and cash equivalents**

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

# Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian rupees in lakhs, except share data and as stated)

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## 4 Explanation of transition to Ind AS

As stated in Note 2, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2016, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2017 including the comparative information for the year ended 31 March 2016 and the opening consolidated Ind AS balance sheet on the date of transition i.e. 1 April 2015 (the Company's date of transition).

In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provision of the Act (previous GAAP or Indian GAAP). An explanation for how the transition from previous GAAP to IND AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

### Optional exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### A Optional exemptions availed

##### a. Property plant and equipment and intangible assets

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value

##### b. Determining whether an arrangement contains a lease

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

The Company has elected to apply this exemption for such contracts.

#### B. Mandatory exceptions

##### a. Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Fair valuation of financial instruments carried at FVOCI
- Impairment of financial assets based on the expected credit loss model

##### b. Derecognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirement in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition principles of Ind AS 109 prospectively from the date of transition to Ind AS.

##### c. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian rupees in lakhs, except share data and as stated)

### C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

#### Reconciliation of equity as at date of transition (April 1, 2015)

	As at date of transition 1 April 2015			As at 31 March 2016		
	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipments	574,538,510	-	574,538,510	514,302,905	-	514,302,905
Capital work-in-progress	1,892,508	-	1,892,508	116,692,713	-	116,692,713
Other intangible assets	-	-	-	-	-	-
<b>Financial assets</b>						
Investments	1,508,551	11,410,012	12,918,563	1,299,990	3,321,571	4,621,561
Other non-current assets	15,223,686	-	15,223,686	25,590,603	-	25,590,603
<b>Total non-current assets</b>	<b>593,163,255</b>	<b>11,410,012</b>	<b>604,573,267</b>	<b>657,886,211</b>	<b>3,321,571</b>	<b>661,207,782</b>
<b>Current assets</b>						
Inventories	7,759,531	-	7,759,531	10,522,682	-	10,522,682
<b>Financial assets</b>						
Trade receivables	6,888,970	-	6,888,970	11,534,404	-	11,534,404
Cash and Cash equivalents	11,326,566	-	11,326,566	22,552,559	-	22,552,559
Loans and advances	35,994	-	35,994	24,899	-	24,899
Other current assets	31,737,539	-	31,737,539	41,606,025	-	41,606,025
<b>Total current assets</b>	<b>57,748,600</b>	<b>-</b>	<b>57,748,600</b>	<b>86,240,569</b>	<b>-</b>	<b>86,240,569</b>
<b>Total assets</b>	<b>650,911,855</b>	<b>-</b>	<b>662,321,867</b>	<b>744,126,780</b>	<b>-</b>	<b>747,448,351</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Equity share capital	48,750,020	-	48,750,020	48,750,020	-	48,750,020
<b>Other equity</b>						
Retained earnings	7,884,641	-	7,884,641	(5,393,167)	(102,886)	(5,496,053)
Others (including items of other comprehensive income)	-	11,410,012	11,410,012	-	3,185,162	3,185,162
<b>Total equity</b>	<b>56,634,661</b>	<b>11,410,012</b>	<b>68,044,673</b>	<b>43,356,853</b>	<b>3,082,276</b>	<b>46,439,129</b>
<b>Non-current liabilities</b>						
<b>Financial liabilities</b>						
Other financials liabilities	488,270,692	-	488,270,692	534,452,940	-	534,452,940
Provision	350,045	-	350,045	393,701	-	393,701
<b>Total non-current liabilities</b>	<b>488,620,737</b>	<b>-</b>	<b>488,620,737</b>	<b>534,846,641</b>	<b>-</b>	<b>534,846,641</b>
<b>Current liabilities</b>						
<b>Financial liabilities</b>						
Trade payables	16,895,428	-	16,895,428	35,662,034	-	35,662,034
Other financial liabilities	49,749,477	-	49,749,477	65,040,304	-	65,040,304
Provisions	168,783	-	168,783	338,294	-	338,294
Other current liabilities	38,842,769	-	38,842,769	65,121,949	-	65,121,949
<b>Total current liabilities</b>	<b>105,656,457</b>	<b>-</b>	<b>105,656,457</b>	<b>166,162,581</b>	<b>-</b>	<b>166,162,581</b>
<b>Total liabilities</b>	<b>594,277,194</b>	<b>-</b>	<b>594,277,194</b>	<b>701,009,222</b>	<b>-</b>	<b>701,009,222</b>
<b>Total equity and liabilities</b>	<b>650,911,855</b>	<b>-</b>	<b>662,321,867</b>	<b>744,366,075</b>	<b>-</b>	<b>747,448,351</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian rupees in lakhs, except share data and as stated)

### D Reconciliation of total comprehensive income for the year ended 31 March 2016

	As at date of transition 1 April 2016		
	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Revenue from operations	365,311,762	-	365,311,762
Other income	5,381,441	-	5,381,441
<b>Total income</b>	<b>370,693,203</b>		<b>370,693,203</b>
<b>Expenses</b>			
Employee benefit expense	38,477,403	(102,886)	38,374,517
Finance costs	52,139,974	-	52,139,974
Depreciation and amortisation expense	64,438,641	-	64,438,641
Other expenses	229,120,765	-	229,120,765
<b>Total expenses</b>	<b>384,176,783</b>		<b>384,073,897</b>
<b>Profit before tax</b>	<b>(13,483,580)</b>		<b>(13,380,694)</b>
Current tax	-	-	-
Deferred tax	-	-	-
<b>Income tax expense</b>			
<b>Profit for the year</b>	<b>(13,483,580)</b>		<b>(13,380,694)</b>

### Reconciliation of comprehensive income for the year ended 31 March 2016

#### Other comprehensive income

Items that will not be reclassified subsequently to profit or loss

Remeasurement of defined benefit liability(asset)	102,886
Equity instruments through other comprehensive income	(8,327,736)
<b>Net other comprehensive income not to be classified to profit or loss</b>	<b>(8,224,850)</b>
<b>Other comprehensive income for the period, net of income tax</b>	<b>(8,224,850)</b>
<b>Total comprehensive income for the period</b>	<b>(21,605,544)</b>

\*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

#### a. Actuarial gain or loss

Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP, the Company recognised actuarial gains and losses in profit or loss. However, this has no impact on the total comprehensive income and total equity as on 1 April 2015 or as on 31 March 2016.

#### b. Fair valuation of investments

In accordance with Ind AS, financial assets representing investment in mutual funds have been fair valued. The Company has designated these investments as fair value through profit or loss as permitted by Ind AS 109. Under the previous GAAP, the application of the relevant accounting standard resulted in all these investments being carried at cost.

#### c. Retained earnings

The above changes (decreased) increased total equity as follows:

	1 April 2015	31 March 2016
Defined benefit actuarial gains and losses	-	(102,886)
<b>Increase in total equity</b>	<b>-</b>	<b>(102,886)</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017  
(All amounts are in Indian Rupees, except share data or as stated)

### 5 Property, Plant and Equipment

Tangible assets	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Computers	Total
<b>Cost or deemed cost (Gross carrying amount)</b>								
As at 1 April 2015	108,282,758	267,908,551	335,862,083	7,142,141	5,299,738	375,891	1,387,698	726,258,860
Additions	-	-	3,990,533	212,503	-	-	-	4,203,036
Deletions / other adjustments	-	-	-	-	-	-	-	-
As at 31 March 2016	108,282,758	267,908,551	339,852,616	7,354,644	5,299,738	375,891	1,387,698	730,461,896
Additions	33,103,198	149,276,073	598,119	64,785	-	34,923	-	183,077,098
Deletions / other adjustments	-	-	-	-	263,316	-	-	263,316
As at 31 March 2017	141,385,956	417,184,624	340,450,735	7,419,429	5,036,422	410,814	1,387,698	913,275,678
<b>Depreciation</b>								
As at 1 April 2015	-	35,985,011	111,297,439	1,471,401	1,660,932	221,165	1,084,402	151,720,350
Charge for the year	-	15,483,862	47,113,481	757,174	752,129	42,099	289,896	64,438,641
Disposals	-	-	-	-	-	-	-	-
As at 31 March 2016	-	51,468,873	158,410,920	2,228,575	2,413,061	263,264	1,374,298	216,158,991
Charge for the year	-	17,819,707	47,102,798	719,582	762,224	99,397	-	66,503,708
Disposals	-	-	-	-	158,529	-	-	158,529
As at 31 March 2017	-	69,288,580	205,513,718	2,948,157	3,016,756	362,661	1,374,298	282,504,170
<b>Carrying amount (Net)</b>								
As at 31 March 2017	141,385,956	347,896,044	134,937,017	4,471,272	2,019,666	48,153	13,400	630,771,508
As at 31 March 2016	108,282,758	216,439,678	181,441,696	5,126,069	2,886,677	112,627	13,400	514,302,905
As at 1 April 2015	108,282,758	231,923,540	224,564,644	5,670,740	3,638,806	154,726	303,296	574,538,510
<b>Capital work-in-progress</b>								
<b>Carrying amounts of:</b>								
As at 1 April 2015								1,892,508
Additions during the year								116,611,343
Assets capitalised during the year								1,811,138
As at 31 March 2016								116,692,713
Additions during the year								67,011,223
Assets capitalised during the year								183,077,098
As at 31 March 2017								626,838

#### Notes

1. Borrowing costs amounting to Rs. 4,201,241 (March 31, 2016 - Rs.3,570,037) have been included in additions to capital work-in-progress.

**Manna Foods Private Limited**

**Notes to financial statements for the year ended 31 March, 2017**

(All amounts are in Indian Rupees, except share data or as stated)

**5 Intangible assets**

Particulars	Computer software	Total
Cost or deemed cost (Gross carrying amount)		
As at 1 April 2015	-	-
Additions	-	-
Deletions / other adjustments	-	-
As at 31 March 2016	224,942	224,942
Additions	-	-
Deletions / other adjustments	224,942	224,942
As at 31 March 2017	-	-
As at 1 April 2015	-	-
Charge for the year	-	-
Disposals	-	-
As at 31 March 2016	23,799	23,799
Charge for the year	-	-
Disposals	23,799	23,799
As at 31 March 2017	-	-
Carring amount (Net)		
As at 31 March 2017	201,143	201,143
As at 31 March 2016	-	-
As at 1 April 2015	-	-

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 6 Investments

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
<b>Non current investment</b>			
<b>Quoted equity shares</b>			
<b>Investments in equity instruments at FVOCI</b>			
154 (31 March 2016: 154; 31 March 2015: 154) Reliance Power Limited	20,805	20,805	20,805
576 (31 March 2016: 576; 31 March 2015: 576) TCFC Finance Limited	9,299	9,299	9,299
75 (31 March 2016: 75; 31 March 2015: 75) Value Industries Limited	2,457	2,457	2,457
	<u>32,561</u>	<u>32,561</u>	<u>32,561</u>
<b>Unquoted equity shares</b>			
<b>Investments in equity instruments (fully paid) at FVOCI</b>			
129,999 (31 March 2016: 129,999; 31 March 2015: 129,999) International Bakery	5,095,960	4,382,266	12,710,002
4,799 (31 March 2016: 4,799; 31 March 2015: 4,799) Vasana Agrex & Herbs Private	-	-	-
11,800 (31 March 2016: 18,794; 31 March 2015: 16,000) OPG Power Generation Private	129,800	206,734	176,000
	<u>5,225,760</u>	<u>4,589,000</u>	<u>12,886,002</u>
	<u><b>5,258,321</b></u>	<u><b>4,621,561</b></u>	<u><b>12,918,563</b></u>
Aggregate book value of quoted non-current investments	32,561	32,561	32,561
Aggregate market value of quoted non-current investments	28,237	24,931	29,036
Aggregate book value of unquoted non-current investments	5,225,760	4,589,000	12,886,002
Aggregate amount of impairment in value of investment	47,990	47,990	47,990

### 7 Deferred tax asset, net

#### Deferred tax liabilities

Excess of depreciation/ amortisation of fixed assets under Income-tax law over depreciation/ amortisation provided in the books	20,843,302	27,135,709	33,141,856
	<u><b>20,843,302</b></u>	<u><b>27,135,709</b></u>	<u><b>33,141,856</b></u>

#### Deferred tax assets

Provision for employee benefits	6,389,463	5,426,440	450,309
Provision for doubtful advances	428,222	428,222	-
Unabsorbed depreciation and carry forward losses*	14,025,617	21,281,047	32,691,547
	<u><b>20,843,302</b></u>	<u><b>27,135,709</b></u>	<u><b>33,141,856</b></u>

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation

Deferred tax assets have not been recognised because it is probable that future taxable profit will be available against which the Company can use the benefits therefrom.

The gross movement in the deferred income tax account for the year ended 31 March 2017 and 31 March 2016, are as follows:

	Year ended 31 March 2017	Year ended 31 March 2016
Net deferred income tax liability (asset) at the beginning	-	-
Credits / (charge) relating to temporary differences	-	-
Net deferred income tax liability (asset) at the end	<u><b>-</b></u>	<u><b>-</b></u>

The charge relating to temporary differences during the year ended 31 March 2017 are primarily on account of property plant and equipment, benefit payable to employees, partially offset by receivable.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 8 Other tax assets

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<i>(Unsecured, considered good unless otherwise stated)</i>			
Other Loans and Advances			
- Advance income tax and tax deducted at source	27,739,233	17,827,218	9,300,646
	<b>27,739,233</b>	<b>17,827,218</b>	<b>9,300,646</b>

### 9 Other non-current assets

<i>(Unsecured, considered good unless otherwise stated)</i>			
Capital Advances	-	686,800	
Security deposits	6,217,329	7,076,585	5,923,040
	<b>6,217,329</b>	<b>7,763,385</b>	<b>5,923,040</b>

### 10 Inventories

Stores and spare parts	9,031,594	10,522,682	7,759,531
	<b>9,031,594</b>	<b>10,522,682</b>	<b>7,759,531</b>

The value of stores and spares includes provision for inventory amounted to Rs. 710,641.

### 11 Trade receivables

<i>(Unsecured, considered good unless otherwise stated)</i>			
Receivables from related parties	40,498,154	11,534,404	6,888,970
	<b>40,498,154</b>	<b>11,534,404</b>	<b>6,888,970</b>

The Company's exposure to credit and currency risks, loss allowances related to trade receivables are disclosed in note 15.

### 12 Cash and bank balances

#### *Cash and cash equivalents:*

Cash on hand	5,995	17,197	15,631
Bank balance			
On current accounts	1,683,528	7,935,785	965,840
Deposits with original maturity for more than 3 months but less than 12 months	3,490,825	14,599,577	10,345,095
	<b>5,180,348</b>	<b>22,552,559</b>	<b>11,326,566</b>

### 13 Loans

#### *(Unsecured, considered good unless otherwise stated)*

Advance to employees	63,899	24,899	14,400
Others	-	-	21,594
	<b>63,899</b>	<b>24,899</b>	<b>35,994</b>

### 14 Other current assets

#### *(Unsecured, considered good unless otherwise stated)*

Advance to suppliers	872,285	931,119	1,761,785
Prepayments	1,320,518	426,454	666,837
Balances with government authorities	681,285	778,413	1,848,180
Interest accrued and due on deposit	-	60,247	93,718
Unbilled revenue	47,530,520	39,409,792	27,367,019
<i>(Unsecured and considered doubtful)</i>			
Advance to supplier	1,385,833	1,385,833	1,385,833
Less: Provision for doubtful advances	(1,385,833)	(1,385,833)	(1,385,833)
	<b>50,404,608</b>	<b>41,606,025</b>	<b>31,737,539</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 15 Financial instruments

#### a. Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2017 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents	5,180,348	-	-	-	-	5,180,348	5,180,348
Investments							
Equity instruments	-	-	-	5,258,321	-	5,258,321	5,258,321
Trade receivables	40,498,154	-	-	-	-	40,498,154	40,498,154
Other financial assets	63,899	-	-	-	-	63,899	63,899
<b>Total</b>	<b>45,742,401</b>	<b>-</b>	<b>-</b>	<b>5,258,321</b>	<b>-</b>	<b>51,000,722</b>	<b>51,000,722</b>
<b>Liabilities:</b>							
Trade payables	31,777,479	-	-	-	-	31,777,479	31,777,479
Borrowings	523,556,980	-	-	-	-	523,556,980	523,556,980
Other financial liabilities	138,710,248	-	-	-	-	138,710,248	138,710,248
<b>Total</b>	<b>694,044,707</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170,487,727</b>	<b>170,487,727</b>

The carrying value and fair value of financial instruments by categories as of March 31, 2016 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents	22,552,559	-	-	-	-	22,552,559	22,552,559
Investments							
Equity instruments	-	-	-	4,621,561	-	4,621,561	4,621,561
Trade receivables	11,534,404	-	-	-	-	11,534,404	11,534,404
Other financial assets	24,899	-	-	-	-	24,899	24,899
<b>Total</b>	<b>34,111,862</b>	<b>-</b>	<b>-</b>	<b>4,621,561</b>	<b>-</b>	<b>38,733,423</b>	<b>38,733,423</b>
<b>Liabilities:</b>							
Trade payables	35,662,034	-	-	-	-	35,662,034	35,662,034
Borrowings	534,452,940	-	-	-	-	534,452,940	534,452,940
Other financial liabilities	65,040,304	-	-	-	-	65,040,304	65,040,304
<b>Total</b>	<b>635,155,278</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,702,338</b>	<b>100,702,338</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### a. Financial instruments by category (continued..)

The carrying value and fair value of financial instruments by categories as of April 1, 2015 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Equity instruments designated upon initial	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents	11,326,566	-	-	-	-	11,326,566	11,326,566
Investments							
Equity instruments	-	-	-	12,918,563	-	12,918,563	12,918,563
Trade receivables	6,888,970	-	-	-	-	6,888,970	6,888,970
Other financial assets	35,994	-	-	-	-	35,994	35,994
<b>Total</b>	<b>18,251,530</b>	<b>-</b>	<b>-</b>	<b>12,918,563</b>	<b>-</b>	<b>31,170,093</b>	<b>31,170,093</b>
<b>Liabilities:</b>							
Trade payables	16,895,428	-	-	-	-	16,895,428	16,895,428
Borrowings	488,270,692	-	-	-	-	488,270,692	488,270,692
Other financial liabilities	38,842,769	-	-	-	-	38,842,769	38,842,769
<b>Total</b>	<b>544,008,889</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,738,197</b>	<b>55,738,197</b>

### b. Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2017:

Particulars	As at 31 March 2017	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
Equity instruments	5,258,321	-	5,258,321	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2016:

Particulars	As at 31 March 2016	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
Equity instruments	4,621,561	-	4,621,561	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of April 1, 2015:

Particulars	As at 1 April 2015	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Investments				
Equity instruments	12,918,563	-	12,918,563	-

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### b. Fair value hierarchy (continued..)

The Company holds equity instruments, which is classified as FVOCI, the fair value of which was categorised as level 2 because quoted price in the market for such equity instruments is not available. The management has used a valuation technique in which all significant inputs were based on observable market price.

### c. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk and
- Liquidity risk

#### Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

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

#### Financial risk factors

##### (i) 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 Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

##### (ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables, certain loans and advances and other financial assets. Trade receivables and unbilled revenue, if any are typically unsecured and are derived from revenue earned from customers. The carrying amount of financial assets represents the maximum credit exposure.

INR Lakhs	31 March 2017	31 March 2016	1 April 2017
Third party customers			
Related parties	40,498,154	11,534,404	6,888,970
<b>Total</b>	<b>40,498,154</b>	<b>11,534,404</b>	<b>6,888,970</b>
Cash and cash equivalents	5,180,348	22,552,559	11,326,566
Deposits and other receivables	6,281,228	7,788,284	5,959,034
	<b>51,959,730</b>	<b>41,875,247</b>	<b>24,174,570</b>

#### Trade and other receivables

This balance is primarily constituted by receivables to Britannia Industries Limited, Holding Company. The Company does not expect any losses from non-performance by these counter-parties.

#### Cash and bank balances

The Company held cash and cash equivalents with credit worthy banks and financial institutions as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

#### Deposits and other receivables

This balance is primarily constituted by deposits given to Tamil Nadu Electricity Board, advance to vendors and others. The Company does not expect any losses from non-performance by these counter-parties.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### c. Financial risk management (continued..)

#### (iii) Liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

#### Exposure to liquidity risk

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2017:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	31,777,479	31,777,479	-	-	-
Other financial liabilities	138,710,248	138,710,248	-	-	-
	<b>170,487,727</b>	<b>170,487,727</b>	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities as of 31 March 2016:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	35,662,034	35,662,034	-	-	-
Other financial liabilities	65,040,304	65,040,304	-	-	-
	<b>100,702,338</b>	<b>100,702,338</b>	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities as of 1 April 2015:

	Carrying amount	Less than 1 year	1-2 years	2-5 years	More than 5 years
Trade payables	16,895,428	16,895,428	-	-	-
Other financial liabilities	49,749,477	49,749,477	-	-	-
	<b>66,644,905</b>	<b>66,644,905</b>	-	-	-

# Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

## 16 Share capital

	As at 31 March 2017	As at 31 March 2016
<b>Authorised</b>		
Equity shares		
5,000,000 (31 March 2016: 5,000,000) equity shares of Rs.10 each.	<u>50,000,000</u>	<u>50,000,000</u>
<b>Issued, subscribed and paid up</b>		
Equity shares fully paid	48,750,020	48,750,020
4,875,002 (31 March 2016: 4,875,002) equity shares of Rs.10 each.	<u>48,750,020</u>	<u>48,750,020</u>

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

	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares:</b>				
At the commencement and end of the year	4,875,002	48,750,020	4,875,002	48,750,020
At the end of the year	<u>4,875,002</u>	<u>48,750,020</u>	<u>4,875,002</u>	<u>48,750,020</u>

### (b) Terms / rights attached

The Company has only one class of shares referred to as equity shares having a par value of Rs.10. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. During the year ended 31 March 2017, the Company has not declared any dividend.

### (c) Shares held by holding company and / or their subsidiaries / associates

	As at 31 March 2017		As at 31 March 2016	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares of Rs. 10 each fully paid up held by:</b>				
Britannia Industries Limited, the holding company along with its nominee share holder	4,875,002	48,750,020	4,875,002	48,750,020

### (d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2017		As at 31 March 2016	
	Number of equity shares	% of total equity shares	Number of equity shares	% of total equity shares
<b>Equity shares of Rs. 10 each fully paid held by:</b>				
Britannia Industries Limited, the holding company along with its nominee share holder	4,875,002	100%	4,875,002	100%

### (e) Aggregate number of equity shares issued for consideration other than cash

During the year ended 31 March 2015, 4,500,000 equity shares of Rs. 10 each have been allotted as fully paid up in respect of conversion of long term loan to equity share capital.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 17 Other equity

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Retained earnings	(21,618,908)	(5,496,053)	7,884,641
Other comprehensive income	3,512,213	3,185,162	11,410,012
	<u>(18,106,695)</u>	<u>(2,310,891)</u>	<u>19,294,653</u>

#### Analysis of accumulated OCI, net of tax

##### Other items of OCI

Remeasurements of defined benefit liability (asset)	(283,757)	102,886	-
Equity instruments through other comprehensive income	3,795,970	3,082,276	11,410,012
	<u>3,512,213</u>	<u>3,185,162</u>	<u>11,410,012</u>

	As at 31 March 2017	As at 31 March 2016
(i) Remeasurements of defined benefit liability (asset)		
Opening balance	102,886	-
Remeasurements of defined benefit liability (asset)	(386,643)	102,886
Closing balance	<u>(283,757)</u>	<u>102,886</u>
(ii) Equity instruments through other comprehensive income		
Opening balance	3,082,276	11,410,012
Equity instruments through other comprehensive income	713,694	(8,327,736)
Closing balance	<u>3,795,970</u>	<u>3,082,276</u>

The Company has elected to recognise changes in fair value of certain investment in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments within equity. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

#### Capital management

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

#### Earnings per share

##### a. Basic earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

##### (i) Profit (loss) attributable to equity shareholders(basic)

	Year ended 31 March 2017	Year ended 31 March 2016
Profit (loss) for the year, attributable to the equity holders	(16,122,855)	(13,380,694)
<b>Profit attributable to equity shareholders (Basic)</b>	<b>(16,122,855)</b>	<b>(13,380,694)</b>

##### (ii) Weighted average number of equity shares (basic)

	Year ended 31 March 2017	Year ended 31 March 2016
Opening balance	4,875,002	4,875,002
Effect of fresh issue of shares for cash	-	-
<b>Weighted average number of equity shares for the year</b>	<b>4,875,002</b>	<b>4,875,002</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### b. Diluted earnings per share

The calculation of diluted earnings per share is based on profit attributable to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares as follows:

#### (i) Profit (loss) attributable to equity shareholders(Diluted)

	Year ended 31 March 2017	Year ended 31 March 2016
Profit (loss) for the year, attributable to the equity holders	(16,122,855)	(13,380,694)
<b>Profit attributable to equity shareholders (diluted)</b>	<b>(16,122,855)</b>	<b>(13,380,694)</b>

#### (ii) Weighted average number of equity shares (Diluted)

	Year ended 31 March 2017	Year ended 31 March 2016
Weighted average number of equity shares (Diluted)	4,875,002	4,875,002
<b>Weighted average number of equity shares(Diluted) for the year</b>	<b>4,875,002</b>	<b>4,875,002</b>

### 18 Borrowings

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
<b>Non-current borrowings</b>			
From related party			
Loan from Britannia Industries limited, Holding Company	523,556,980	534,452,940	488,270,692
	<b>523,556,980</b>	<b>534,452,940</b>	<b>488,270,692</b>

Terms and repayment schedule	Currency	Nominal interest rate	Year of maturity	Carrying amount at 31 March 2017	Carrying amount at 31 March 2015	Carrying amount at 31 March 2015
Unsecured loan from related party	INR	10%	2014-2025	623,088,438	589,785,691	534,092,141

### 19 Provisions

Particulars	Non current portion			Current portion		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Gratuity (refer note 35)	1,039,562	-	-	-	149,897	-
Leave encashment (refer note 35)	914,759	393,701	350,045	83,917	188,397	168,783
	<b>1,954,321</b>	<b>393,701</b>	<b>350,045</b>	<b>83,917</b>	<b>338,294</b>	<b>168,783</b>

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
--	------------------------	------------------------	-----------------------

### 20 Trade payables

#### Current

total outstanding dues to micro enterprises and small enterprises *			-
total outstanding dues of creditors other than micro enterprises and small enterprises	31,777,479	35,662,034	16,895,428
	<b>31,777,479</b>	<b>35,662,034</b>	<b>16,895,428</b>

\*Refer note 37.

The Company's exposure to currency and liquidity risk related to trade payable is disclosed in note 15.

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 21 Other financial liabilities

#### Current

Current maturities of long term debt (refer note 18)	99,531,458	55,332,751	45,821,449
Interest accrued but not due	39,178,790	9,707,553	3,928,028
	<b>138,710,248</b>	<b>65,040,304</b>	<b>49,749,477</b>

The Company's exposure to currency and liquidity risk related to trade payable is disclosed in note 15.

### 22 Other current liabilities

Advance from customers	34,995,011	35,463,590	31,240,269
Payable towards purchase of fixed assets			
total outstanding dues to micro enterprises and small enterprises *	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	5,438,259	21,500,283	2,887,567
Statutory liabilities	1,591,923	2,303,957	2,538,874
Employee benefit payable	7,240,788	5,823,385	2,176,059
Others	724	30,734	-
	<b>49,266,705</b>	<b>65,121,949</b>	<b>38,842,769</b>

\* refer note 37

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>23 Revenue from operations</b>		
Sale of services		
- Conversion Income	323,427,879	299,035,873
Lease income	77,615,639	66,275,889
	<b>401,043,518</b>	<b>365,311,762</b>
<b>24 Other income</b>		
Interest income	647,187	1,209,458
Dividend income	864	1,018
Profit on sale of fixed assets	107,199	-
Miscellaneous income	4,168,547	4,170,965
	<b>4,923,797</b>	<b>5,381,441</b>
<b>25 Employee benefit expenses</b>		
Salaries, wages and bonus	38,820,386	34,087,879
Contribution to provident and other funds	5,380,816	3,767,350
Staff welfare expenses	783,882	519,288
	<b>44,985,084</b>	<b>38,374,517</b>
<b>26 Finance cost</b>		
Interest expense	62,793,055	55,710,011
Less: borrowing cost capitalised (refer note 5)	4,201,241	3,570,037
	<b>58,591,814</b>	<b>52,139,974</b>
<b>27 Other expenses</b>		
Consumption of stores and spares	10,161,917	9,934,372
Power and fuel	47,065,809	48,703,276
Rent	180,000	534,375
Repairs and maintenance:		
- Plant and equipment	15,233,621	8,345,236
- Buildings	2,285,028	1,384,365
- Others	23,287,051	19,369,959
Rates and taxes	417,722	860,072
Insurance	483,738	476,029
Carriage, freight and distribution	411,580	484,104
Legal and professional fees (refer note 30)	1,224,639	2,502,925
Security charges	6,186,750	6,270,935
Van hire charges	13,567,763	11,340,360
Contract labour	119,242,630	105,864,124
Provision for inventories	710,641	-
Provision for doubtful receivables and loans and advances		1,385,833
Miscellaneous expenses	11,526,876	11,664,800
	<b>251,985,765</b>	<b>229,120,765</b>

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>29 Contingent liabilities and commitments</b>		
<b>Contingent liabilities:</b>		
i) Guarantees given by banks on behalf of the Company	-	6,907,236
ii) Disputed excise duty matters	8,755,800	8,755,800
<b>Commitments:</b>		
i) Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	-	29,236,502
<b>30 Payment to auditors, excluding service tax (included in professional charges under note 28)</b>		
Statutory audit	130,000	130,000
Out of pocket expenses	31,400	11,120
	<b>161,400</b>	<b>141,120</b>

### 31 Consumption of imported and indigenous stores and spares:

	Year ended 31 March 2017		Year ended 31 March 2016	
	Amount	Percentage	Amount	Percentage
Indigenous	10,161,917	100%	9,934,372	100%
Imported	-	0%	-	0%
	<b>10,161,917</b>	<b>100%</b>	<b>9,934,372</b>	<b>100%</b>

### 32 Segment reporting

The Company is engaged into only one business namely manufacture of biscuits and rusk and the operations primarily cater to the needs of the domestic market. Accordingly there are no separate reportable segments according to Ind AS 108 'Operating Segment' issued under the Companies (Indian Accounting Standards) Rules, 2015.

### 33 Operating leases

The Company has entered into operating lease arrangement in respect of factory warehouse during the current year and earlier years. The lease rent expense recognized during the year ended March 31, 2017 is Rs. 180,000 (Previous Year: Rs. 534,375).

### 34 Due to micro and small suppliers

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2017 has been made in the financials statements based on information received and available with the Company, to the extent identified by the management. The balances due as at March 31, 2017 to micro and small enterprises are as follows.

Particulars	As at 31 March 2017	As at 31 March 2016
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
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 period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period;	-	-
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 purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 35 Retirement benefits

#### a. Gratuity plan

The following table sets out the status of the gratuity plan as required under Ind AS 19

Change in projected benefit obligation	For the year ended 31 March 2017	For the year ended 31 March 2016
Projected benefit obligations at the beginning of the year	784,967	561,039
Service cost	496,966	276,096
Interest cost	57,369	44,659
Benefits settled	-	-
Actuarial (gain) / loss	382,960	(96,827)
<b>Projected benefit obligations at the end of the year</b>	<b>1,722,262</b>	<b>784,967</b>
<b>Change in plan assets</b>		
Fair value of plan assets at the beginning of the year	635,070	582,633
Expected return on plan assets	51,314	46,378
Employer contributions	-	-
Benefits settled	-	-
Actuarial gain / (loss)	(3,683)	6,059
<b>Fair value of plan assets at the end of the year</b>	<b>682,701</b>	<b>635,070</b>
<b>Reconciliation of present value of obligation on the fair value of plan assets</b>		
Present value of projected benefits at the end of the year	1,722,262	784,967
Funded status of the plan	682,701	635,070
<b>Funded status amount of liability / (asset) recognised in the balance sheet</b>	<b>1,039,561</b>	<b>149,897</b>
<b>(i) Expense recognised in Profit and loss account</b>		
Service cost	496,966	276,096
Interest cost	57,369	44,659
Expected returns on plan assets	(51,314)	(46,378)
	<b>503,021</b>	<b>274,377</b>
<b>(ii) Remeasurements recognised in Other comprehensive income</b>		
Actuarial loss	<b>386,643</b>	<b>(102,886)</b>
<b>Net gratuity costs</b>	<b>889,664</b>	<b>171,491</b>
<b>Financial assumptions at Balance sheet date:</b>		
Discount rate	8.08%	7.20%
Estimated rate of return on plan assets	8.08%	7.20%
Salary escalation	5.00%	5.00%

The Company assesses these assumptions with the projected long-term plans of growth and prevalent industry standards.

#### Note:

(i) Plan assets comprise of contribution to Group Gratuity Scheme of Life Insurance Corporation of India.

(ii) The gratuity expenses have been recognised in 'Contribution to provident and other funds' under Note 23 to the notes.

- b. The Company had valued its liability towards compensated absences as at December 31, 2016 by an independent actuary. The Company has not recorded additional provision for the period January 1, 2017 to March 31, 2017. The management believes that the liability, if any, that would have arisen, had the said liability been valued actuarially as at March 31, 2017, is not expected to be material.

### 28 Earnings Per Share (EPS)

	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>A. Basic earnings per share</b>		
i. Profits attributable to the equity holders of the Company	(16,122,855)	(13,380,694)
ii. Weighted average number of equity shares	4,875,002	4,875,002
iii. Basic earnings per share	(3.31)	(2.74)
<b>B. Diluted earnings per share</b>		
i. Profits attributable to the equity holders of the Company	(16,122,855)	(13,380,694)
ii. Weighted average number of equity shares	4,875,002	4,875,002
iii. Basic earnings per share	(3.31)	(2.74)

## Manna Foods Private Limited

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

### 36 Related party transactions

#### a) Names of related parties and nature of relationship are as follows:

Nature of relationship	Name of the related party
Ultimate holding company	The Bombay Burmah Trading Corporation Limited
Holding company	Britannia Industries Limited
Fellow subsidiaries	International Bakery Products Limited Sunrise Biscuits Company Private Limited

#### b) Details of related party transactions for the year ended March 31, 2017

Nature of transactions	For the year ended 31 March 2017	For the year ended 31 March 2016
<b>Holding Company</b>		
<b>Britannia Industries Limited</b>		
Conversion charges income	401,043,518	365,311,762
Loan taken	66,486,009	101,515,000
Repayment of loan	33,183,265	45,821,449
License fees reimbursement to	306,572	203,718
Reimbursement of expenses from	9,298,684	4,500,000
Interest paid	62,753,973	55,710,011
<b>Fellow subsidiaries</b>		
<b>International Bakery Products Limited</b>		
Sale of scrap	301,402	

Balances at year end	As at 31 March 2017	As at 31 March 2016
Advance received from customer		
-Britannia Industries Limited	34,720,157	35,177,411
Amount receivable		
-Britannia Industries Limited (including accrued income)	88,028,674	50,937,955
Amount payable		
-Sunrise Biscuits Company Private Limited	2,069,172	2,069,172
Excise reimbursement receivable/ (payable)		
-Britannia Industries Limited	(274,854)	(286,179)
Loan payable (including interest accrued and not due)		
-Britannia Industries Limited	662,267,228	599,493,244

### 37 Disclosure of specified bank notes

During the year, the Company has specified bank notes or other denomination note as defined in the MCA Notification G.S.R 308(E) dated March 31, 2017 on the details of specified bank notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBN and other notes as per the notification are given below:

Particulars	SBNs	Other denomination Notes	Total
Closing cash in hand as on Nov 8, 2016	7,500	14,580	22,080
Add: Withdrawal from bank	-	140,000	140,000
Add: Permitted receipts	16,500	169,220	185,720
Less: Permitted payments	16,500	111,470	127,970
Less: Amount deposited in banks (net of withdrawal)	7,500	195,160	202,660
<b>Closing cash in hand as on December 30, 2016</b>	<b>-</b>	<b>17,170</b>	<b>17,170</b>

For the purpose of this clause, the term specified bank note shall have the same meaning provided in the notification of the Government of India, the Ministry of Finance - Department of Economic Affairs No. S.O.3407 (E), dated November 8, 2016.

## **Manna Foods Private Limited**

Notes to financial statements for the year ended 31 March, 2017

(All amounts are in Indian Rupees, except share data or as stated)

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### **38 Transfer pricing**

The Company has domestic transactions with related parties. For the financial year ended March 31, 2016, the Company has obtained the Accountant's report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the current year, the management confirms that it maintains documents as prescribed by the Income - tax Act to prove that these International transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

*for B S R & Co. LLP*  
*Chartered Accountants*  
Firm Registration No: 101248W/ W-100022

for and on behalf of the Board of Directors of  
**Manna Foods Private Limited**

SD/-  
**Amar Sunder**  
*Partner*  
Membership No: 078305

SD/-  
**Vinay Singh Kushwaha**  
*Director*

SD/-  
**Venkatraman Natarajan**  
*Director*

Place: Chennai  
Date:

Place: Mumbai  
Date: 24 May 2017

Place: Mumbai  
Date: 24 May 2017