

B S R & Co. LLP

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

To the Members of Ganges Vally Foods Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ganges Vally Foods Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Director's report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Independent Auditor's Report

Management's and Board of Directors' Responsibility for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.



Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

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Independent Auditor's Report

Report on Other Legal and Regulatory Requirements (continued)

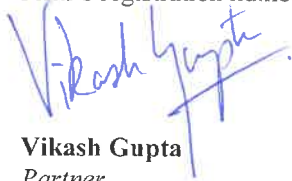
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in 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 as at 31 March 2020 on its financial position in its financial statements - Refer Note 22 to the 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 disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provision of Section 197 of the Act is not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for B S R & Co. LLP

Chartered Accountants

Firm's registration number: 101248W/W-100022



Vikash Gupta

Partner

Membership number: 064597

UDIN: 20064597AAAACG7625

Place: Bengaluru

Date: 01 June 2020

Annexure – A to the Independent Auditor’s Report

With reference to Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditor’s Report to the Members of the Company on the financial statements for the year ended 31 March 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified every 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. No material discrepancies were observed on such verification.
- (c) In our opinion and 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 included in property, plant and equipment are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventory has not been physically verified by the Management during the year. However, the Company has written down its inventory balances to Nil as at the balance sheet date, by way of creating a provision for obsolescence.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 (“the Act”). Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of the directives issued by the Reserve Bank of India, provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of costs records under Section 148(1) of the Act, for any of the products manufactured by the Company. Thus reporting under clause 3(vi) of the Order is not applicable to 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 accounts in respect of undisputed statutory dues including provident fund, employees’ state insurance, income-tax, goods and services tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Duty of customs, Sales-tax, Service-tax, Duty of excise and Value added tax during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, goods and services tax, cess and any other material statutory dues were in arrears, as at 31 March 2020, for a period of more than six months from the date they became payable.

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Annexure – A to the Independent Auditor’s Report (continued)

- (b) According to the information and explanations given to us, there are no dues of Provident fund, Employee state insurance, Income tax, Goods and services tax, Sales tax, cess and any other material statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Statute	Nature of Dues	Amount* (Rs. in thousands)	Period to which the amount relates	Forum where dispute Is pending
West Bengal Sales Tax Act, 1954	Sales Tax	92	1996-97	Appellate and Revisional Board
West Bengal Sales Tax Act, 1954	Sales Tax	98	2003-04	Appellate and Revisional Board
West Bengal Sales Tax Act, 1954	Sales Tax	239	2005-06	Appellate and Revisional Board
West Bengal Sales Tax Act, 1954	Sales Tax	3,404	2007-08	Additional Commissioner Of Commercial Taxes
West Bengal Sales Tax Act, 1954	Sales Tax	476	2012-13	Appellate and Revisional Board
Central Excise Act, 1944	Excise Duty	256,595	2010-16	High Court

* The amounts disclosed are net of payments and include interest and penalties, wherever applicable.

- (viii) According to the information and explanations given to us, the Company did not have any outstanding loans or borrowings from any financial institution or bank or government or dues to debenture holders during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud on the Company by its officers and employees or fraud by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not paid/provided for any managerial remuneration during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) According to the information and explanations given to us, in our opinion the Company is not a Nidhi company as prescribed under Section 406 of the Act.

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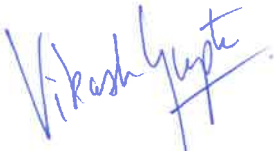
Annexure – A to the Independent Auditor’s Report (continued)

- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are in compliance with Section 188 of the Act, where applicable, and details of all transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion and according to the information and explanations given to us, 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

Firm’s registration number: 101248W/W-100022



Vikash Gupta

Partner

Membership number: 064597

UDIN: 20064597AAAACG7625

Place: Bengaluru

Date: 01 June 2020

Annexure B to the Independent Auditors' report on the financial statements of Ganges Vally Foods Private Limited for the period ended 31 March 2020

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Ganges Vally Foods Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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Annexure B to the Independent Auditors' report on the financial statements of Ganges Vally Foods Private Limited for the period ended 31 March 2020 (continued)

Auditors' Responsibility (continued)

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 with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

for B S R & Co. LLP

Chartered Accountants

Firm's registration number: 101248W/W-100022



Vikash Gupta

Partner

Membership number: 064597

UDIN: 20064597AAAACG7625

Place: Bengaluru

Date: 01 June 2020

Ganges Vally Foods Private Limited
Balance sheet


Amount in Rupees thousands

As at	Note	31 March 2020	31 March 2019
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	6,304	14,403
(b) Financial assets			
(i) Loans receivable	5	4,173	4,173
(ii) Other financial assets	6	3,435	5,374
(c) Deferred tax assets (net)	7	-	17,497
(d) Income tax assets (net)	7	4,450	5,162
Total non-current assets		18,362	46,609
(2) Current assets			
(a) Inventories	8	-	4,535
(b) Financial assets			
(i) Trade receivables	9	28	4,466
(ii) Cash and cash equivalents	10	45,575	96,614
(iii) Bank balances other than (ii) above	10	2,241	-
(iiii) Loans receivable	5	87	450
(iv) Other financial assets	6	1,144	5,171
(c) Other current assets	11	21,591	24,711
Total current assets		70,666	1,35,947
Total assets		89,028	1,82,556
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	12	2,59,066	1,04,940
(b) Other equity	13	(1,78,484)	35,422
Total equity		80,582	1,40,362
(2) Liabilities			
(A) Current liabilities			
(a) Financial liabilities			
(i) Trade payables	14	-	-
(a) total outstanding dues of micro enterprises and small enterprises			
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,378	12,602
(ii) Other financial liabilities	15	459	7,248
(b) Other current liabilities	16	1	123
(c) Provisions	17	4,608	22,221
Total current liabilities		8,446	42,194
Total liabilities		8,446	42,194
Total equity and liabilities		89,028	1,82,556
Significant accounting policies	3		

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


Vikash Gupta
Partner
Membership no: 064597

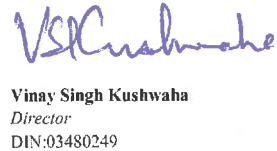
Place: Bengaluru
Date: 01 June 2020

for and on behalf of the Board of Directors of
Ganges Vally Foods Private Limited
CIN No : U15440WB1992PTC054793


Venkatesh Man Narayanan
Director
DIN:05220857


Thulsidass T V
Company Secretary
Membership number: A20927

Place: Bengaluru
Date: 01 June 2020


Vinay Singh Kushwaha
Director
DIN:03480249

Place: Bengaluru
Date: 01 June 2020

Ganges Vally Foods Private Limited
Statement of profit and loss

Amount in Rupees thousands

For the year ended	Note	31 March 2020	31 March 2019
(I) Income			
Revenue from operations	18	692	1,56,162
Other operating revenues	18	-	374
		<u>692</u>	<u>1,56,536</u>
(II) Other income	19	6,873	1,215
(III) Total revenue (I + II)		<u>7,565</u>	<u>1,57,751</u>
(IV) Expenses			
Employee benefits expense	20	1,305	1,00,843
Depreciation	4	8,099	4,281
Other expenses	21	24,673	61,709
Total expenses		<u>34,077</u>	<u>1,66,833</u>
(V) Loss before exceptional items and tax (III-IV)		(26,512)	(9,082)
(VI) Exceptional items	32	1,70,095	-
(VII) Loss before tax (V-VI)		(1,96,607)	(9,082)
(VIII) Tax expense			
(i) Current tax	7	(198)	4,286
(ii) Deferred tax	7	17,497	(7,246)
Total tax expense		<u>17,299</u>	<u>(2,960)</u>
(IX) Loss for the year (VII-VIII)		(2,13,906)	(6,122)
(X) Other comprehensive income			
<i>Items that will not be reclassified subsequently to statement of profit and loss:</i>			
Remeasurements of net defined benefit (liability)/asset		-	-
Income tax relating to items not to be reclassified to the statement of profit and loss		-	-
		<u>-</u>	<u>-</u>
(XI) Total comprehensive income for the year (IX+X)		(2,13,906)	(6,122)
Earnings per share (face value of Rs.10 each)			
Basic and diluted earning per share (in Rs.)	25	(8.76)	(3.52)
Weighted average number of equity shares used in computing earnings per share:			
- Basic and diluted		2,44,32,323	17,38,489
Significant accounting policies	3		

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
Firm Registration Number: 101248W/W-100022



Vikash Gupta
Partner
Membership no: 064597

Place: Bengaluru
Date: 01 June 2020

for and on behalf of the Board of Directors of
Ganges Vally Foods Private Limited
(CIN No. U11440WB1992PTC054793)


Venkatesh Natarajan
Director
DIN:05220857


Vinay Singh Kushwaha
Director
DIN:03480249


Thulsidass T V
Company Secretary
Membership number: A20927

Place: Bengaluru
Date: 01 June 2020

Place: Bengaluru
Date: 01 June 2020

Ganges Vally Foods Private Limited
Statement of Changes in Equity

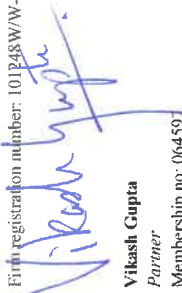
Particulars	Amount in Rupees thousands			
	Equity share capital	Reserves and surplus		Total equity attributable to equity holders of the Company
		Retained earnings	Capital reserve	
Balance as of 1 April 2018	6,000	9,920	29,093	41,544
Changes in equity for the year ended 31 March 2019				
Loss for the year	-	(6,122)	-	(6,122)
Increase in paid up share capital	98,940	-	-	98,940
Balance as at 31 March 2019	1,04,940	3,798	29,093	35,422
				1,40,362

Particulars	Amount in Rupees thousands			
	Equity share capital	Reserves and surplus		Total equity attributable to equity holders of the Company
		Retained earnings	Capital reserve	
Balance as of 1 April 2019	1,04,940	3,798	29,093	1,40,362
Changes in equity for the year ended 31 March 2020				
Loss for the year	-	(2,13,906)	-	(2,13,906)
Increase in paid up share capital	1,54,126	-	-	1,54,126
Balance as at 31 March 2020	2,59,066	(2,10,108)	29,093	(1,78,484)
				80,582

See accompanying notes to financial statements

As per our report of even date attached

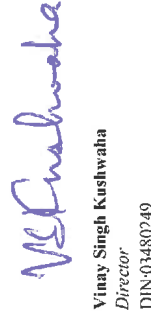
for BSR & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022


Vikash Gupta
Partner
Membership no: 064591

Place: Bengaluru
Date: 01 June 2020

for and on behalf of the Board of Directors of
Ganges Vally Foods Private Limited
CIN No: U144(WB)1992PTC054793


Vinay Singh Kushwaha
Director
DIN:03480249


Thuisdass T V
Company Secretary
Membership number: A20927

Place: Bengaluru
Date: 01 June 2020

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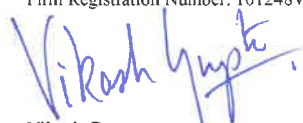
Ganges Vally Foods Private Limited
Cash flow statement

	Amount in Rupees thousands	
For the year ended	31 March 2020	31 March 2019
Cash flow from operating activities		
Loss before tax	(1,96,607)	(9,082)
Adjustments for:		
Depreciation	8,099	4,281
Liabilities no longer required written back	(3,705)	-
Goods and service tax input credit written off	4,306	
Interest income	(2,882)	(1,212)
	<u>(1,90,789)</u>	<u>(6,013)</u>
Changes in		
Inventories	4,535	(1,021)
Trade receivables	4,438	6,430
Loans receivable, other financial assets and other current assets	3,203	802
Trade payables, other financial liabilities, other current liabilities and provisions	(29,865)	(886)
Cash used in operating activities	<u>(2,08,478)</u>	<u>(688)</u>
Income taxes paid, net of refund	910	(126)
Net cash used in operating activities	<u>(2,07,568)</u>	<u>(814)</u>
Cash flow from investing activities		
Acquisition of property, plant and equipment	(178)	(4,054)
Fixed deposit placed	(301)	(295)
Interest received	2,882	1,214
Net cash flow from/(used) in investing activities	<u>2,403</u>	<u>(3,135)</u>
Cash flow from financing activities		
Proceeds from issue of equity share capital	1,54,126	98,940
Net cash flow from financing activities	<u>1,54,126</u>	<u>98,940</u>
Net change in cash and cash equivalents	<u>(51,039)</u>	<u>94,991</u>
Cash and cash equivalents at the beginning of the year	96,614	1,623
Cash and cash equivalents at the end of the year	<u><u>45,575</u></u>	<u><u>96,614</u></u>
Note:		
Cash and cash equivalent at the end of the year [refer note 10]		
Balances with banks		
- On current accounts	14,078	188
- On deposit accounts	31,497	96,426
	<u>45,575</u>	<u>96,614</u>

Significant accounting policies [refer note 3]

As per our report of even date attached

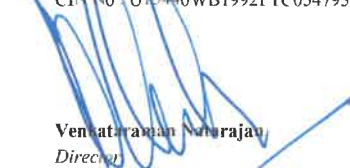
for **BSR & Co. LLP**
Chartered Accountants
Firm Registration Number: 101248W/W-100022



Vikash Gupta
Partner
Membership no: 06459

Place: Bengaluru
Date: 01 June 2020

for and on behalf of the Board of Directors of
Ganges Vally Foods Private Limited
CIN No. U15140WB1992PTC054793



Venkataraman Narajau
Director
DIN:05220857

Thulsidass T V
Company Secretary
Membership number: A20927

Place: Bengaluru
Date: 01 June 2020



Vinay Singh Kushwaha
Director
DIN:03480249

Place: Bengaluru
Date: 01 June 2020

Ganges Foods Vally Private Limited
Notes to financial statements

1 Reporting entity

Ganges Vally Foods Private Limited ('the Company' or 'GVF') is a company domiciled in India and was incorporated on 19 March 1992 under the provision of Indian Companies Act, with the primary objective to manufacture, buy, sell and deal in farinaceous foods of all kinds including biscuits, breads and also carrying on business as converters. The registered office of the Company is located at Village: Jagannathpur, PO: Bamunari, District: Hooghly.

GVF is a subsidiary of Britannia Industries Limited (BIL). GVF has an agreement with BIL to manufactures biscuits under long term conversion arrangement.

During the previous year, the Company had shut down its factory operations and announced Voluntary Retirement Scheme (VRS) for its employees, which is underway. The company intends to pursue other business opportunities in accordance with its Memorandum of Association.

2 Basis of preparation

A. 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 were authorised for issue by the Company's Board of directors on 01 June 2020.

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

B. Functional and presentation currency

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

C. Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value

D. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect 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.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 30 - leases: whether an arrangement contains a lease and lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 is included in the following notes:

- Note 7 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;

- Note 22 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

- Note 4 - useful life of property, plant and equipment

- Notes 5, 6, 9, 10 and 29 - impairment of financial assets.

E. Measurement of fair values

Certain accounting policies and disclosures of the Company 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 valuation team regularly reviews significant unobservable inputs and valuation adjustments.

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

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

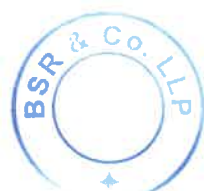
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a 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.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 29 - financial instruments.



Ganges Foods Vally Private Limited
Notes to financial statements (continued)

3. Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

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

Cost of an item of property, plant and equipment includes its purchase price, duties, 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, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

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. 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.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using written down value method over the useful lives of assets estimated by the Company based on an internal technical evaluation performed by the management and is recognised in the statement of profit and loss. Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Depreciation for assets purchased / sold during the period is proportionately charged.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful life
Plant and equipment	7.5 - 15 years
Furniture and fixtures	10 years
Motor vehicles	8 years
Office equipment	3 - 5 years
Buildings	30 - 60 years

Freehold land is not depreciated.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital work-in-progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Impairment

(i) Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

(ii) Non -financial assets

Property, plant and equipment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognized for the asset in prior years.



Ganges Foods Vally Private Limited
Notes to financial statements (continued)

3. Significant accounting policies (continued)

(c) Inventories

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

The provision for inventory obsolescence is assessed regularly based on estimated usage and shelf life of products.

Raw materials, packing materials and stores and spares are valued at cost computed on moving weighted average basis. The cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.

(d) Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

ii. Classification and subsequent measurement

Financial Assets

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

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 right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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 a new financial liability with modified terms is recognised in the Statement of Profit and 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 realise the asset and settle the liability simultaneously.



Ganges Foods Vally Private Limited
Notes to financial statements (continued)

3. Significant accounting policies (continued)

(e) Revenue recognition

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

(i) Conversion income is recognised when the customer obtains control of the goods, which is ordinarily when the finished goods are ready for dispatch, which are manufactured on behalf of Britannia Industries Limited "BIL" based on predetermined rate agreed between the parties. The Company also follows a practice of recognising accrued income on biscuits manufactured on behalf of BIL, physical dispatch of which happen after the date of the balance sheet. Conversion income is measured at the fair value of the consideration received or receivable, exclusive of tax and net of sales return, trade discounts and volume rebates presented separately in the balance sheet.

(ii) Scrap sales

Scrap sales is recognised when a customer obtains control of the goods which is ordinarily upon delivery at the factory gate. Revenue from sale of scrap is measured at the fair value of the consideration received or receivable, exclusive of tax and net of sales return, trade discounts and volume rebates. Sales are presented gross of indirect taxes.

(iii) Lease income is recognised against the depreciation and interest expenses incurred directly attributable to the finished goods manufactured on behalf of BIL.

(iv) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

(f) 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.

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 transaction.
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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.

Deferred tax assets recognised or unrecognised 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.

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

iii. Minimum Alternative Tax ("MAT")

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



3. Significant accounting policies (continued)

(g) **Borrowing cost**

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(h) **Provisions and contingent liabilities**

i. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

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

ii. Contingent liabilities

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

iii. Onerous contracts

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

(i) **Employee benefits**

i. Short-term employee benefits

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

ii. Post-employment benefits

Contributions to defined contribution schemes such as Provident Fund, Pension Fund, etc., are recognised as expenses in the period in which the employee renders the related service. In respect of contributions made to the government administered Provident Fund, the Company has no further obligations beyond its monthly contributions. The Company also provides for post-employment defined benefit in the form of gratuity and medical benefits. As the company announced VRS to its employees the cost of providing gratuity benefit is determined by computing the payable as last drawn salary multiplied by years of completed service as at the balance sheet date and recognised the same in Statement of Profit and Loss.

iii. Other long-term employee benefits

All employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related services are by computing the payable as last drawn salary multiplied by years of completed service as at the balance sheet date. As the company announced VRS to its employees there are no further accumulated leaves, hence provision for compensated absences is carried forward for the existing employees and paid during VRS settlement.

iv. Voluntary retirement scheme benefits [VRS]

Voluntary retirement scheme benefits are recognised as an expense in the year they are incurred.

(j) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(k) **Earnings per share**

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(l) **Cash flow statement**

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



3. Significant accounting policies (continued)

(m) Leases

Effective from 1 April 2019, the Company has applied Ind AS 116, which replaces the existing lease standard, Ind AS 17-Leases and other interpretations. The Company has applied Ind AS 116 using the modified retrospective approach and has accordingly not restated the comparative information. The Company at the inception of a contract, assesses whether the a contract, is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Ind AS 116 introduces a single balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company has elected not to recognise right-of-use of assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Lessor accounting remains similar to the accounting under the previous standard i.e. lessor continues to classify leases as finance or operating lease. This policy is applied to contracts entered into, or changed, on or after 1 April 2019. For contracts entered into before 1 April 2019, the determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life or the end of the lease term. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payment of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or the Statement of the Profit and Loss if the right-of-use asset is already reduced to zero. On the Balance Sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in borrowings & other financial liabilities. In the comparative period, leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected

(n) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

4 Property, plant and equipment

Reconciliation of carrying amount

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Motor vehicles	Office equipment	Total
Gross carrying amount							
Balance as at 1 April 2018	3,587	40,613	94,131	923	1,154	2,005	1,42,413
Additions	-	-	3,475	-	-	1	3,476
Disposals	-	(1,865)	(2,513)	-	-	(1,817)	(6,195)
Balance as at 31 March 2019	3,587	38,748	95,093	923	1,154	189	1,39,694
Balance as at 1 April 2019	3,587	38,748	95,093	923	1,154	189	1,39,694
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance as at 31 March 2020	3,587	38,748	95,093	923	1,154	189	1,39,694
Accumulated depreciation							
Balance as at 1 April 2018	-	37,025	86,187	921	1,075	1,996	1,27,204
Depreciation for the year	-	523	3,718	1	35	4	4,281
Disposals	-	(1,865)	(2,513)	-	-	(1,816)	(6,194)
Balance as at 31 March 2019	-	35,683	87,392	922	1,110	184	1,25,291
Balance as at 1 April 2019	-	35,683	87,392	922	1,110	184	1,25,291
Depreciation for the year	-	376	7,701	1	19	2	8,099
Disposals	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	36,059	95,093	923	1,129	186	1,33,390
Carrying amount (net)							
As at 31 March 2020	3,587	2,689	-	-	25	3	6,304
As at 31 March 2019	3,587	3,065	7,701	1	44	5	14,403



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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

As at	Amount in Rupees thousands	
	31 March 2020	31 March 2019
5 Loans receivable		
Non-current		
<i>(Unsecured and considered good)</i>		
Security deposits	4,173	4,173
	<u>4,173</u>	<u>4,173</u>
Current		
<i>(Unsecured and considered good)</i>		
Advance to employees	87	450
	<u>87</u>	<u>450</u>
6 Other financial assets		
<i>(Unsecured and considered good)</i>		
Non-current		
Deposits with maturity of more than 12 months from the reporting date*	3,435	5,374
	<u>3,435</u>	<u>5,374</u>
Current		
Unbilled revenue from related party (refer note 24)	1,144	5,171
	<u>1,144</u>	<u>5,171</u>
Total	<u>4,579</u>	<u>10,545</u>

* Includes Rs. 3,435 (31 March 2019: Rs. 5,374) pledged against bank guarantee given to West Bengal State Electricity Board for supply of power.

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

7 Income tax

(a) Amounts recognised in profit and loss

For the year ended	31 March 2020	31 March 2019
Current tax	(198)	4,286
Deferred tax	17,497	(7,246)
Tax expense/(income) for the year	17,299	(2,960)

(b) Amounts recognised in other comprehensive income

For the year ended	31 March 2020			31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	-	-	-	-	-	-

(c) Reconciliation of effective tax rate

For the year ended	31 March 2020		31 March 2019	
Profit/(loss) before tax		(1,96,607)		(9,082)
Tax using the Company's domestic tax rate (31 March 2020: 26% and 31 March 2019: 27.82%)	26.00%	(51,118)	27.82%	(2,527)
Tax effect of:				
Deferred tax assets written off	-8.90%	17,497	-	-
Change in deferred tax rate	-	-	2.07%	(188)
Deferred tax assets not recognised on loss for the year	-26.00%	51,118	-	-
Others	0.10%	(198)	2.73%	(248)
	-8.80%	17,299	32.62%	(2,963)

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Deferred tax (liabilities)/assets, net	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Deferred tax assets/ (liabilities)						
Property, plant and equipment	-	5,434	-	-	-	5,434
Provision for gratuity	-	5,083	-	-	-	5,083
Provision for compensated absences	-	1,099	-	-	-	1,099
Provision for Bonus	-	1,286	-	-	-	1,286
Voluntary Retirement Scheme	-	4,595	-	-	-	4,595
Deferred tax assets (net)	-	17,497	-	-	-	17,497

(e) Movement in temporary differences

	Balance as at 1 April 2018	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at 31 March 2019
Property, plant and equipment	5,267	167	-	-	-	5,434
Land	2,050	(2,050)	-	-	-	-
Provision for gratuity	1,720	3,363	-	-	-	5,083
Provision for compensated absences	737	362	-	-	-	1,099
Provision for Bonus	-	1,286	-	-	-	1,286
Minimum alternative tax	477	(477)	-	-	-	-
Voluntary Retirement Scheme	-	4,595	-	-	-	4,595
	10,251	7,246	-	-	-	17,497

	Balance as at 1 April 2019	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Others	Balance as at 31 March 2020
Property, plant and equipment	5,434	5,434	-	-	-	-
Provision for gratuity	5,083	5,083	-	-	-	-
Provision for compensated absences	1,099	1,099	-	-	-	-
Provision for Bonus	1,286	1,286	-	-	-	-
Voluntary Retirement Scheme	4,595	4,595	-	-	-	-
	17,497	17,497	-	-	-	-

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

As at	Amount in Rupees thousands	
	31 March 2020	31 March 2019
7 Income tax (continued)		
The following table provides the details of income tax assets and income tax liabilities as of (31 March 2020 and 31 March 2019):		
Income tax assets (net)	4,450	5,162
Current income tax asset at the end	<u>4,450</u>	<u>5,162</u>
The gross movement in the current income tax asset / (liability) for the year ended (31 March 2020 and 31 March 2019) is as follows:		
Net current income tax asset at the beginning	5,162	9,322
Income tax paid (net)	(910)	126
Current income tax income/(expense)	198	(4,286)
Net current income tax asset at the end	<u>4,450</u>	<u>5,162</u>
8 Inventories*		
Stores and spares	-	4,535
	<u>-</u>	<u>4,535</u>
* Net of provision for inventory obsolescence and unusability of Rs. 4,535 (31 March 2019: Rs. Nil)		
9 Trade receivables		
(Unsecured and considered good)		
Receivable from related party (refer note 24)	28	4,466
	<u>28</u>	<u>4,466</u>
The Company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in note 27.		
10 Cash and cash equivalents		
<i>Cash and cash equivalents:</i>		
- Balances with banks		
On current accounts	14,078	188
On deposit accounts with original maturity of 3 months or less	31,497	96,426
	<u>45,575</u>	<u>96,614</u>
<i>Other bank balances:</i>		
Deposit with original maturity of more than 3 months but less than 12 months*	2,241	-
	<u>2,241</u>	<u>-</u>
* Includes Rs. 751 (March 2019: Nil) pledged against bank guarantee given to West Bengal State Electricity Board for supply of power.		
Details of bank deposits:		
Deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	31,497	96,426
Deposits with maturity of more than 3 months but less than 12 months from the reporting date included under 'Other bank balances'	2,241	-
Deposits with maturity of more than 12 months from the reporting date included under 'Other financial assets' (refer note 6)	3,435	5,374
	<u>37,173</u>	<u>1,01,800</u>
11 Other current assets		
<i>Advances other than capital advances</i>		
- Advances for supply of goods	-	71
<i>Others</i>		
- Prepayments	775	77
- Balances with government authorities	20,816	24,563
	<u>21,591</u>	<u>24,711</u>



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Ganges Valley Foods Private Limited
Notes to financial statements (continued)

	Amount in Rupees thousands	
As at	31 March 2020	31 March 2019
12 Equity share capital		
Authorised		
Equity shares		
[26,000,000 equity shares of Rs.10 each (March 2019: 20,000,000 equity shares of Rs.10 each)]	2,60,000	2,00,000
Issued, subscribed and fully paid-up		
Equity share fully paid up		
[25,906,641 equity shares of Rs. 10 each (March 2019: 10,494,000 equity shares of Rs. 10 each)]	2,59,066	1,04,940

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

	31 March 2020		31 March 2019	
Number of shares	Amount	Number of shares	Amount	
Opening balance at the beginning of the reporting year	1,04,94,000	1,04,940	6,00,002	6,000
Increase in number of shares on account of right issue	1,54,12,641	1,54,126	98,93,998	98,940
Closing balance at the end of the reporting year	2,59,06,641	2,59,066	1,04,94,000	1,04,940

b) Rights, preference and restrictions attached to equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs.10 each. 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 current year, the Company has not declared any dividend.

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

	31 March 2020		31 March 2019	
Number of shares	Amount	Number of shares	Amount	
Equity shares of Rs. 10 each fully paid-up held by				
Britannia Industries Limited, the holding company	2,55,58,639	2,55,586	1,01,45,998	1,01,460
Borbunder Finance and Investments Private Limited, subsidiary of the holding company	54,000	540	54,000	540
Gilt Edge Finance & Investments Private Limited, subsidiary of the holding company	1	0	1	0

d) Particulars of shareholders holding more than 5% of a class of shares

	31 March 2020		31 March 2019	
Number of shares	% holding	Number of shares	% holding	
2,55,58,639	98.66%	1,01,45,998	96.68%	

Britannia Industries Limited



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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

13 Other equity	Particulars	Retained earnings	Capital Reserve	Other items of OCI	Total
	Balance as at 1 April 2018	9,920	29,093	2,531	41,544
	Loss after tax transferred from the Statement of Profit and Loss	(6,122)	-	-	(6,122)
	Balance as at 31 March 2019	3,798	29,093	2,531	35,422
	Loss after tax transferred from the Statement of Profit and Loss	(2,13,906)	-	-	(2,13,906)
	Balance as at 31 March 2020	(2,10,108)	29,093	2,531	(1,78,484)

14 Trade payables	As at	31 March 2020	31 March 2019
	Current		
	- Total outstanding dues of micro enterprises and small enterprises (Refer note below)	-	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises	3,378	12,602
		3,378	12,602

There are no material dues owed by the Company to Micro and Small Enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2020. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) has been determined to the extent such parties have been identified on the basis of information available with the company and has been relied upon by the auditors.

- (a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:
- | | | |
|-------------|---|---|
| - Principal | - | - |
| - Interest | - | - |
- (b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:
- | | | |
|--|---|---|
| | - | - |
|--|---|---|
- (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006:
- | | | |
|--|---|---|
| | - | - |
|--|---|---|
- (d) The amount of interest accrued and remaining unpaid at the end of each accounting year: and
- | | | |
|--|---|---|
| | - | - |
|--|---|---|
- (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.
- | | | |
|--|---|---|
| | - | - |
|--|---|---|

The company exposure to currency and liquidity risks related to trade payable is disclosed in note 27.

15 Other financial liabilities	As at	31 March 2020	31 March 2019
	Creditors for capital goods	373	552
	Payroll related liabilities	86	6,696
		459	7,248

16 Other current liabilities	As at	31 March 2020	31 March 2019
	Statutory liabilities	1	123
		1	123

17 Provisions	Long-term		Short-term	
As at	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provision for employee benefits				
Provision for gratuity (refer note 23)	-	-	3,938	18,269
Provision for compensated absences	-	-	670	3,952
	-	-	4,608	22,221

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

For the year ended	Amount in Rupees thousands	
	31 March 2020	31 March 2019
18 Revenue from operations		
Conversion income	692	1,32,329
Rental income	-	23,833
Total (A)	692	1,56,162
Other operating revenues		
Scrap sales	-	374
Total (B)	-	374
Total revenue from operation (A+B)	692	1,56,536
19 Other income		
Interest income on:		
- Financial assets carried at amortised cost	2,882	1,212
- Income tax refund	286	3
Other non-operating income:		
Liabilities no longer required written back	3,705	-
	6,873	1,215
20 Employee benefits expense		
Salaries, wages and bonus	1,080	58,501
Contribution to provident and other funds (refer note 23)	76	19,624
Workmen and staff welfare expenses	149	2,073
Voluntary retirement scheme expenditure	-	20,645
	1,305	1,00,843
21 Other expenses		
Consumption of stores and spares	4,535	4,175
Power and fuel	1,380	26,269
Contract labour charges	8,717	12,367
Repairs and maintenance:		
- Plant and equipment	49	3,967
- Buildings	226	5,543
Rates and taxes, net	527	185
Security service charges	2,187	2,194
Insurance	281	235
Professional charges	1,269	2,374
Auditors' remuneration*:		
- Audit fees	132	132
- Expenses reimbursed	23	48
Goods and service tax input credit written off	4,306	-
Miscellaneous expenses	1,041	4,220
	24,673	61,709

*Excluding applicable taxes



Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

22 Contingent liabilities and commitments
(to the extent not provided for)

(i) **Contingent liabilities:**

Description	31 March 2020	31 March 2019
Claims / demand against the Company not acknowledged as debts		
- Tax matters - excise duty	2,77,400	2,78,188
- Tax matters - sales tax	4,309	4,123
- Tax matters - service tax	-	582

Note:

Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) **Commitments:**

Estimated amount of contracts remaining to be executed and not provided for (net of advance)

- -

Note: The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Holding Company (Britannia Industries Limited) had recognised a provision in its books for provident fund contribution with respect to Company's employees during previous year and does not expect any material impact of the same. Accordingly, no provision has been recognised in the Company's books. The Company will evaluate its position and create provision if required on receiving further clarity on the subject.

23 Disclosure in respect of employee benefits

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee's salary, in respect of qualifying employee towards provident fund and employees' state insurance which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to these funds for the year aggregated to Rs. 42 (31 March 2019: Rs.7,493) and is included in "Employee benefits expense" in note 20.

Defined benefit plans

The Company has a gratuity plan which is in the nature of defined benefit. Every employee who has completed five years or more of service is entitled to gratuity. The scheme is funded with Life Insurance Corporation of India. The company make annual contribution to the Life Insurance Corporation of India under GVFL Employees Gratuity Fund. The following table sets out the status of the Gratuity Plan as required under Ind-AS:

Particulars	31 March 2020*	31 March 2019*
1. Expenses recognised in the Statement of Profit and Loss		
Current service cost	34	12,131
Total expense	34	12,131
2. Net (liability) recognised in the Balance Sheet		
Defined benefit obligation	4,467	25,203
Plan assets at end of year	529	6,934
Net (liability)	(3,938)	(18,269)
Classified as:		
Short-term provisions	(3,938)	(18,269)
Long-term provisions	-	-
	(3,938)	(18,269)
3. Change in obligation during the year		
Defined benefit obligation at the beginning of the year	25,203	21,660
Current services cost	34	12,131
Benefits paid	(20,770)	(8,588)
Defined benefit obligation at the end of the year	4,467	25,203
4. Change in the value of plan assets		
Plan asset at the beginning of the year	6,934	14,981
Contribution by employer	-	541
Actual benefits paid	(6,405)	(8,588)
Plan asset at the end of the year	529	6,934

* During the previous year, the company has shut down its factory operations and announced VRS scheme for its employees which is underway. Accordingly, no actuarial valuation is done for defined benefit plans for the year ended 31 March 2020 and 31 March 2019.

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

24 Related Parties Disclosures

(a) List of related parties.

(i) Parties where control exists:

Ultimate holding company : The Bombay Burmah Trading Corporation Limited
Holding company : Britannia Industries Limited

(ii) Parties with whom transactions have taken place during the year:

Holding company : Britannia Industries Limited

(b) Outstanding balances as at year end

	Year ended 31 March 2020	Year ended 31 March 2019
Britannia Industries Limited		
- Trade Receivables	28	4,466
- Unbilled revenue	1,144	5,171

(c) Related party transactions:

Nature of transaction	Year ended 31 March 2020	Year ended 31 March 2019
Britannia Industries Limited:-		
Conversion income	692	1,32,329
Rental income	-	23,833
Investment by holding Company	1,54,126	98,940
SAP License Cost	85	300

25 Earnings per share

Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding for the year.

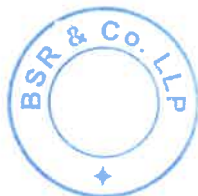
Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Loss attributable to equity shareholders	(2,13,906)	(6,122)
Weighted average number of equity shares outstanding during the year	2,44,32,323	17,38,489
Nominal value of equity shares (Rs.)	10	10
Earnings per share - Basic and diluted (Rs.)	(8.76)	(3.52)

26 Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes.

The operating segment of the Company is identified to be "Foods" as the CODM reviews business performance at an overall level as one segment.

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

27 Financial risk management

The Company's principal financial liabilities comprise trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Based on our assessment and current estimates the carrying value and the provisions made as at 31 March 2020 is considered adequate.

Trade and other receivables

The entire revenue appearing in the financial statements is generated from a single customer. Further, as the Company is dealing with a single customer, the impairment analysis is performed for the debtors that are past due at the end of each reporting date. The Company does not have any receivables that are past due and accordingly no allowance for doubtful debts had been considered.

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next six months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities.

The financial assets of the Company is given below:

Particulars	31 March 2020	31 March 2019
Trade receivables	28	4,466
Bank balance in current account	14,078	188
Fixed deposits at bank	37,173	1,01,800
Loans receivable	4,260	4,623
Other financial assets	1,144	5,171
Total	56,683	1,16,248

The table below provides details regarding the contractual maturities of significant financial liabilities as at year end:

Particulars	As at 31 March 2020		
	Less than 1 year	1-2 years	2 years and above
Trade payables	3,378	-	-
Other financial liabilities	459	-	-
	3,837	-	-

Particulars	As at 31 March 2019		
	Less than 1 year	1-2 years	2 years and above
Trade payables	12,602	-	-
Other financial liabilities	7,248	-	-
	19,850	-	-

c. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, foreign currency risk and investment risk.

The Company is not exposed to any such risk as the Company does not have any investments and borrowings and foreign currency transaction.

Impact of Covid 19

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, receivables, advances, property plant and equipment, etc as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information. Having reviewed the underlying data and based on current estimates, the company does not expect any material impact on the carrying amount of these assets & liabilities. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk, currency risk and interest risk and does not foresee any material impact on account of the same.

28 Capital management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as the level of dividends to equity shareholders. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt includes total liability.

The Company does not have any borrowings debt. Hence, Capital management or monitoring of gearing ratio is not applicable to the Company.

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Ganges Vally Foods Private Limited
Notes to financial statements (continued)

Amount in Rupees thousands

29 Financial instruments - fair values and risk

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2020:

Particulars	Carrying amount				
	FVTPL	FVTOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount
Financial assets not measured at fair value *					
(i) Trade receivables	-	-	28	-	28
(ii) Cash and cash equivalents	-	-	45,575	-	45,575
(iii) Bank balances other than (ii) above	-	-	2,241	-	2,241
(iv) Loans receivable	-	-	4,260	-	4,260
(v) Other financial assets	-	-	4,579	-	4,579
	-	-	56,683	-	56,683
Financial liabilities not measured at fair value *					
(i) Trade payables	-	-	-	3,378	3,378
(ii) Other financial liabilities	-	-	-	459	459
	-	-	-	3,837	3,837

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2019:

Particulars	Carrying amount				
	FVTPL	FVTOCI	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount
Financial assets not measured at fair value *					
(i) Trade receivables	-	-	4,466	-	4,466
(ii) Cash and cash equivalents	-	-	96,614	-	96,614
(iii) Bank balances other than (ii) above	-	-	-	-	-
(iv) Loans receivable	-	-	4,623	-	4,623
(v) Other financial assets	-	-	10,545	-	10,545
	-	-	1,16,248	-	1,16,248
Financial liabilities not measured at fair value *					
(i) Trade payables	-	-	-	12,602	12,602
(ii) Other financial liabilities	-	-	-	7,248	7,248
	-	-	-	19,850	19,850

* The Company has not disclosed the fair values for the financial assets and liabilities because their carrying amounts are a reasonable approximation of fair value.

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30 Operating leases

The Company has certain cancellable arrangement with its holding company (which conveys a right to use Company's asset by its holding Company in return for a payment) identified to be in the nature of lease and have been classified as operating lease arrangements. Rental income of Nil (31 March 2019: Rs. 23,833) in respect of such lease have been recognised in the Statement of Profit and Loss.

31 A. Revenue streams

The Company is a contract packer for BIL and its revenue is primarily on account of conversion income and commitment income. Other sources of revenue include scrap sales.

Particulars	Note	31 March 2020	31 March 2019
Revenue from operations	18	692	1,56,162
Other operating revenue	18	-	374
Total revenue		692	1,56,536

The Company does not incur any cost to obtain or fulfil a contract with the customer.

Changes in unbilled revenue or contract assets are as follows :

	31 March 2020
Opening balance	5,171
Additions during the year	7,026
Reclassification adjustments :	
- Billing from contract assets to trade receivables	(9,171)
- Unbilled income no longer recoverable	(1,882)
Closing balance	1,144

32 Exceptional items pertain to voluntary retirement cost incurred by the Company during the year.

33 During the year ended 31 March 2020, no material foreseeable loss (31 March 2019: Nil) was incurred for any long-term contract including derivative contracts.

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


Vikash Gupta
Partner


Membership no: 064597

Place: Bengaluru
Date: 01 June 2020

for and on behalf of the Board of Directors of
Ganges Vally Foods Private Limited
CIN No : U 5440WB1992PTC054793

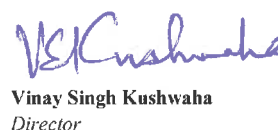

Venkataraman Gatarajan
Director

DIN: 05220857


Thulsidass T V
Company Secretary

Membership number: A20927

Place: Bengaluru
Date: 01 June 2020


Vinay Singh Kushwaha
Director

DIN:03480249

Place: Bengaluru
Date: 01 June 2020