NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF INDIAN AGRO AND FOOD INDUSTRIES LIMITED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL ('NCLT')

Day	**Friday**
Date	**15 November 2019**
Time	**11:00 AM**
Venue	**Village-Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441**

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CUTTACK BENCH

CUTTACK

FORM NO. CAA 2

(Pursuant to Section 230(3) and Rule 6)

TA No. 90/ CTB/2019

IN

CA (CAA) No. 26/MB/2019

In the matter of:

The Companies Act, 2013

And

In the matter of sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013;

And

In the matter of:

Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement amongst Indian Agro and Food Industries Limited ('the Demerged Company 1' or 'IAFIL' or 'the First Applicant Company'), ABIS Exports (India) Private Limited ('the Resulting Company 1'/ 'the Demerged Company 2' or 'AEIPL' or 'the Second Applicant Company'), Drools Pet Food Private Limited ('the Resulting Company 2' or 'DPFPL' or 'the Third Applicant Company') and their respective shareholders.

And

In the matter of

INDIAN AGRO AND FOOD INDUSTRIES LIMITED, a company incorporated under Part IX of the Companies Act, 1956 and having its registered office at IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…First Applicant Company/ Demerged Company 1

And

In the matter of:

ABIS EXPORTS (INDIA) PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at IB Corporate House, Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…Second Applicant Company/ Resulting Company 1/ Demerged Company 2

And

In the matter of:

DROOLS PET FOOD PRIVATE LIMITED, a company incorporated under the Companies Act, 2013 and having its registered office at Khasra No. 436/2, IB Corporate House, Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…Third Applicant Company/ Resulting Company 2

INDIAN AGRO AND FOOD INDUSTRIES LIMITED (CIN U01100CT2009PLC021165) a company incorporated under Part IX of the Companies Act, 1956 and having its registered office at IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441

…First Applicant Company/ Demerged Company 1

NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF INDIAN AGRO AND FOOD INDUSTRIES LIMITED

To

The Unsecured Creditors of Indian Agro and Food Industries Limited ('the Demerged Company 1' or 'IAFIL' or 'the First Applicant Company')

Notice is hereby given that by an Order dated 27th Day of September 2019, the Cuttack Bench of the National Company Law Tribunal ('NCLT') has directed a meeting to be held of the Unsecured Creditors of the Demerged Company 1 for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement proposed amongst the Demerged Company 1, the Resulting Company 1/ the Demerged Company 2 and the Resulting Company 2 for demerger of the poultry business ('Demerged Undertaking 1') from First Applicant Company to Second Applicant Company; ('Demerger 1') under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013.

In pursuance of the said order and as directed therein further notice is being hereby given that a meeting of Unsecured Creditors of the Demerged Company 1 will be convened and held at Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441 on Friday 15th day of November 2019 at 11:00 AM.

Given the above and in connection therewith it is hereby proposed that the Unsecured Creditors of the Demerged Company 1 may consider, and, if thought fit, to pass, with or without modification(s) the following resolution:

*"**RESOLVED THAT** pursuant to provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), applicable provisions of the National Company Tribunal Rules, 2016, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and subject to the approval of the National Company Law Tribunal, Cuttack Bench ("NCLT" or "Tribunal") and other concerned authorities, as may be applicable and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of the Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers), the Composite Scheme of Arrangement ("Scheme") amongst Indian Agro and Food Industries Limited, ABIS Exports (India) Private Limited and Drools Pet Food Private Limited placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved."*

*"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."*

The quorum for the Meeting shall be 15 (fifteen) unsecured creditors as per the aforesaid Order dated 27 September 2019.

Copies of the Composite Scheme of Arrangement and of the Statement under Section 230 and other applicable provisions of the Companies Act, 2013 can be obtained free of charge at the Registered Office of the First Applicant Company at IB Corporate House Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441 or at the office of its Advocates, M/s SK Attorneys at 202, Second Floor, 47 – Thapar Arcade, Kalu Sarai, Hauz Khas, New Delhi, Delhi – 110 016. Persons entitled to attend and vote at the meeting may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered Office of the First Applicant Company at IB Corporate House Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441 not later than 48 hours before the Meeting.

A copy of the Statement under Section 230(3) of the Companies Act, 2013, the Composite Scheme of Arrangement, Valuation Report issued by M/s SAPD & Associates, Chartered Accountants, form of Proxy and Attendance Slip are enclosed.

The Tribunal has appointed Mr. Pradeep Pal/ Mr. Sanjay Kumar, Chartered Accountant as the Chairman of the said Meeting. The above mentioned Composite Scheme of Arrangement, if approved by the Meeting, will be subject to the subsequent approval of the Tribunal.

Sd/-
Mr. Pradeep Pal
Chairman appointed for the Meeting

Dated this 10th day of October 2019 at Rajnandgaon

Notes:

1. An unsecured creditor entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the First Applicant Company. The form of proxy duly completed should, however, be deposited at the Registered Office of the First Applicant Company not less than 48 (forty-eight) hours before the meeting.

2. All alterations made in the form of proxy should be initialled.

3. The authorised representative of a body corporate which is a unsecured creditor of the First Applicant Company may attend and vote at the Unsecured Creditors meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorising such representative to attend and vote at the meeting of the Unsecured Creditors is deposited at the Registered Office of the First Applicant Company not later than 48 (forty-eight) hours before the meeting.

4. An unsecured creditor or his proxy is requested to hand over the enclosed Attendance Slip, duly signed as per the specimen signature(s) registered with the First Applicant Company for admission to the meeting hall.

5. The material documents referred to in the accompanying Statement shall be open for inspection by the Unsecured Creditors at the Registered Office of the First Applicant Company on all working days between 11.00 a.m. to 1.00 p.m. except Saturday, Sunday and Public Holidays.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CUTTACK BENCH

CUTTACK

TA No. 90/ CTB/2019

IN

CA (CAA) No. 26/MB/2019

In the matter of:

The Companies Act, 2013

And

In the matter of sections 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013;

And

In the matter of:

Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Composite Scheme of Arrangement amongst Indian Agro and Food Industries Limited ('the Demerged Company 1' or 'IAFIL' or 'the First Applicant Company'), ABIS Exports (India) Private Limited ('the Resulting Company 1'/ 'the Demerged Company 2' or 'AEIPL' or 'the Second Applicant Company'), Drools Pet Food Private Limited ('the Resulting Company 2' or 'DPFPL' or 'the Third Applicant Company') and their respective shareholders.

And

In the matter of

INDIAN AGRO AND FOOD INDUSTRIES LIMITED, a company incorporated under Part IX of the Companies Act, 1956 and having its registered office at IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…First Applicant Company/ Demerged Company 1

And

In the matter of:

ABIS EXPORTS (INDIA) PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 and having its registered office at IB Corporate House, Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…Second Applicant Company/ Resulting Company 1/ Demerged Company 2

And

In the matter of:

DROOLS PET FOOD PRIVATE LIMITED, a company incorporated under the Companies Act, 2013 and having its registered office at Khasra No. 436/2, IB Corporate House, Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441.

…Third Applicant Company/ Resulting Company 2

INDIAN AGRO AND FOOD INDUSTRIES LIMITED (CIN U01100CT2009PLC021165) a company incorporated under Part IX of the Companies Act, 1956 and having its registered office at IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441

…First Applicant Company/ Demerged Company 1

STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 AND RULE 6 OF THE COMPANIES (COMPROMISE, ARRANGEMENT AND AMALGAMATION) RULES, 2016 FOR THE MEETING OF UNSECURED CREDITORS OF INDIAN AGRO AND FOOD INDUSTRIES LIMITED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH

In this Statement, Indian Agro and Food Industries Limited is hereinafter referred to as 'the Demerged Company 1' or 'IAFIL' or 'the First Applicant Company', ABIS Exports (India) Private Limited is hereinafter referred to as 'the Resulting Company 1'/ 'the Demerged Company 2' or 'AEIPL' or 'the Second Applicant Company' and Drools Pet Food Private Limited is hereinafter referred to as 'the Resulting Company 2' or 'DPFPL' or 'the Third Applicant Company'. The other definitions contained in the Scheme will apply to this Statement also. The following Statement as required under Section 230(3) of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 sets forth the details of the proposed Scheme, its effects and in particular, any material interests of the Directors, Promoters, Key Managerial Personnel with reference to the proposed Composite Scheme of Arrangement:

1. IAFIL or the First Applicant Company is engaged in the poultry business and in real estate business. The poultry operations involve raising domesticated birds for the purpose of farming meat or eggs.

2. AEIPL or the Second Applicant Company is engaged in the business of poultry feed, cattle & poultry medicines, pet food, aqua feed, animal feed and soya value added allied products.

3. DPFPL or the Third Applicant Company is formed to engage in the business of manufacturing, trading, supply, agency, e-commerce, dealership of Pet Feed, Aqua Feed and Animal Feed and Pet Accessories.

4. The Composite Scheme of Arrangement provides for demerger of the poultry business ('Demerged Undertaking 1') from First Applicant Company to Second Applicant Company ('Demerger 1') and demerger of the pet food business ('Demerged Undertaking 2') from Second Applicant Company to Third Applicant Company ('Demerger 2').

5. By an Order dated 27th date of September 2019, the Cuttack Bench of the National Company Law at Cuttack has directed that a meeting of unsecured creditors of Indian Agro and Food Industries Limited be convened and held at Village-Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441 on Friday, 15 November 2019 at 11:00 AM for the purpose of considering, and if thought fit, approving with or without modification, Composite Scheme of Arrangement amongst Indian Agro and Food Industries Limited, ABIS Exports (India) Private Limited and Drools Pet Food Private Limited and their respective shareholders (‘Scheme’ or ‘the Scheme’).

6. The Board of Directors of Indian Agro and Food Industries Limited at their meeting held on 17 November 2018 unanimously approved the Scheme, subject to the approval of various authorities.

The Scheme was approved by the following directors who attended the said meeting on 17 November 2018:

Sl. No.	***Name***	***Designation***	***DIN***
1.	Mr. Narendra Kumar Lodha	Director	00080643
2.	Mr. Bahadur Ali	Director	00157609
3.	Mr. Sultan Ali	Director	00157642
4.	Mr. Arvind Kumar Bhandari	Director	00586234
5.	Mr. Anjum Alvi	Director	03437049
6.	Mr. Abdul Rajjak	Director	06581812
7.	Mr. Rakesh Puri	Director	07068559

The Board of Directors of Indian Agro and Food Industries Limited have come to the conclusion that the Scheme involving the demerger of the ‘poultry business’ to AEIPL is in the best interest of the First Applicant Company and its shareholders.

7. Copy of the valuation report on the share entitlement ratio issued by M/s SAPD & Associates, Chartered Accountants and a copy of the Scheme as approved by the Board is enclosed herewith.

8. **Background of the First Applicant Company i.e., Indian Agro and Food Industries Limited**

8.1 INDIAN AGRO AND FOOD INDUSTRIES LIMITED was incorporated under Part IX of the Companies Act, 1956 on 1 May 2009 with the Registrar of Companies, Chhattisgarh as a Public Company, limited by Shares, having its IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441. The Corporate Identification Number of IAFIL is U01100CT2009PLC021165. The Permanent Account Number ('PAN') of IAFIL is AACCI0730N. The email address of the First Applicant Company is indianagro@ibgroup.co.in.

8.2 IAFIL has altered its Object Clause under the main Object Clause of the Memorandum of Association of the First Applicant Company *vide* special resolutions passed by the members of IAFIL in the Extraordinary General Meeting held on 29 October 2018 and 22 November 2018, respectively. Accordingly, Certificates of Registration of the Special Resolution Confirming Alteration of Object Clause(s) from the Registrar of Companies, Chhattisgarh dated 31 October 2018 and 29 November 2018, respectively, were received by IAFIL.

8.3 IAFIL or the First Applicant Company is engaged in the poultry business and in real estate business. The poultry operations involve raising domesticated birds for the purpose of farming meat or eggs.

8.4 The Authorized, Issued, Subscribed and Paid-up capital of the First Applicant Company as on 30 September 2018 is as follows:

Particulars	**Amount (Rs)**
Authorized share capital	
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000
Issued, subscribed and paid up share capital	
34,30,000 Equity Shares of Rs.10/- each	3,43,00,000

Subsequent to 30 September 2018 there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of the First Applicant Company.

8.5 The extracts of the main objects of the First Applicant Company are us under:

a. To carry on all the business of builders, real estate-developers, contractors, sub-contractors, dealers and by advancing money to and enter into contracts and arrangements of all kinds with builders, tenants, occupiers and others, land development, service apartments ,serviced plots, constructions of residential and commercial premises including business centers and offices, securing lands ,private or Government for formation and development of town ships, and to deal in and act as agents for lands ,buildings, factories, houses, .flats and other residential and commercial plots ,and construct/maintain and alter residential, commercial , industrial plots and properties and sale or lease them out by providing with all modern amenities and development thereof and securing capital, funds and raising loans for construction and advancing to other organizations for similar purposes.

b. To set up retail chain of outlets to sale poultry &dairy products, to run central kitchen system and to set up automatic chicken dress plant, cold storage.

c. To carry on the business of Manufacture, Process, Develop, Grow, buy, sell, import, export or otherwise deal in the business of Poultry Farm, Hatchery, Goatery, Dairy, Fisheries, Broiler, Breeder, Layer and/or Cockrel Farm, Cattle & Poultry Feed and Cattle & Poultry Medicines.

d. To carry on the business of manufacture, trading, supply agency, dealership of organic fertilizer plant.

e. To take over the running business of partnership firm of Indian poultry."

8.6 For the purpose of disclosure, the First Applicant Company has also sought directions for the convening, conducting and the holding of the meeting of the secured creditors as per the directions of the National Company Law Tribunal, Cuttack Bench.

9. **Background of the Second Applicant Company i.e., ABIS Exports (India) Private Limited**

9.1 ABIS EXPORTS (INDIA) PRIVATE LIMITED was incorporated on 10 August 1998 with the Registrar of Companies, Chhattisgarh as a Private Company, limited by shares, having its registered office at IB Corporate House Village- Indamara, Post- Pendri, Rajnandgaon, (C.G.)-491441. The Corporate

Identification Number of AEIPL is U51101CT1998PTC012995. The PAN of AEIPL is AACCA2881J. The email address of the Second Applicant Company is abisexports@ibgroup.co.in.

9.2 The Authorized, Issued, Subscribed and Paid-up capital of the Second Applicant Company as on 30 September 2018 is as follows:

Particulars	**Amount (Rs)**
Authorized share capital	
9,00,000 Equity Shares of Rs.100/- each	9,00,00,000
Issued, subscribed and paid up share capital	
8,45,900 Equity Shares of Rs.100/- each fully paid-up	8,45,90,000

Subsequent to 30 September 2018, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Second Applicant Company.

9.3 The extracts of the main objects of the Second Applicant Company are us under:

To export and deal in the rice, crush bone, vegetable, bone grist, gelatine, Ossian hide, forest product dairy products, eggs, goats.

1A) To carry on the business as manufacture, trading, supply, agency, dealership of cattle and poultry feed, cattle & poultry medicines, pet food, aqua feed, animal feed and soya value added allied products.

1B) To carry on the business of hatchery, floriculture, poultry farm, broiler farm, dairy farm, agriculture farm.

1C) To carry on the business of extraction of oil by mechanical, electrical and/or chemical means from all or any types of oil cakes and all kinds of bearing seeds and nuts & rice bran as may be decided from time to time and trade, supply, agency dealership of oils, oil cakes and all kinds of oil bearing seeds."

9.4 For the purpose of disclosure, it is stated that the Second Applicant Company has also sought directions for the convening, conducting and the holding of the meeting of the secured creditors and the unsecured creditors as per the directions of the National Company Law Tribunal, Cuttack Bench.

10. Background of the Third Applicant Company i.e., Drools Pet Food Private Limited

10.1 DROOLS PET FOOD PRIVATE LIMITED was incorporated on 10 September 2018 with the Registrar of Companies, Chhattisgarh as a Private Limited Company, Limited by Shares, having its registered office situated at Khasra No. 436/2, IB Corporate House, Village - Indamara, Post - Pendri. Rajnandgaon CT 491441. The Corporate Identification Number of DPFPL is U01409CT2018PTC008756. The PAN of DPFPL is AAGCD8374B. The email address of the Third Applicant Company is mail@ibgroup.co.in.

11. Relationship between the First Applicant Company, the Second Applicant Company and the Third Applicant Company

a) The First Applicant Company and the Second Applicant Company are held by substantially same set of shareholders and the same group.

b) The Third Applicant Company is a wholly owned subsidiary of the Second Applicant Company.

12. **Rationale for the Scheme**

This Composite Scheme of Arrangement is presented pursuant to the provisions of Section 230 to 232 read with section 66 of the Companies Act, 2013 and relevant provisions of the Income-tax Act, 1961 as may be applicable for the transfer by way of demerger of:

c) Demerged Undertaking 1/ Poultry Operation Undertaking (as defined in the Scheme) of the Demerged Company 1/IAFIL to the Resulting Company 1/AEIPL in the manner provided for in the Scheme (‘referred to as Demerger 1’); and

d) Demerged Undertaking 2/ Pet Feed Undertaking (as defined in the Scheme) of the Demerged Company 2/AEIPL to the Resulting Company 2/DPFPL in the manner provided for in the Scheme (‘referred to as Demerger 2’).

Rationale for Demerger 1 i.e., demerger of ‘poultry business’

Part B of the Composite Scheme of Arrangement deals with the demerger of the poultry business i.e., Poultry Operations Undertaking/ Demerged Undertaking 1 of Demerged Company 1/ First Applicant Company to Resulting Company 1/ Demerged Company 2/ Second Applicant Company. Such demerger of the ‘poultry business’ would help in following manner:

a) Consolidating the group’s operations in key operating company and realise potential synergies of consolidation in view of integrated business and production facilities;

b) To achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders;

c) The existing management expertise and quality systems & controls of the Resulting Company 1 will enhance the performance of the business of the Demerged Undertaking 1;

d) The Demerged Undertaking 1 is a forward integration to poultry feed business of Resulting Company 1, the proposed vesting of Demerged Undertaking 1 pursuant to this Scheme will allow to augment the infrastructural capability of Resulting Company 1 to effectively meet future challenges in their businesses and to achieve cost optimisation and specialisation for sustained growth and strengthen the Balance sheet which will facilitate expansion and capitalise on opportunities for growth and thereafter creating a structure for allowing capital mobilization;

The proposed Scheme will benefit all the stakeholders, which will lead to growth and value creation in the long run and maximizing the value and return to the Shareholders of the Demerged Company 1 and the Resulting Company 1.

Further, the land parcels identified by the management for undertaking real-estate projects would be retained in the Remaining Undertaking 1 and would be converted to Real Estate/Infrastructure Projects including Housing Projects. The Demerged Company 1 believes that demerger of Demerger Undertaking 1 will result in specialized management focus on Real Estate Projects, which in turn will enhance its focus on the Remaining Undertaking 1.

13. **Salient Features of the Scheme**

The salient features of the Scheme are as under:

a) The Scheme provides for demerger of the poultry business (‘Demerged Undertaking 1’) from First Applicant Company to Second Applicant Company (‘Demerger 1’) and the demerger of the pet food business ('Demerged Undertaking 2') from Second Applicant Company to Third Applicant Company ('Demerger 2').

b) The Appointed Date for the Scheme is 1 April 2019.

c) The Effective Date shall mean the date on which the certified true copy of the Order of Hon'ble National Company Law Tribunal, Cuttack Bench sanctioning this Scheme is filed with the jurisdictional Registrar of Companies, by the Applicant Companies.

d) The proposed arrangement will be such that all the assets, liabilities, rights, entitlements, obligations, etc. of 'poultry business' of Indian Agro and Food Industries Limited would stand transferred to and vested as a going concern in the ABIS Exports (India) Private Limited, and the Shareholders of Indian Agro and Food Industries Limited would receive equity shares or optionally convertible preference shares of ABIS Exports (India) Private Limited.

e) The proposed arrangement also includes demerger of 'pet feed business' of ABIS Exports (India) Private Limited to the Third Applicant Company which will be such that all the assets, liabilities, rights, entitlements, obligations, etc. of 'pet feed business' of ABIS Exports (India) Private Limited would stand transferred to and vested as a going concern in the Drools Pet Food Private Limited, and the Shareholders of ABIS Exports (India) Private Limited would receive equity shares or optionally convertible preference shares of Drools Pet Food Private Limited.

f) Upon the Scheme becoming effective and subject to the terms and condition of this Scheme, in consideration of the demerger and transfer of the assets and liabilities of the 'poultry business' by the First Applicant Company to the Second Applicant Company in terms of this Scheme, the Second Applicant Company shall, without any application or deed, issue and allot to the equity shareholders or optionally convertible preference shares of the Second Applicant Company, at the option of the shareholders holding paid up Equity Shares in the First Applicant Company and whose names appear in Register of Members of the First Applicant Company on the Record Date.

g) Upon the Scheme becoming effective and subject to the terms and condition of this Scheme, in consideration of the demerger and transfer of the assets and liabilities of the 'pet feed business' by the Second Applicant Company to the Third Applicant Company in terms of this Scheme, the Third Applicant Company shall, without any application or deed, issue and allot to the equity shareholders or optionally convertible preference shares of the Third Applicant Company, at the option of the shareholders holding paid up equity shares in the Second Applicant Company and whose names appear in Register of Members of the Second Applicant Company on the Record Date.

Please note that the features set out above are only salient features of the Scheme. The unsecured creditors are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The Composite Scheme of Arrangement shall be deemed to form part of the explanatory statement.

14. **General**

a) The First Applicant Company, the Second Applicant Company and the Third Applicant Company have made applications before the National Company Law Tribunal, Cuttack Bench as per Rule 3(1) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 for the sanction of the Scheme under Section 230 read with Section 232 of the Companies Act, 2013.

b) In relation to the meeting of the unsecured creditors of the First Applicant Company, the unsecured creditors of the First Applicant Company whose names are appearing in the records of the Second

Applicant Company as on 30 September 2018 as filed with the National Company Law Tribunal, Cuttack Bench shall be eligible to attend and vote either in person or by proxy at the meeting of the unsecured creditors of the First Applicant Company convened at the directions of the Tribunal.

c) The rights and interests of the equity shareholders, secured or unsecured creditors and employees of the First Applicant Company, the Second Applicant Company and the Third Applicant Company will not be prejudicially affected or altered by the Scheme as no sacrifice or waiver is at all called for them nor their rights sought to be modified in any manner whatsoever. First Applicant Company, the Second Applicant Company and the Third Applicant Company have no depositors and have no debentures issued. Hence, First Applicant Company, the Second Applicant Company and the Third Applicant Company have no debenture holders, deposit trustees or debenture trustees.

d) As on 30 September 2018, the First Applicant Company had INR 2,45,39,47,576 due to the Secured Creditors and INR 1,01,58,01,494 due to the Unsecured Creditors.

e) As on 30 September 2018, the Second Applicant Company had INR 1,80,25,60,907 due to the Secured Creditors and INR 1,19,78,81,217 due to the Unsecured Creditors.

f) As on 30 September 2018, the Third Applicant Company had No Secured or Unsecured Creditors.

g) The Scheme will not have a prejudicial effect on the key managerial personnel, directors, promoters, non-promoter members, creditors, employees and others concerned of the First Applicant Company, the Second Applicant Company and the Third Applicant Company, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner whatsoever.

h) None of the Directors, Promoters, Key Managerial Personnel, Creditors and Employees of the First Applicant Company, the Second Applicant Company and the Third Applicant Company respectively have any material personal interest in the Scheme, except to the extent of shares held in the Applicant Companies, if any.

i) No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956 or the corresponding provisions of the Companies Act, 2013 against the First Applicant Company, the Second Applicant Company and the Third Applicant Company.

j) As directed by the National Company Law Tribunal, Cuttack Bench, the Notice pursuant to Section 230(5) of the Companies Act, 2013 in the prescribed format along with a copy of the Scheme, the Statement and the disclosures provided herewith and shall be served on the Statutory Authorities, as applicable including the Central Government through the office of Regional Director, North Western Region, Ahmedabad, Registrar of Companies, Chhattisgarh and Income Tax Authority in accordance with the directions of the National Company Law Tribunal, Cuttack Bench.

15. **Summary of Valuation Report**

a) The Board has relied on the valuation report on share exchange ratio prepared by M/s. SAPD & Associates, Chartered Accountants, for determining the swap ratio for the Composite Scheme of Arrangement. A copy of the same is available for inspection at the registered office of the First Applicant Company on all working days between 11.00 a.m. to 1.00 pm except Saturdays, Sunday and Public Holidays.

b) The fair basis of valuation has taken into consideration all the factors relevant to the companies. It has been stated in the Valuation Report that the fair equity exchange ratio for demerger of poultry business from the First Applicant Company (Demerged Company 1) to the Second Applicant Company (Resulting Company 2) would be

To each member of the Demerged Company 1 whose name is recorded in the Register of Members of the Demerged Company 1 (other than shares already held therein immediately before the Demerger, or by nominee for, the Resulting Company 1) on the Record Date or his/her/its legal heirs, executors or successors as the case may be, 4 (four) Equity Shares or OCPS of face value of Rs. 100 (one hundred) each at par in Resulting Company 1 for every 21 (twenty one) Equity Shares of face value of Rs. 10 (ten) each held by them in Demerged Company 1, as per the option selected by the Shareholder.

c) A copy of the audited financial statements of the First Applicant Company, the Second Applicant Company and the Third Applicant Company for the year ended 31 March 2019 are attached to this Notice.

16. **Inspection**

The following documents will be open for inspection as per Rule 6(3)(ix) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 at the Registered Office of the First Applicant Company up to 2 (two) days prior to the date of the meeting on all working days (except Saturdays, Sundays and Public Holidays between 11.00 A.M.to 1.00 P.M.

a) Certified copy of the order passed by the National Company Law Tribunal, Cuttack Bench, in Company Application No. TA No. 90/CTB/2019 in CA (CAA) No. 26/ MB/ 2019, dated 27 September 2019, *inter alia*:

- directing the convening and holding of the meeting of the secured creditors and unsecured creditors of the First Applicant Company and the Second Applicant Company;
- dispensing with the convening and holding of the meeting of the secured creditors and unsecured creditors of the Third Applicant Company; and
- dispensing with the convening and holding of the meeting of the equity shareholders of the First Applicant Company, the Second Applicant Company and the Third Applicant Company.

b) Copies of the Memorandum and Articles of Association of the First Applicant Company, the Second Applicant Company and the Third Applicant Company;

c) Copies of the audited financial statements of the First Applicant Company, the Second Applicant Company and the Third Applicant Company for the last three financial years ended 31 March 2019, 31 March 2018 and 31 March 2017;

d) Copy of the Valuation Report dated 15 November 2018 issued by M/s. SAPD & Associates, Chartered Accountants;

e) Copy of the Statutory Auditors' Certificate dated 7 December 2018 issued by M/s. Deloitte Haskins & Sells LLP, Chartered Accountants and Statutory Auditors of the First Applicant Company and the Second Applicant Company that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013;

f) Copy of the Statutory Auditor's Certificate dated 29 November 2018 issued by M/s. PSAC & Associates, Chartered Accountants and Statutory Auditors of the Third Applicant Company that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013;

g) Register of Directors' Shareholding of the First Applicant Company, the Second Applicant Company and the Third Applicant Company;

h) Copies of the resolution dated 17 November 2018 passed by the Board of Directors of the First Applicant Company resolution dated 19 November 2018 passed by the Board of Directors of the Second Applicant Company and Third Applicant Company approving the Scheme; and

i) Copy of the Composite Scheme of Arrangement.

This Statement may be treated as a Statement under Section 230(3) of the Companies Act, 2013. A copy of the Scheme, the Statement and the Form of Proxy may be obtained from the Registered Office of the Second Applicant Company at IB Corporate House, Village – Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441.

Sd/-
Mr. Pradeep Pal
Chairman appointed for the Meeting

Dated this 10th Day of October 2019 at Rajnandgaon

COMPOSITE SCHEME OF ARRANGEMENT

UNDER SECTION 230 TO 232, READ WITH SECTION 66 AND OTHER RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013

BETWEEN

INDIAN AGRO AND FOOD INDUSTRIES LIMITED

(Demerged Company 1)

And

ABIS EXPORTS (INDIA) PRIVATE LIMITED

(Resulting Company 1 /Demerged Company2)

And

DROOLS PET FOOD PRIVATE LIMITED ***(formerly known as DROOLS PET FEED PRIVATE LIMITED)***

(Resulting Company 2)

A. PREAMBLE

This Composite Scheme of Arrangement provides for demerger and vesting of Poultry Operation Undertaking of India Agro and Food Industries Limited (IAFIL), as a going concern to ABIS Exports (India) Private Limited (AEIPL) ; and demerger and vesting of the Pet Feed Undertaking of ABIS Exports (India) Private Limited (AEIPL), as a going concern to Drools Pet Food Private Limited *(formerly known as Drools Pet Feed Private Limited)* (DPFPL), pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and also read with section 2(19AA), section 2(41A), section 2(19AAA) and other applicable provisions of Income-tax Act, 1961. Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

B. BACKGROUND OF COMPANIES

I. INDIAN AGRO AND FOOD INDUSTRIES LIMITED (IAFIL) was incorporated under Part IX of the Companies Act, 1956 on 1 May 2009 with the Registrar of Companies, Chhattisgarh as a Public Company, Limited by Shares, having its registered office situated at Village - Indamara, Post -Pendri, Rajnandgaon (C.G) - 491441. The Corporate Identification Number of IAFIL is U01100CT2009PLC021165. The Permanent Account Number ('PAN') of IAFIL is AACCI0730N. IAFIL has not changed its name and registered office during the last five years. IAFIL is Un-Listed Public Company, Limited by Shares.

IAFIL has altered its Object Clause under the main Object Clause of the Memorandum of Association of the Company *vide* special resolutions passed by the members of IAFIL in the Extraordinary General Meeting held on 29 October 2018 and 22 November 2018, respectively. Accordingly, Certificates of Registration of the Special Resolution Confirming Alteration of Object Clause(s) from the Registrar of Companies, Chhattisgarh dated 31 October 2018 and 29 November 2018, respectively, were received by IAFIL.

The main object of IAFIL as specified under the heading 'A- Main Object of IAFIL to be pursued by it on its incorporation' under Clause III of its Memorandum of Association, is as under:

1. To carry on all the business of builders, real estate-developers, contractors, sub-contractors, dealers and by advancing money to and enter into contracts and arrangements of all kinds with builders, tenants, occupiers and others, land development, service apartments ,serviced plots, constructions of residential and commercial premises including business centers and offices, securing lands ,private or Government for formation and development of town ships, and to deal in and act as agents for lands ,buildings, factories, houses, .flats and other residential and commercial plots ,and construct/maintain and alter residential, commercial , industrial plots and properties and sale or lease them out by providing with all modern amenities and development thereof and securing capital, funds and raising loans for construction and advancing to other organizations for similar purposes.
2. To carry on the business of manufacture, process, develop, grow, buy, sell, import, export or otherwise deal in the business of poultry farm, hatchery, goatery, dairy, fisheries, broilers, breeder, layer and/or cockrel farm.
3. To set up retail chain of outlets to sale poultry &dairy products, to run central kitchen system and to set up automatic chicken dress plant, cold storage.
4. To carry on the business of manufacture, trading, supply, agency, dealership of cattle &poultry feed cattle & poultry medicines.
5. To carry on the business of manufacture, trading, supply agency, dealership of organic fertilizer plant.
6. .To take over the running business of partnership firm of Indian poultry.

At present, IAFIL carries on business, *inter-alia*, of poultry and deals in broiler birds, hatchable eggs, broiler day old chicks (DOC), parent DOC, commercial eggs, and culled sales of old parent birds, grandparent birds, cockerels and commercial egg layer. IAFIL has also undertaken certain activities in connection with such real estate business.

The Authorised, Issued, Subscribed and Paid-Up Share Capital of IAFIL as on 30 September 2018 is as under:

Authorised Equity Share Capital:

50,00,000 Equity Shares of Rs.10/- each	Rs. 50,000,000/-

Issued, Subscribed and Paid –up Equity Share Capital:

34,30,000 Equity Shares of Rs.10/- each	Rs. 34,300,000/-

There has been no change in the Authorised, Issued, Subscribed and Paid-Up Share Capital of IAFIL after 30 September 2018.

II. **ABIS EXPORTS (INDIA) PRIVATE LIMITED (AEIPL)** was incorporated on 10 August 1998 with the Registrar of Companies, Chhattisgarh as a Private Company, Limited by Shares, having its registered office at IB Corporate House Village- Indamara, Post- Pendri, Rajnandgaon, (C.G.)-491441. The Corporate Identification Number of AEIPL is U51101CT1998PTC012995. The PAN of AEIPL is AACCA2881J. AEIPL had changed its registered office address from Village- Indamara, Post- Pendri, Rajnandgaon, (C.G.) – 491441 to IB Corporate House Village- Indamara, Post- Pendri, Rajnandgaon, (C.G.) – 49141 with effect from 16 November 2015 approved *vide* its board resolution dated 30 October 2015. AEIPL has not changed its name or objects during the last five years.

The main object of AEIPL as specified under the heading 'A- Main Object of the Company to be pursued by it on its incorporation' under its Clause III of the Memorandum of Association, are as under:

1. To export and deal in the rice, crush bone, vegetable, bone grist, gelatine, Ossian hide, forest product dairy products, eggs, goats.

1A) To carry on the business as manufacture, trading, supply, agency, dealership of cattle and poultry feed, cattle & poultry medicines, pet food, aqua feed, animal feed and soya value added allied products.

1B) To carry on the business of hatchery, floriculture, poultry farm, broiler farm, dairy farm, agriculture farm.

1C) To carry on the business of extraction of oil by mechanical, electrical and/or chemical means from all or any types of oil cakes and all kinds of bearing seeds and nuts & rice bran as may be decided from time to time and trade, supply, agency dealership of oils, oil cakes and all kinds of oil bearing seeds.

At present, AEIPL is engaged in the business *inter-alia* of manufacturing animal feed (poultry feed, pet feed, fish feed, shrimp feed), solvent extraction and soya refinery under the brand name of "ABIS". It also offers pet food under home grown brands: "Drools", "Focus", "Vet-Pro" and "Finsters".

The Authorised, Issued, Subscribed and Paid-Up Share Capital of AEIPL as on 30 September 2018 is as under:

Authorised Equity Share Capital:

9,00,000 Equity Shares of Rs.100/- each Rs. 90,000,000/-

Issued, Subscribed and Paid –up Equity Share Capital:

8,45,900 Equity Shares of Rs.100/- each Rs. 84,590,000/-

There has been no change in the Authorised, Issued, Subscribed and Paid-Up Share Capital of AEIPL after 30 September 2018.

III. **DROOLS PET FOOD PRIVATE LIMITED *(Formerly Known As Drools Pet Feed Private Limited*) (DPFPL)** was incorporated on 10 September 2018 with the Registrar of Companies, Chhattisgarh as a Private Limited Company, Limited by Shares, having its registered office situated at Khasra No. 436/2, IB Corporate House, Village - Indamara, Post - Pendri. Rajnandgaon CT 491441. The Corporate Identification Number of DPFPL is U01409CT2018PTC008756. The PAN of DPFPL is AAGCD8374B. The Company *vide* a resolutions passed at Extra Ordinary General Meeting held on 29 October 2018 had changed its name from DROOLS PET FEED PRIVATE LIMITED to DROOLS PET FOOD PRIVATE LIMITED with effect from 28 November 2018. The Company has not changed the registered office address or its object clause since the date of incorporation.

The main object of DPFPL as specified under the heading "3(a) - The objects to be pursued by it on its incorporation" is mentioned under its Clause 3 of the Memorandum of Association, which is to carry on the business of manufacturing, trading, supply, agency, e-commerce, dealership of Pet Feed, Aqua Feed and Animal Feed and Pet Accessories including Veterinary Services of domestic animals in India & Overseas Market.

The Authorised, Issued, Subscribed and paid-up Share Capital of DPFPL as on 30 September 2018 is as under:

Authorised Equity Share Capital:

1,00,000 Equity Shares of Rs.10/- each Rs. 10,00,000/-

Issued, Subscribed but not paid –up Equity Share Capital:

10,000 Equity Shares of Rs.10/- each Rs. 1,00,000/-

There has been no change in the Authorised, Issued, Subscribed and Paid-Up Share Capital of DPFPL after 30 September 2018.

C. RATIONALE FOR THE SCHEME OF ARRANGEMENT

This Scheme of Arrangement is presented pursuant to the provisions of Section 230 to 232 read with section 66 of the Companies Act, 2013 and relevant provisions of the Income-tax Act, 1961 as may be applicable for the transfer by way of demerger of:

a) Demerged Undertaking 1/ Poultry Operation Undertaking (*as defined hereinafter*) of the Demerged Company 1/IAFIL to the Resulting Company 1/AEIPL in the manner provided for in the Scheme (*'referred to as Demerger 1'*); and

b) Demerged Undertaking 2/ Pet Feed Undertaking *(as defined hereinafter)* of the Demerged Company 2/AEIPL to the Resulting Company 2/DPFPL in the manner provided for in the Scheme (*'referred to as Demerger 2'*).

Rationale for Demerger 1

The Demerged Company 1 is engaged in the business of poultry operations. The Demerged Company 1 would demerge it's 'poultry operations to Resulting Company 1 and it would continue to undertake the real estate business. The poultry operations involves the process of raising domesticated birds such as chicken, ducks, turkeys and geese for the purpose of farming meat or eggs or food. The poultry operations has been referred to as 'Demerged Undertaking 1' and the real estate business to be carried on by the Demerged Company 1 has been referred to as 'Remaining Undertaking 1'. The transfer and vesting of the Demerged Undertaking 1 to the Resulting Company 1 will enable better focus and management of the Demerged Undertaking 1 on the Remaining Undertaking 1.

The demerger of the Demerged Undertaking 1 of Demerged Company 1 to Resulting Company 1 would help in following manner:

1. Consolidating the group's operations in key operating company and realise potential synergies of consolidation in view of integrated business and production facilities;
2. To achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders;
3. The existing management expertise and quality systems & controls of the Resulting Company 1 will enhance the performance of the business of the Demerged Undertaking 1;
4. The Demerged Undertaking 1 is a forward integration to poultry feed business of Resulting Company 1, the proposed vesting of Demerged Undertaking 1 pursuant to this Scheme will allow to augment the infrastructural capability of Resulting Company 1 to effectively meet future challenges in their businesses and to achieve cost optimisation and specialisation for sustained growth and strengthen the Balance sheet which will facilitate expansion and capitalise on opportunities for growth and thereafter creating a structure for allowing capital mobilization;
5. The proposed Scheme will benefit all the stakeholders, which will lead to growth and value creation in the long run and maximizing the value and return to the Shareholders of the Demerged Company 1 and the Resulting Company 1.

Further, the land parcels identified by the management for undertaking real-estate projects would be retained in the Remaining Undertaking 1 and would be converted to Real Estate/Infrastructure Projects including Housing Projects. The Demerged Company 1 believes that demerger of Demerger Undertaking 1 will result in specialized management focus on Real Estate Projects, which in turn will enhance its focus on the Remaining Undertaking 1.

Rationale of Demerger 2

Demerged Company 2 is currently engaged in manufacturing of animal feed (poultry feed, pet feed, fish feed and shrimp feed), solvent extraction and soya refinery under the brand name of "ABIS". It also offers pet food under home grown brands: "Drools", "Focus", "Vet-Pro" and "Finsters", etc.

The pet feed business of the Demerged Company 2 caters to retail B2C market has different industry specific risks, has different business cycle and operate *inter alia* under different market dynamics, it can attract different types of investors as well as management teams and follow different independent business strategies, even as they all have significant potential for growth and profitability. Thus, the Demerged Company 2 would demerge its pet feed business to Resulting Company 2 and would continue to operate the other businesses (i.e., poultry feed, fish feed and shrimp feed) under its own brand name including the poultry business which would be transferred pursuant to Demerger 1.

The aforesaid demerger would help to achieve the following benefits -

1. house the pet feed business under Resulting Company 2 which would result to a dedicated and specialised management focus on the specific needs of the Demerged Undertaking 2; and

2. it will allow to fulfil the objectives more efficiently and to offer opportunities to the management to vigorously pursue growth and expansion opportunities.

The Scheme is expected to contribute in furthering and fulfilling the objects of the Demerged Company 1, Demerged Company 2 / Resulting Company 1 and Resulting Company 2.

PARTS OF THE SCHEME

This Scheme of Arrangement is divided into the following parts:

PART A - Deals with definitions of the terms used in this Scheme of Arrangement

PART B – Deals with the demerger of Demerged Undertaking 1 of the Demerged Company 1 into Resulting Company 1 ['Demerger 1']

PART C – Deals with the demerger of Demerged Undertaking 2 of the Demerged Company 2 into Resulting Company 2 ['Demerger 2']

PART D - Deals with the reduction and cancellation of the existing equity share capital of the Resulting Company 2

PART E – Deals with general and other terms and conditions applicable to this composite Scheme

PART A

1. DEFINITIONS

In this Scheme (*as defined hereafter*), unless repugnant to or inconsistent with the meaning or context thereof, the following expression shall have the following meanings:

1.1. "**Act**" or "**the Act**" means the Companies Act, 2013 and rules made thereunder or statutory modification, amendment or re-enactment thereof.

1.2. **"Applicable law"** means all the applicable statutes, notification, enactments, act of legislature, listing regulations, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force;

1.3. "**Appointed Date**" means:

1.3.1. "Appointed Date" shall for the purposes of Part B and Part C of the Scheme mean 1 April 2019 or such other date as may be fixed by the Hon'ble National Company Law Tribunal (NCLT), while sanctioning the Scheme.

1.4. "**Appropriate Authority**" means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, including the Registrar of Companies, Regional Director, Hon'ble NCLT, and such other regulators or authorities as may be applicable;

1.5. "**Assets**" shall mean and includes without limitation, assets or properties of every kind, nature, character and description whether movable, immovable, tangible, intangible including Patent and Trademark, whether owned or leased or otherwise acquired by or in the possession of the Demerged Company 1 and Demerged Company 2, in connection with or pertaining or relatable to the Demerged Undertaking 1 and Demerged Undertaking 2;

1.6. "**Demerged Company 1**" shall mean Indian Agro and Food Industries Limited (IAFIL), a Company incorporated under Part IX the Companies Act, 1956 and having its Registered Office at Village - Indamara, Post -Pendri, Rajnandgaon (C.G) - 491441. The Corporate Identification Number of the Company is U01100CT2009PLC021165.

1.7. "**Demerged Company 2**"/ "**Resulting Company 1**" shall mean ABIS Exports (India) Private Limited (AEIPL), a Company incorporated under the Companies Act, 1956 and having its Registered Office at IB Corporate House, Village - Indamara, Post -Pendri, Rajnandgaon (C.G) - 491441. The Corporate Identification Number of the Company is U51101CT1998PTC012995.

1.8. "**Demerged Companies**" shall mean Demerged Company 1 and Demerged Company 2 collectively.

1.9. "**Demerger 1"** transfer and vesting of Demerged Undertaking 1 of Demerged Company 1 into Resulting Company 1.

1.10. "**Demerger 2"** transfer and vesting of Demerged Undertaking 2 of Demerged Company 2 into Resulting Company 2.

1.11. "**Demerged Undertaking 1**" or "**Poultry Operation Undertaking**" means and includes all activities, business operations, such undertaking, properties, assets and liabilities of whatsoever nature (including land together with the buildings and structures standing thereon)and kind and wheresoever situated, of and relating to the manufacturing, growing, rearing, hatching, laying, preparing, buying, selling, importing, exporting, trading, distribution, marketing, and otherwise dealing in all kinds of the poultry operations division/segment of the Demerged Company 1 as detailed below;-

(i) The business relating poultry operations undertaking of the Demerged Company 1 and other ancillary business connected therewith, on a going concern basis.

(ii) All assets wherever situated whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to all capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data, electrical appliance, accessories, investments, stocks, stock in transit, wrapping supply and packaging items, debtors, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relatable to the poultry operations business of the Demerged Company 1.

(iii) All debts, liabilities, contingent liabilities duties and obligations, secured and unsecured whether provided for or not in books of accounts or disclosed in the balance sheets relating to or pertaining to the poultry operations, as per the records of Demerged Company 1 including but not limited to borrowings, statutory liabilities, contractual liabilities, duties, guarantees, provisions, security deposits and shall also include any obligations under any license, permits appertaining to the said business.

(iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the "Poultry Operation Undertaking" include;

a) The liabilities which arise out of the activities of poultry or operations of the "Poultry Operation Undertaking"; and.

b) Specific loans and/or borrowing raised, incurred and/or utilised solely for the activities or operations of the "Poultry Operation Undertaking".

(v) All employees of Demerged Company 1 substantially engaged in the Demerged Undertaking 1 and those employees that are determined by the Board of Directors of the Demerged Company 1 to be substantially engaged in or in relation to the Demerged Undertaking 1 on the date immediately preceding the Effective Date.

(vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, import quotas, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central/state governments, quality certifications and approval, product registrations (both Indian or foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and/or residential properties for the employees, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking 1 either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by Demerged Company 1 in relation to the Demerged Undertaking 1, funds belonging to or proposed to be utilised for the "Poultry Operation Undertaking", privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company 1 in relation to the Demerged Undertaking 1 or any power of attorney issued in favour of the Demerged Company 1 or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company 1 was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail or telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking 1;

(vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up, copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Undertaking 1;

(viii) All advances, deposits and balance with Government, semi-Government, Local and other authorities and bodies, customers and other person, earnest money and/or security deposits paid or received by the Demerged Company 1, directly or indirectly in connection with or in relation to the Demerged Undertaking 1

(ix) In case of any question that may arise as to whether any particular asset (including common assets *viz.* cash/ bank balances) or liability and/or employees or any other matter pertains or does not pertain to the Demerged Undertaking 1 of the Demerged Company 1, the same shall be decided mutually by the Board of Directors of the Demerged Company 1 and Resulting Company 1 and said decision shall be final.

1.12. "**Demerged Undertaking 2**" or "**Pet Feed Undertaking**" means and includes all activities, properties, assets and liabilities of whatsoever nature (including land together with the buildings and structures standing thereon) and kind and wheresoever situated, business, operations, and such undertakings of and relating to, the manufacturing, preparing, buying, selling, importing, exporting, trading, distribution, marketing and otherwise dealing in all kinds of division/segment of the Demerged Company 2, in relation to pet feed business under home grown brands including "Drools", "Finsters", "Vet-pro", "Focus" of Demerged Company 2 as detailed below;-

(i) The pet feed business of Demerged Company 2 and other ancillary business connected therewith, on a going concern basis;

(ii) All assets wherever situated, whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to all capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data electrical appliance, accessories, investments, stocks, stock–in–transit, wrapping supply and packaging items, debtors, intellectual properties, technical knowhow, patents, copy rights, trade marks, licenses, approvals pertaining to or relatable to the pet feed business.

(iii) All debts, liabilities, contingent liabilities, duties and obligations, secured and unsecured whether provided for or not in books of accounts or disclosed in the balance sheets relating to or pertaining to the said business, as per the records of Demerged Company 2 including but not limited to borrowings, statutory liabilities, contractual liabilities, duties, guarantees, provisions, security deposits and shall also include any obligations under any license, permits appertaining to the said business;

(iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the pet feed undertaking would include;

a) The liabilities which arise out of the activities or operations of the pet feed undertaking; and

b) Specific loans and/or borrowing raised, incurred and/or utilised solely for the activities or operations of the pet feed undertaking.

(v) All employees of Demerged Company 2 substantially engaged in the Demerged Undertaking 2 and those employees that are determined by the Board of Directors of the Demerged Company 2 to be substantially engaged in or in relation to the Demerged Undertaking 2 on the date immediately preceding the effective date.

(vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, import quotas, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central/state governments, quality certifications and approval, product registrations (both Indian or foreign),regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and/or residential properties for the employees, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking 2 either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by Demerged Company 2 in relation to the Demerged Undertaking 2, funds belonging to or proposed to be utilised for the "Pet Feed Undertaking", privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company 2 in relation to the Demerged Undertaking 2 or any power of attorney issued in favour of the Demerged Company 2 or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company 2was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail or telephones, telexes, facsimile connections and installations, utilities, electricity water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking 2;

(vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Undertaking 2;

(viii) All advances, deposits and balance with Government, Semi-Government, Local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by the Demerged Company 2, directly or indirectly in connection with or in relation to the Demerged Undertaking 2.

(ix) In case of any question that may arise as to whether any particular asset (including common assets *viz.* cash/ bank balances) or liability and/or employees or any other matter pertains or does not pertain to the Demerged Undertaking 2 of the Demerged Company 2, the same shall be decided mutually by the Board of Directors of the Demerged Company 2 and Resulting Company 2 and said decision shall be final.

1.13. "**Effective Date**" shall mean later of the date on which the certified true copies of the Orders of Hon'ble National Company Law Tribunal sanctioning this Composite Scheme are filed with the Registrar of Companies, Chhattisgarh, by the Demerged Company 1, Demerged Company 2 / Resulting Company 1 and Resulting Company 2. References in this Scheme to the word "upon the Scheme becoming effective" or "effectiveness of this scheme" or "upon the Scheme coming into effect" shall mean Effective Date.

1.14. **"Liability(ies)"** means liabilities of every kind, nature and description, whether present or future and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws, including goods and service tax (GST) and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature;

1.15. **"NCLT"** means the Hon'ble National Company Law Tribunal, at Cuttack or Mumbai, as applicable, and in force shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of above mentioned Tribunal under the Act for approving any Scheme of Arrangement of a Company under Section 230 to 232 of the Act read with section 66 of the Act.

1.16. "**Record Date**" means the date to be fixed by the Board of Directors of Demerged Company 1/Resulting Company 1 and Demerged Company 2/Resulting Company 2 after the Effective Date, with reference to which the eligibility of the Equity Members of the Demerged Company 1 and Demerged Company 2, for the purpose of issue and allotment of Equity Shares/ Optionally Convertible Preference Shares of the Resulting Company 1 and Resulting Company 2, respectively, in terms of the Scheme, shall be determined;

1.17. **"Remaining Undertaking 1"** means all the business assets and liabilities and activities of the Demerged Company 1 other than the business assets and liabilities of Demerged Undertaking 1 which upon this Scheme becoming effective be vested with the Resulting Company 1 as provided in the Scheme.

Details of immovable properties to be retained as a part of Remaining Undertaking 1 is enclosed as ***Annexure A***.

1.18. **"Remaining Undertaking 2"** means all the business assets and liabilities and activities of the Demerged Company 2 other than the business assets and liabilities of Demerged Undertaking 2 which upon this Scheme becoming effective be vested with Resulting Company 2 as provided in this Scheme.

1.19. **"Resulting Company 1**" / **"Demerged Company 2"** shall mean ABIS Exports (India) Private Limited (AEIPL)**,** a Company incorporated under the Companies Act, 1956 and having its Registered Office at IB Corporate House, Village – Indamara, Post –Pendri, Rajnandgaon (C.G) – 491441. The Corporate Identification Number of the Company is U51101CT1998PTC012995.

1.20. **"Resulting Company 2"** shall mean Drools Pet Food Private Limited (formerly known as Drools Pet Feed Private Limited) (DPFPL), a private limited Company, incorporated under the Act and having its Registered Office at Khasra No. 436/2, IB Corporate House, Village - Indamara, Post - Pendri. Rajnandgaon CT 49144. The Corporate Identification Number of the Company is U01409CT2018PTC009756.

1.21. "**Resulting Companies**" shall mean Resulting Company 1 and Resulting Company 2, collectively.

1.22. "**Scheme of Arrangement**" or "**the Scheme**" or "**this Scheme**" means this Composite Scheme of Arrangement in its present form including any modification(s) or amendments thereon, approved or imposed or directed by the Hon'ble National Company Law Tribunal.

All the terms and words not defined in this Scheme shall, unless repugnant or contrary to the contexts or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations, bye laws as the case may be, including any statutory modification or re-enactment from time to time.

2. DATE WHEN THIS SCHEME COMES INTO OPERATION

The Scheme set out herein in its present form or with modification(s), approved or imposed or directed by the NCLT, although operative from the Appointed Date, shall become effective from the Effective Date.

3. COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from amendment of law or for any other reason whatsoever, the provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will however not affect other parts of the Scheme. The power to make such modifications/amendments as may become necessary shall vest with the Board of Directors of the Demerged Company 1 / Demerger Company 2, which can exercise the power at any time and shall be exercised in the best interest of the Demerger Companies and Resulting Companies.

PART B

TRANSFER AND VESTING OF POULTRY OPERATION UNDERTAKING (DEMERGED UNDERTAKING 1) OF INDIAN AGRO AND FOOD INDUSTRIES LIMITED (DEMERGED COMPANY 1) INTO ABIS EXPORTS (INDIA) PRIVATE LIMITED (RESULTING COMPANY 1) (REFERRED TO AS "DEMERGER 1")

4. TRANSFER AND VESTING OF DEMERGED UNDERTAKING 1

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act and pursuant to the Orders of the Hon'ble NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instruments, deed, matter or thing, the Demerged Undertaking 1 shall stand demerged and transferred and be vested in the Resulting Company 1 as a going concern, together with all its properties, assets, liabilities, obligations, rights, titles, benefits and interests therein.

5. TRANSFER OF ASSETS

5.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all assets relating to the Demerged Undertaking 1, as are movable or immovable in nature (including land together with the buildings and structures standing thereon) or are otherwise capable of transfer or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company 1 and shall become the property and an integral part of the Resulting Company 1. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

5.2 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company 1 relating to the Demerged Undertaking 1, other than those specified in clause 5.1 above, including sundry debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balance and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company 1.

5.3 Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, right, title, interest and authorities acquired by the Demerged Company 1 after the Appointed Date but prior to the Effective Date pertaining to the Demerged Undertaking 1, shall also stand transferred to and vested in the Resulting Company 1 upon coming into effect of this Scheme.

5.4 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all intangible assets including Intellectual Property Rights of the Demerged Company 1 relating to the Demerged Undertaking 1 whether or not recorded in the books of accounts of the Demerged Company 1, if any, shall without any further act, instrument or deed, become the property of the Resulting Company 1.

5.5 It is hereby clarified that if any assets in relation to the Demerged Undertaking 1 which Demerged Company 1 owns, cannot be transferred to Resulting Company 1 for any reason whatsoever, Demerged Company 1 shall hold such asset in trust for the benefit of Resulting Company 1.

5.6 Upon this scheme becoming effective, the past track record of the Demerged Company 1 relating to the Demerged Undertaking 1, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of Resulting Company 1 for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of Resulting Company 1 in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

6. TRANSFER OF LIABILITIES AND RELATED SECURITIES/ CHARGES:

6.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, whether recorded or not, of the Demerged Company 1 relating to the Demerged Undertaking 1 (hereinafter referred to as Transferred Liabilities 1) shall become the debts, liabilities, duties and obligations of the Resulting Company 1 upon the Scheme becoming effective. Resulting Company 1 shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company 1.

6.2 All the debts, liabilities, duties and obligations, secured and unsecured, whether recorded or not, relating to the remaining business shall continue to remain in the Demerged Company 1.

6.3 Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the liabilities and obligations of the Demerged Undertaking 1 as on the Appointed Date deemed to be transferred to the Resulting Company 1 have been discharged by the Demerged Company 1 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the Resulting Company 1.

6.4 All loans raised and used and all liabilities and obligations incurred by the Demerged Company 1 for the operations of the Demerged Undertaking 1 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company 1 and to the extent they are outstanding on the Effective date shall also without any further act or deed be and stand transferred to the Resulting Company 1 and shall become liabilities of the Resulting Company 1 which shall meet, discharge and satisfy the same. Such liabilities shall also form part of the Transferred Liabilities as defined hereinabove.

6.5 Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities 1 of the Demerged Undertaking 1 is concerned, such security shall continue to extend and operate over the assets comprised in the Demerged Undertaking 1, as the case may be, which have been charged in respect of the Transferred Liabilities 1 as transferred to the Resulting Company 1 pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking 1 which have not been charged or secured in respect of the Transferred Liabilities 1, such assets shall be transferred to the Resulting Company 1 as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities 1.

6.6 Without prejudice to the provisions of the foregoing clause and upon the Scheme becoming effective, the Demerged Company 1 and the Resulting Company 1, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions.

6.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company 1 alone shall be liable to perform all obligations in respect of the Transferred Liabilities 1 and the Demerged Company 1 shall not have any obligations in respect of the Transferred Liabilities 1, and the Resulting Company 1 shall indemnify the Demerged Company 1 in this behalf.

6.8 It is expressly provided that, save as mentioned in this clause, no other term(s) or condition(s) of the Transferred Liabilities 1 is/are modified by virtue of this Scheme except to the extent that such amendment, if any, is required by necessary implications.

6.9 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, if approved by Hon'ble NCLT shall operate, notwithstanding anything to the contrary contained in any instruments, deeds or writings or the terms of sanction or issue or any security documents; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

7. TRANSFER OF CONTRACTS, AGREEMENTS, MOUs, PERMITS, QUOTAS AND LICENSES OF DEMERGED UNDERTAKING 1

7.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of agreements, memoranda of agreed points, letter of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, tenancy, leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking 1, to which the Demerged Company 1 is a party or to the benefits of which, the Demerged Undertaking 1 may be eligible and which are subsisting or having effect immediately before the Effective Date shall continue in full force and effect, on or against or in favour, as the case maybe, of the Resulting Company 1 and may be enforced as fully and effectually as if, instead of the Demerged Company 1, the Resulting Company 1 had been a party or beneficiary or oblige thereto or thereunder;

7.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, power, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses including application for registration of trademarks, storage & warehousing agreements, commission agreements, lease agreements, hire purchase agreements, franchise agreements in relation to the Demerged Undertaking 1 to which the Demerged Company 1 is a party or to the benefits of which the Demerged Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date shall be and remain in full force and effect in favour of or against Resulting Company 1 as the case may be, and may be enforced as fully and effectually, as if, instead of the Demerged Company 1, the Resulting Company 1 had been a party or beneficiary or obligee thereto;

7.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, FSSAI License, no objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark licenses including those relating to privileges, power, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking 1 shall stand transferred to or vested in the Resulting Company 1 without any further act or deed done by the Demerged Company 1 and the Resulting Company 1 and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company 1 upon the vesting and transfer of the Demerged Undertaking 1 pursuant to this Scheme.

7.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any such statutory and regulatory no-objection certificate, licenses, permissions, consents, approvals, authorisations or registration, trade mark licenses, including application for registration of trade mark as are jointly held for Demerged Undertaking 1 and the remaining business, including the statutory licenses, permissions or approvals, registration of trade mark under Trade Mark Act 1999, Sales Tax/ VAT, Goods & Service Tax, Service Tax, Shops and Establishment Act or consents required to carry on the operations in the remaining business, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorisations, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filings of this Scheme as sanctioned by the Hon'ble NCLT, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in the Resulting Company 1 without hindrance from the Appointed Date.

7.5 The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking 1 shall vest in and become available to the Resulting Company 1 pursuant to the Scheme becoming effective.

7.6 All contracts hitherto engaged by the Demerged Company 1 in relation to the Demerged Undertaking 1, upon the coming into effect of this Scheme and with effect from the Appointed Date, shall be deemed to be engaged by the Resulting Company 1 for the same purpose on the same terms and conditions.

7.7 If proceedings are taken against the Demerged Company 1 in respect of the Demerged Undertaking 1, it shall defend the same in accordance with the advice of the Resulting Company 1 and at the cost of the Resulting Company 1, and the latter shall reimburse and indemnify the Demerged Company 1, against all liabilities and obligations incurred by the Demerged Company 1 in respect thereof.

8. REMAINING UNDERTAKING

8.1 The Remaining Undertaking 1 and all the assets, liabilities and obligations, pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company 1 and Resulting Company 1 shall have no right, claim or obligation in relation to the Remaining Undertaking.

8.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company 1 under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company 1 (including those relating to any property, right, power, liability, obligations or duties of the Demerged Company 1 in the remaining business) shall be continued and enforced against the Demerged Company 1.

8.3 If proceedings are taken against the Resulting Company 1 in respect of the Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company 1 and at the cost of the Demerged Company 1, and the latter shall reimburse and indemnify the Resulting Company 1, against all liabilities and obligations incurred by the Resulting Company 1 in respect thereof.

9. EMPLOYEE MATTERS

9.1 On the Scheme of Arrangement taking effect as aforesaid, all officers and employees of the Demerged Company 1, engaged in the Demerged Undertaking 1, as identified by the Demerged Company 1 and in employment on the Effective Date, shall become the officers and employees of the Resulting Company 1 on such date as if they were in continuous service without any break or interruption in service and on the terms and conditions as to remuneration not less favourable than those subsisting with reference to the Demerged Company 1 as on the said date. All funds and benefits accumulated in respect of the above officers and employees shall also be transferred to the Resulting Company 1

9.2 The Resulting Company 1 undertakes to continue to abide by any agreements/settlements entered into by the Demerged Company 1 in respect of Demerged Undertaking 1 with any union/representative of the Employees of the Demerged Company 1. The Resulting Company 1 agrees that the services of all such employees with the Demerged Company 1 up to the Effective Date shall be taken into account for the purpose of all retirement benefits payable by the Resulting Company 1 to such employees subsequently. The Resulting Company 1 further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with the Demerged Company 1 shall also be taken into account and agrees and undertakes to pay the same as and when payable.

9.3 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund or benefits created by the Demerged Company 1 for the Employees related to the Demerged Undertaking 1 (collectively referred to as the 'Funds") the funds and such of the investments made by the Funds which are preferable to the Employees related to the Demerged Undertaking 1 being transferred to the Resulting Company 1 in terms of clause 9.1 above shall be transferred to the Resulting Company 1 and shall be held for their benefit pursuant to this Scheme.

9.4 The Resulting Company 1 in its sole discretion, will establish necessary funds to give effect to the above transfer or deposit the same in the Scheme governed under the applicable laws and rules made there under, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and/or Employees State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972. In the event that the Resulting Company 1 does not have its own funds in respect of any of the above, the Resulting Company 1 may, subject to necessary approvals and permissions, continue or contribute to the relevant funds of the Demerged Company 1, until such time that the Resulting Company 1 creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees related to Demerged Undertaking 1 shall be transferred to the funds created by the Resulting Company 1.

10. LEGAL PROCEEDING

10.1 From the Effective date, if any suit, appeal or other proceedings relating to Demerged Undertaking 1 of whatsoever nature (legal, taxation and other proceedings whether civil or criminal including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company 1 is pending the same shall be transferred to Resulting Company 1 and the proceedings shall be continued, prosecuted and enforced, by or against the Resulting Company 1 to the extent legally permissible in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company 1, as if this Scheme had not been made.

11. TREATMENT OF TAXES AND OTHER PROVISION

11.1 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties (including but not limited to income tax, service tax, excise duty, Goods and Services Tax, Central Sales Tax, applicable state value added tax. etc.) paid or payable by Demerged Company 1, and relating to the operations of the Demerged Undertaking 1 including all advance tax payments, tax deducted at source shall, for all purposes, be treated as tax, duty or cess liability, advance tax payments, tax deducted at source, as the case may be, of Resulting Company 1.

11.2 Upon the Scheme becoming effective, the Demerged Company 1 and the Resulting Company 1 shall be permitted to revise their respective financial statements and returns along with prescribed Forms, filings and annexures under the Income-tax Act, 1961, Central Tax, applicable State Value Added Tax Law, Excise Duty Laws, and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme and to claim refunds/credits, pursuant to provisions of this scheme.

11.3 Upon the Scheme becoming effective, the Demerged Company 1 and the Resulting Company 1 would undertake appropriate filings under the Goods & Service Tax Rules, to facilitate claim of refunds and/or transfer of credit for taxes paid and for matters incidental thereto in relation to the Demerged Undertaking 1 available with the Demerged Company 1.

11.4 Any refunds or credits, benefit or carry forward losses and other statutory benefits under the Income-tax Act, 1961, Service Tax laws, Excise Duty Laws, Central Sales Tax, Goods and Services Tax, Applicable State Value Added Tax Laws or other applicable laws/ regulations dealing with taxes/duties/levies due to Demerged Company 1 relating to Demerged Undertaking 1including refunds, benefits or credits consequent to the assessment made on Demerged Company 1 (including any refund for which no credit is taken in the accounts of the Demerged Company 1) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company 1 upon this Scheme becoming effective.

11.5 Further, any tax deducted at source by Demerged Company 1 with respect to Demerged Undertaking 1 on transactions with the Resulting Company 1, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company 1 and shall, in all proceedings, be dealt with accordingly and *vice versa.*

11.6 Upon the Scheme coming into effect, any obligation of tax deduction at source on any payment made by or to be made by the Demerged Company 1 relating to Demerged Undertaking 1 shall be made or deemed to have been made and duly complied with by the Resulting Company 1.

12. OTHER PROVISIONS

12.1 The Demerged Company 1 and the Resulting Company 1 may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, if required, for the ease of the Demerged Company 1, the Resulting Company 1 and the counter party concerned in relation to the Remaining Business and the Demerged Undertaking 1, without any obligations to do so and without modification of any commercial terms or provisions in relation thereto.

12.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company 1 shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company 1 and relating to the Demerged Undertaking 1. The Demerged Company 1 and the Resulting Company 1 are jointly and severally authorised to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

13. CONDUCT OF BUSINESS

13.1 With effect from the Appointed Date and up to and including the Effective Date:

(a) The Demerged Company 1 undertakes to carry on and shall be deemed to carry on all business and activities relating to the Demerged Undertaking 1 for and on account of and in trust for the Resulting Company 1;

(b) All income, expenditures including management costs, profits accruing to the Demerged Company 1 and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking 1 shall, for all purposes, be treated as the income, expenditure, profits or losses, as the case may be, of the Resulting Company 1; and

(c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Company 1 and exercised by or available to the Demerged Company 1, in relation to the Demerged Undertaking 1 shall be deemed to have been exercised by the Demerged Company 1 for and on behalf of and as an agent for the Resulting Company 1. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Demerged Undertaking 1 that have been undertaken or discharged by the Demerged Company 1 shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company 1.

13.2 With effect from the Effective Date, the Resulting Company 1 shall be duly authorised to carry on the business of the Demerged Undertaking 1 previously carried on by the Demerged Company 1.The Resulting Company 1 unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking 1 with effect from the Appointed Date, in order to give effect to the foregoing provisions.

13.3 To avoid any undue hardship to Demerged Company 1 or Resulting Company 1 on account of disruption of business post the Effective Date, the Resulting Company 1 shall be entitled to use all the business authorizations, including licenses, contracts etc., having the name of the Demerged Company 1 in connection with the Demerged Undertaking 1, till such authorizations are issued afresh / transferred /renewed in the name of the Resulting Company 1.

14. SAVING OF CONCLUDED TRANSAACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking 1 and continuance of the proceedings by or against the Resulting Company 1 shall not in any manner affect any transaction or proceedings, contracts or deeds already concluded by the Demerged Company 1 (in respect of the Demerged Undertaking 1) on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company 1 accepts and adopts all such acts, deeds and things done and executed by and/or on behalf of the Demerged Company 1 as acts, deeds and things done and executed by and on behalf of the Resulting Company 1.

15. CHANGE IN OBJECT CLAUSES OF THE RESULTING COMPANY 1

15.1 Upon the Scheme becoming effective, Clause III(A) of the Memorandum of Association of the Resulting Company 1 shall stand altered without any further act or deed to include the following after Sub Clause (1C) and no separate Resolution, contemplated by the provisions of Section 13 and other applicable provisions, if any, of the Act and rules made thereunder, is required and other remaining clauses be renumbered sequentially accordingly:

"…

2. *To carry on the business of manufacture, process, develop, grow, buy, sell, import, export or otherwise deal in the business of poultry farm, hatchery, goatery, dairy, fisheries, broilers, breeder, layer and/or cockerel farm;*

3. *To set up retail chain of outlets to sale poultry & dairy products, to run central kitchen system and to set up automatic chicken dress plant, cold storage; and*

4. *To carry on the business of manufacture, trading, supply agency, dealership of organic fertilizer plant."*

15.2 Approval of the shareholders of the Resulting Company 1 to the Scheme pertaining to demerger of Demerged Undertaking 1 shall be considered as the approval required under the provisions of the Act for the above alteration of the Main Object Clause of Memorandum of Association of the Company as set out above.

15.3 For the purpose of amendment in the Memorandum of Association of the Resulting Company 1 as provided in this clause, the consent/approval given by the members of the Resulting Company 1 to this Scheme pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act shall be deemed to be sufficient and no further resolution of members of the Resulting Company 1 as required under the provisions of Sections 13 and other applicable provisions, if any, of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association of the Resulting Company 1 and filing of the certified copy of this Scheme as sanctioned by NCLT, in terms of Section 230-232 of the 2013 Act and any other applicable provisions of the 2013 Act, together with the Order of the NCLT and a printed copy of the Memorandum of Association for the purpose of the said Sections 13 and all other applicable provisions of the Act and the Registrar of Companies shall register the same and make the necessary alteration in the Memorandum of Association of the Resulting Company 1 accordingly and shall certify the registration thereof in accordance with the provisions of Sections 13 and other applicable provisions, if any, of the Act .

15.4 The Resulting Company 1 shall file with the concerned Registrar of Companies, requisite forms as required under the Act.

16. ISSUE OF SHARES

16.1 Upon the coming into effect of the Scheme and in consideration of transfer and vesting of the Demerged Undertaking 1 in the Resulting Company 1 pursuant to Part-B of the Scheme, the Resulting Company 1 shall, without any further application, act, instrument or deed and without any further payment, issue and allot equity or 5% Non-Cumulative Optionally Convertible Preference Shares ('OCPS') (Terms & Conditions is annexed herewith as ***Annexure B***) mentioned as under:-

(i) To each member of the Demerged Company 1 whose name is recorded in the Register of Members of the Demerged Company 1 (other than shares already held therein immediately before the Demerger, or by nominee for, the Resulting Company 1) on the Record Date or his/her/its legal heirs, executors or successors as the case may be, 4 (four) Equity Shares or OCPS of face value of Rs. 100 (one hundred) each at par in Resulting Company 1 for every 21 (twenty one) Equity Shares of face value of Rs. 10 (ten) each held by them in Demerged Company 1, as per the option selected by the Shareholder.

(ii) The Resulting Company 1 shall, within 30 days from the Record date address a letter by registered post seeking option of each shareholder of Demerged Company 1. If a shareholder does not exercise the option within the prescribed period, which shall not be less than 14 clear days, the Resulting Company 1 shall assume that the shareholder of Demerged Company 1 has opted to receive OCPS of Resulting Company 1 and shall issue and allot the shares in not more than 30 days from the last date of exercising option.

16.2 In case any member's holding in the Demerged Company 1 is such that the member entitled to a fraction of any equity shares in the Resulting Company 1, the same shall be rounded off to the nearest whole number. Necessary adjustment of such additional or lesser consideration shall be carried in the reserves of the Resulting Company 1 as may be required under the law and Board of Directors may deem fit.

16.3 The Resulting Company 1 shall not issue shares against the shares held by the Resulting Company 1 in the Demerged Company 1 either itself or through its nominees, under this Scheme.

16.4 The new equity shares or OCPS, as the case may be, to be issued and allotted in terms of this Scheme will be subject to the provisions of Memorandum and Articles of Association of the Resulting Company 1. The said Equity Shares of the Resulting Company 1 to be issued to Shareholders of the Demerged Company 1 pursuant to the clause 16.1 above shall rank *pari-passu* in all respects with the existing equity shares of the Resulting Company 1.

16.5 In the event of there being any pending and valid shares transfers, whether lodged or outstanding of any Members of the Demerged Company 1, the Board of Directors or any committee thereof of the Demerged Company 1 shall be empowered in appropriate cases, even subsequent to the Appointed Date or the Effective Date, as the case may be, to effectuate such a transfer in the Demerged Company 1, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting Company 1 of such shares.

16.6 The issue and allotment of equity shares or OCPS to members of Demerged Company 1 as provided in this Scheme, is an integral part thereof and shall be deemed to be made in compliance with the procedure laid down under Section 42, 55, 62 and other applicable provisions of the Act and no separate approvals/procedures etc. required to be carried out under the Act. The approval of the members for the Scheme shall be deemed to be approval under Section 42, 55, 62 and other applicable provisions, if any, of the Act.

16.7 To accommodate such issue and allotment of Equity Shares or OCPS, as the case may be by the Resulting Company 1, might result in increase in its paid up share capital. The authorized equity share capital or OCPS of the Resulting Company 1 shall be adequately enhanced by Equity Shares or OCPS, as the case may be, as an integral part of the Scheme, without any further act, instrument or deed by the Resulting Company 1 and the Board of Directors of the Resulting Company 1 deemed to have been duly empowered to implement the same in accordance with the Scheme/ Act.

16.8 Subsequent to enhancement of authorized share capital of the Resulting Company 1 as contemplated herein, existing Clause V of the Memorandum of Association shall, without any further act, instrument or deed, be and stand altered, modified and amended suitably pursuant to Sections 13, 14, 61 and other applicable provisions of the Act as the case may be.

16.9 It is hereby clarified that for the purposes of clause 16.7 above the consent/approval given by the members of the Resulting Company 1 to this Scheme pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in the authorized share capital of the Resulting Company 1, and no further resolutions or actions under Section 13, 14, 61 of the Act would be required to be separately passed or taken. However, the Resulting Company 1 shall file the requisite documents with the relevant Registrar of Companies, which has jurisdiction over the Resulting Company 1, for such increase of its authorized share capital, as aforesaid.

17. ACCOUNTING TREATMENT

17.1 ***Treatment in the books of the Demerged Company 1***

Pursuant to Part B of the Scheme coming into effect, the Demerged Company 1 shall account for demerger of Demerged Undertaking 1 in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (Ind AS). It would *inter alia* include the following:

17.1.1 The Demerged Company 1 shall in its books of accounts, reduce the respective carrying values of the assets and liabilities of the Demerged Undertaking 1 being transferred to and vested in Resulting Company 1 at values appearing in Books of Accounts of the Demerged Company 1 as on the Appointed Date.

17.1.2 The aggregate of the net assets (i.e., difference between the carrying value of assets and liabilities related to Demerged Undertaking 1) standing in the books of accounts of the Demerged Company 1 transferred to the Resulting Company 1 on the Appointed Date, shall be first adjusted against the balance in Securities Premium Account of the Demerged Company 1 and thereafter against the credit balance in Profit & Loss Account of the Demerged Company 1.

17.1.3 The reduction in the Securities Premium Account of the Demerged Company 1 shall be effected as an integral part this Scheme in accordance with the provisions of Section 52 and Section 66 of the Act and the order of the NCLT sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction.

17.2 ***Treatment in the books of the Resulting Company 1***

Pursuant to Part B of the Scheme, the Resulting Company 1 shall account for the Demerger of Demerged Undertaking 1, using pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard (IND AS) 103 – 'Business Combinations'. It shall *inter alia* include the following:

17.2.1 the Resulting Company 1 shall record all the assets and liabilities of the Demerged Undertaking 1 transferred to it in pursuance of this Scheme at their respective carrying values appearing in the books of account of the Demerged Company 1 as on the Appointed Date.

17.2.2 The Resulting Company 1 shall credit its share capital account, with the aggregate face value of the new equity or OCPS shares issued to the shareholders of the Demerged Company 1 pursuant to demerger of Demerged Undertaking 1.

17.2.3 To the extent there are inter-company balance(s) and transaction(s) between the Resulting Company 1 and the Demerged Undertaking 1, if any, the rights and obligations in respect thereof will stand cancelled.

17.2.4 The difference, if any, from the accounting under the clause 17.2.1 and 17.2.2, shall be recorded as capital reserve in the books of Resulting Company 1.

17.2.5 The financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the earliest period presented in the financial statements, irrespective of the actual date of the combination.

17.2.6 In case of any differences in accounting policy followed by the Demerged Company 1 in respect of Demerged Undertaking 1 *vis-à-vis* the accounting policy followed by the Resulting Company 1, the impact of the same till the Appointed Date will be quantified and adjusted in the Reserves of the Resulting Company 1, to ensure that upon the coming into effect of this Scheme, the financial statements of the Resulting Company 1 reflect the financial position on the basis of a consistent accounting policy.

PART C

TRANSFER AND VESTING OF PET FEED UNDERTAKING (DEMERGED UNDERTAKING 2) OF ABIS EXPORTS (INDIA) PRIVATE LIMITED (DEMERGED COMPANY 2) INTO DROOLS PET FOOD PRIVATE LIMITED (FORMERLY KNOWN AS DROOLS PET FEED PRIVATE LIMITED) (RESULTING COMPANY 2) (REFERRED TO AS "DEMERGER 2")

18. TRANSFER AND VESTING OF DEMERGED UNDERTAKING 2

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Section 230 to 232 read with Section 66 and other applicable provisions, if any, of the Act, and pursuant to the Orders of the Hon'ble NCLT or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instruments, deed, matter or thing the Demerged Undertaking 2 shall stand demerged and transferred and be vested in the Resulting Company 2 as a going concern, together with all its properties, assets, liabilities, obligations, rights, titles, benefits and interests therein.

19. TRANSFER OF ASSETS

19.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all assets relating to the Demerged Undertaking 2 as are movable or immovable in nature (including land together with the buildings and structures standing thereon) or are otherwise capable of transfer by delivery or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company 2 and shall become the property and an integral part of the Resulting Company 2. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

19.2 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company 2 relating to the Demerged Undertaking 2, other than those specified in clause 19.1 above, including sundry debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balance and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company 2.

19.3 Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, right, title, interest and authorities acquired by the Demerged Company 2 after the Appointed Date but prior to the Effective Date pertaining to the Demerged Undertaking 2 shall also stand transferred to and vested in the Resulting Company 2 upon coming into effect of the Scheme.

19.4 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all intangible assets including Intellectual Property Rights of the Demerged Company 2 relating to the Demerged Undertaking 2 whether or not recorded in the books of accounts of the Demerged Company 2, if any, shall without any further act, instrument or deed, become the property of the Resulting Company 2.

19.5 It is hereby clarified that if any assets in relation to the Demerged Undertaking 2 which Demerged Company 2 owns, cannot be transferred to Resulting Company 2 for any reason whatsoever, Demerged Company 2 shall hold such asset in trust for the benefit to Resulting Company 2.

19.6 Upon this scheme becoming effective, the past track record of the Demerged Company 2 relating to each of the Demerged Undertaking 2, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of Resulting Company 2 for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of Resulting Company 2 in all existing and future bids, tenders and contracts of all authorities, agencies and clients

20. TRANSFER OF LIABILITIES AND RELATED SECURITIES/ CHARGES:

20.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, whether recorded or not, of the Demerged Company 2 relating to the Demerged Undertaking 2 as on the close of business on the day immediately preceding the Appointed Date (hereinafter referred to as the Transferred Liabilities 2) shall become the debts, liabilities, duties and obligations of the Resulting Company 2 upon the Scheme becoming effective. Resulting Company 2 shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company 2.

20.2 All the debts, liabilities, duties and obligation, secured and unsecured, whether recorded or not, relating to the remaining business shall continue to remain in the Demerged Company 2.

20.3 Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the liabilities and obligations of the Demerged Undertaking 2 as on the Appointed Date deemed to be transferred to the Resulting Company 2 have been discharged by the Demerged Company 2 after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been taken for and on account of the Resulting Company 2.

20.4 All loans raised and used and all liabilities and obligations incurred by the Demerged Company 2 for the operations of the Demerged Undertaking 2 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Resulting Company 2 and to the extent they are outstanding on the Effective date shall also without any further act or deed be and stand transferred to the Resulting Company 2 and shall become liabilities of the Resulting Company 2 which shall meet, discharge and satisfy the same. Such liabilities shall also form part of the Transferred Liabilities as defined hereinabove.

20.5 Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities 2 of the Demerged Undertaking 2 is concerned, such security shall continue to extend to and operate over the assets comprised in the Demerged Undertaking 2, as the case may be, which have been charged in respect of the Transferred Liabilities 2 as transferred to the Resulting Company 2 pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking 2 which have not been charged or secured in respect of the Transferred Liabilities 2, such assets shall be transferred to the Resulting Company 2 as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities 2.

20.6 Without prejudice to the provisions of the foregoing clause and upon the Scheme becoming effective, the Demerged Company 2 and the Resulting Company 2, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions.

20.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company2 alone shall be liable to perform all obligations in respect of the Transferred Liabilities 2 and the Demerged Company 2 shall not have any obligations in respect of the Transferred Liabilities 2, and the Resulting Company 2 shall indemnify the Demerged Company 2 in this behalf.

20.8 It is expressly provided that, save as mentioned in this Clause, no other term(s) or condition(s) of the Transferred Liabilities 2 is/are modified by virtue of this Scheme except to the extent that such amendment if any, is required by necessary implications.

20.9 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme if approved by Hon'ble NCLT shall operate, notwithstanding anything to the contrary contained in any instruments, deed or writing or the terms of sanction or issue or any security documents; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

21. TRANSFER OF CONTRACTS, AGREEMENTS, MOUs, PERMIT, QUOTAS AND LICENSE OF DEMERGED UNDERTAKING 2

21.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of agreements, memoranda of agreed points, letter of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, tenancy or leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking 2, to which the Demerged Company 2is a party or to the benefits of which, the Demerged Undertaking 2 may be eligible and which are subsisting or having effect immediately before the Effective Date shall continue in full force and effect, on or against or in favour, as the case may be of the Resulting Company 2 and may be enforced as fully and effectually as if, instead of the Demerged Company 2, the Resulting Company 2 had been a party or beneficiary or obligee thereto or thereunder;

21.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, power, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses including application for registration of trade mark, storage & warehousing agreements, commission agreements, lease agreements, hire purchase agreements, franchise agreements in relation to the Demerged Undertaking 2 to which the Demerged Company 2 is a party or to the benefits of which the Demerged Company 2 may be eligible and which are subsisting or having effect immediately before the Appointed Date shall be and remain in full force and effect in favour of or against Resulting Company 2 as the case may be, and may be enforced as fully and effectually, as if, instead of the Demerged Company 2, the Resulting Company 2 had been a party or beneficiary or obligee thereto;

21.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, FSSAI License, no objection certificates, permissions, approvals, consent, quotas, rights, entitlements, trade mark license including application for registration of trade mark, licenses including those relating to privileges, power, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking 2 shall stand transferred to or vested in the Resulting Company 2 without any further act or deed done by the Demerged Company 2 and the Resulting Company 2 and shall be appropriately mutated by the statutory Authorities concerned therewith in favour of the Resulting Company 2 upon the vesting and transfer of the Demerged Undertaking 2 pursuant to this Scheme.

21.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any such statutory and regulatory no-objection certificate, licenses, permissions, consents, approvals, authorisations or registration, trade mark licenses, including application for registration of trade mark as are jointly held for Demerged Undertaking 2 and the remaining business, including the statutory licenses, permissions or approvals, registration of trade mark under Trade Marks Act 1999, Sales Tax/ VAT, Goods & Services Tax, Service Tax, Shops and Establishment Act, etc. or consents required to carry on the operations in the remaining business, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorisations, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and/or mutate or record the separation, pursuant to the filings of this Scheme as sanctioned by the Hon'ble NCLT, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in the Resulting Company 2 without hindrance from the Appointed Date.

21.5 The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents etc. required to carry on the operations of the Demerged Undertaking 2 shall vest in and become available to the Resulting Company 2 pursuant to the Scheme becoming effective.

21.6 All contracts hitherto engaged by the Demerged Company 2 in relation to the Demerged Undertaking 2, upon the coming into effect of this Scheme and with effect from Appointed Date shall be deemed to be engaged by the Resulting Company 2 for the same purpose on the same terms and conditions.

21.7 If proceedings are taken against the Demerged Company 2 in respect of Demerged Undertaking 2, it shall defend the same in accordance with the advice of the Resulting Company 2 and at the cost of the Resulting Company 2, and the latter shall reimburse and indemnify the Demerged Company 2, against all liabilities and obligations incurred by the Demerged Company 2 in respect thereof.

22. REMAINING UNDERTAKING 2

22.1 The Remaining Undertaking 2 and all the assets, liabilities and obligations, pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company 2 and Resulting Company 2 shall have no right, claim or obligation in relation to the Remaining Undertaking 2.

22.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or Tribunal) by or against the Demerged Company 2 under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Undertaking of the Demerged Company 2 (including those relating to any property, right, power, liability, obligations or duties of the Demerged Company 2 in the remaining business) shall be continued and enforced against the Demerged Company 2.

22.3 If proceedings are taken against the Resulting Company 2 in respect of Remaining Undertaking, it shall defend the same in accordance with the advice of the Demerged Company 2 and at the cost of the Demerged Company 2, and the latter shall reimburse and indemnify the Resulting Company 2, against all liabilities and obligations incurred by the Resulting Company 2 in respect thereof.

23. EMPLOYEE MATTERS

23.1 On the Scheme of Arrangement taking effect as aforesaid, all officers and employees of the Demerged Company 2, engaged in the Demerged Undertaking 2, as identified by the Demerged Company and in employment on the Effective Date, shall become the officers and employees of the Resulting Company 2 on such date as if they were in continuous service without any break or interruption in service and on the terms and conditions as to remuneration not less favourable than those subsisting with reference to the Demerged Company 2 as on the said date. All funds and benefits accumulated in respect of the above officers and employees shall also be transferred to the Resulting Company 2.

23.2 The Resulting Company 2 undertakes to continue to abide by any agreements/settlements entered into by the Demerged Company 2 in respect of Demerged Undertaking 2 with any union/representative of the Employees of the Demerged Company 2. The Resulting Company 2 agrees that the services of all such employees with the

Demerged Company 2 up to the Effective Date shall be taken into account for the purpose of all retirement benefits payable by the Resulting Company 2 to such employees subsequently. The Resulting Company 2 further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with the Demerged Company 2 shall also be taken into account and agrees and undertakes to pay the same as and when payable.

23.3 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund or benefits created by the Demerged Company 2 for the Employees related to the Demerged Undertaking 2 (collectively referred to as the 'Funds") the funds and such of the investments made by the Funds which are preferable to the Employees related to the Demerged Undertaking 2 being transferred to the Resulting Company 2 in terms of clause 23.1 above shall be transferred to the Resulting Company 2 and shall be held for their benefit pursuant to this Scheme.

23.4 The Resulting Company 2 in its sole discretion, will establish necessary funds to give effect to the above transfer or deposit the same in the scheme governed under the applicable laws and rules made there under, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and/or Employees State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972. In the event that the Resulting Company 2 does not have its own funds in respect of any of the above, the Resulting Company 2 may, subject to necessary approvals and permissions, continue or contribute to the relevant funds of the Demerged Company 2, until such time that the Resulting Company 2 creates its own fund, at which time the Funds and the investments and contributions pertaining to the Employees related to Demerged Undertaking 2 shall be transferred to the funds created by the Resulting Company 2.

24. LEGAL PROCEEDING

24.1 From the Effective date, if any suit, appeal or other proceedings relating to Demerged Undertaking 2 of whatsoever nature (legal, taxation and other proceedings whether civil or criminal including before any statutory or quasi-judicial authority or Tribunal) by or against the Demerged Company 2 is pending the same shall be transferred to Resulting Company 2 and the proceedings shall be continued, prosecuted and enforced, by or against the Resulting Company 2 to the extend legally permissible in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company 2, as if this Scheme had not been made.

25. TREATMENT OF TAXES AND OTHER PROVISION

25.1 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties (including but not limited to income tax, service tax, excise duty, Goods and Services Tax, Central Sales Tax, applicable state value added tax. etc.) paid or payable, by Demerged Company 2, and relating to the operations of the Demerged Undertaking 2 including all advance tax payments, tax deducted at source shall, for all purposes, be treated as tax, duty or cess liability, advance tax payment, tax deducted at source, as the case may be, of Resulting Company 2.

25.2 Upon the Scheme becoming effective, the Demerged Company 2 and the Resulting Company 2 shall be permitted to revise their respective financial statements and returns along with prescribed Forms, filing and Annexures under the Income-tax Act, 1961, central tax, applicable state value added tax law, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme and to claim refunds/credits, pursuant to provisions of the Scheme.

25.3 Upon the Scheme becoming effective, the Demerged Company 2 and the Resulting Company 2 would make appropriate filings under the Goods & Service Tax Rules, to facilitate the transfer of input GST credit in relation to the Demerged Undertaking 2 available with the Demerged Company 2.

25.4 Any refunds or credits, benefit of carried forward losses and other statutory benefits under the Income-tax Act, 1961, Service tax laws, excise duty laws, central sales tax, Goods & Service Tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/duties/levies due to Demerged Company 2relating to Demerged Undertaking 2 including refunds, benefits or credits consequent to the assessment made on Demerged Company 2 (including any refund for which no credit is taken in the accounts of the Demerged Company 2) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company 2 upon this Scheme becoming effective.

25.5 Further, any tax deducted at source by Demerged Company 2 with respect to Demerged Undertaking 2 on transactions with the Resulting Company 2, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company 2 and shall, in all proceedings, be dealt with accordingly.

25.6 Upon the Scheme coming into effect, any obligation of tax deduction at source on any payment made by or to be made by the Demerged Company 2 relating to Demerged Undertaking 2 shall be made or deemed to have been made and duly complied with by the Resulting Company 2.

26. OTHER PROVISIONS

26.1 The Demerged Company 2 and the Resulting Company 2 may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, if required, for the ease of the Demerged Company 2, the Resulting Company 2 and the counter party concerned in relation to the Remaining Business and the Demerged Undertaking 2, without any obligations to do so and without modification of any commercial terms or provisions in relation thereto.

26.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company 2 shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company 2 and relating to the Demerged Undertaking 2. The Demerged Company 2 and the Resulting Company 2 are jointly and severally authorised to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

27. CONDUCT OF BUSINESS

27.1 With effect from the Appointed Date and up to and including the Effective Date:

(a) The Demerged Company 2 undertake to carry on and shall be deemed to have been carrying on all business and activities relating to the Demerged Undertaking 2 for and on account of and in trust for the Resulting Company 2;

(b) All income, expenditures including management costs, profits accruing to the Demerged Company 2 and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking 2 shall, for all purposes, be treated as the income, expenditure, profits or losses, as the case may be, of the Resulting Company 2; and

(c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Company 2 and exercised by or available to the Demerged Company 2, in relation to the Demerged Undertaking 2 shall be deemed to have been exercised by the Demerged Company 2 for and on behalf of and as an agent for the Resulting Company 2. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Demerged Undertaking 2 that have been undertaken or discharged by the Demerged Company 2 shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company 2.

27.2 With effect from the Effective Date, the Resulting Company 2 shall be duly authorised to carry on the business of the Demerged Undertaking 2 previously carried on by the Demerged Company 2.

27.3 The Resulting Company 2 unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking 2 with effect from the Appointed Date, in order to give effect to the foregoing provisions.

27.4 To avoid any undue hardship to Demerged Company 2 or Resulting Company 2 on account of disruption of business post the Effective Date, the Resulting Company 2 shall be entitled to use all the business authorizations, including licenses, contracts etc., having the name of the Demerged Company 2 in connection with the Demerged Undertaking 2, till such authorizations are issued afresh / transferred /renewed in the name of the Resulting Company 2.

28. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking 2 and continuance of the proceedings by or against the Resulting Company 2 shall not in any manner affect any transaction or proceedings, contracts and deeds already concluded by the Demerged Company 2 (in respect of the Demerged Undertaking 2) on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company 2 accepts and adopts all such acts, deeds and things done and executed by and/or on behalf of the Demerged Company 2 as acts, deeds and things done and executed by and on behalf of the Resulting Company 2.

29. ISSUE OF SHARES

29.1 Upon the coming into effect of the Scheme and in consideration of transfer and vesting of the Demerged Undertaking 2 in the Resulting Company 2 pursuant to Part C of the Scheme, the Resulting Company 2 shall, without any further application, act, instrument or deed and without any further payment, issue and allot equity or 5% Non-cumulative OCPS (Terms & Conditions is annexed herewith as ***Annexure C***) mentioned as under:-

(i) To each member of the Demerged Company 2 whose name is recorded in the Register of Members of the Demerged Company 2 (other than shares already held therein immediately before the Demerger, or by nominee for, the Resulting Company 2) on the Record Date or his/her/its legal heirs, executors or successors as the case may be,1 (one) Equity Shares or OCPS of face value of Rs.10 (ten) each at par as the case may be in Resulting Company 2 for every 1 (one) equity Shares of face value of Rs. 10 (ten) each held by them in Demerged Company 2, as per the option selected by the Shareholder.

(ii) The Resulting Company 2 shall, within 30 days from the Record date of the sanction of the Scheme address a letter by registered post seeking option of each shareholder of Demerged Company 2. If a shareholder does not exercise the option within the prescribed period, which shall not be less than 14 clear days, the Resulting Company 2 shall assume that the shareholder of Demerged Company 2 has opted to receive OCPS of Resulting Company 2 and shall issue and allot the OCPS in not more than 30 days from the last date of exercising option.

29.2 In case any member's holding in the Demerged Company 2 is such that the member entitled to a fraction of any equity shares in the Resulting Company 2, the same shall be rounded off to the nearest whole number. Necessary adjustment of such additional or lesser consideration shall be carried in the reserves of the Resulting Company 2 as may be required under the law and Board of Directors may deem fit.

29.3 The new equity shares or OCPS, as the case may be, to be issued and allotted in terms of this Scheme will be subject to the provisions of Memorandum and Articles of Association of the Resulting Company 2. The said Equity Shares of the Resulting Company 2 to be issued to Shareholders of the Demerged Company 2 pursuant to the clause 29.1 above shall rank *pari-passu* in all respects with the existing equity shares of the Resulting Company 2.

29.4 In the event of there being any pending and valid shares transfers, whether lodged or outstanding of any Members of the Demerged Company 2, the Board of Directors or any committee thereof of the Demerged Company 2 shall be empowered in appropriate cases, even subsequent to the Appointed Date or the Effective Date, as the case may be, to effectuate such a transfer in the Demerged Company 2, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting Company 2 of such shares.

29.5 The issue and allotment of equity shares or OCPS to members of Demerged Company 2 as provided in this Scheme, is an integral part thereof and shall be deemed to be made in compliance with the procedure laid down under Section 42, 55, 62 and other applicable provisions of the Act and no separate approvals/procedures etc. required to be carried out under Companies Act, 2013. The approval of the members for the Scheme shall be deemed to be approval under Section 42, 55, 62 and other applicable provisions, if any, of the Act.

29.6 To accommodate such issue and allotment of Equity Shares or OCPS, as the case may be by Resulting Company 2, might result in increase in its paid up share capital. The authorized equity share capital or OCPS of Resulting Company 2 shall be adequately enhanced by Equity Shares or OCPS as the case may be as an integral part of the Scheme, without any further act, instrument or deed by Resulting Company 2 and the Board of Directors of the Resulting Company 1 deemed to have been duly empowered to implement the same in accordance with the Scheme/ Act..

29.7 Subsequent to enhancement of authorized share capital of Resulting Company 2 as contemplated herein, existing Clause V. of the memorandum of association of Resulting Company 2, shall, without any further act, instrument or deed, be and stand altered, modified and amended suitably pursuant to Sections 13, 14, 61 and other applicable provisions of the Act as the case may be.

29.8 It is hereby clarified that for the purposes of Clauses 29.6 above the consent/approval given by the members of the Resulting Company 2 to this Scheme pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in the authorized share capital of Resulting Company 2, and no further resolutions or actions under Section 13, 14, 61 of the Act would be required to be separately passed or taken. However, Resulting Company 2 shall file the requisite documents with the relevant Registrar of Companies, which has jurisdiction over Resulting Company 2, for such increase of its authorized share capital, as aforesaid.

30. ACCOUNTING TREATMENT

30.1 ***Treatment in the books of the Demerged Company 2***

Pursuant to Part C of the Scheme coming into effect, the Demerged Company 2 shall account for demerger of Demerged Undertaking 2 in its books as per the applicable accounting principles prescribed under relevant Indian Accounting Standards (IndAS). It would *inter alia* include the following:

30.1.1 The Demerged Company 2 shall in its books of accounts, reduce the respective carrying values of the assets and liabilities of the Demerged Undertaking 2 being transferred to and vested in Resulting Company 2 at values appearing in Books of Accounts of the Demerged Company 2 as on the Appointed Date.

30.1.2 The investment of Demerged Company 2 into the Equity Shares Capital of Resulting Company 2 either itself or through its nominee, as on the effective Date, if any, shall stand cancelled in accordance with Part D of the Scheme.

30.1.3 The aggregate of the net assets (i.e., difference between the carrying value of assets and liabilities related to Demerged Undertaking 2) standing in the books of accounts of the Demerged Company 2 transferred to the Resulting Company 2 on the Appointed Date, shall be first adjusted against the balance in Securities Premium Account of the Demerged Company 2 and thereafter against the credit balance in Profit & Loss Account of the Demerged Company 2.

30.1.4 The reduction, if any, in the Securities Premium Account of the Demerged Company 2 shall be effected as an integral part this Scheme in accordance with the provisions of Section 52 and Section 66 of the Act and the order of the NCLT sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction.

30.2 ***Treatment in the books of the Resulting Company 2.***

Pursuant to Part C of the Scheme, the Resulting Company 2 shall account for the Demerger of Demerged Undertaking 2 pursuant to this Scheme, using pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Indian Accounting Standard (IND AS) 103 – 'Business Combinations'. It shall *inter alia* include the following:

30.2.1 the Resulting Company 2 shall record all the assets and liabilities of the Demerged Undertaking 2 transferred to it in pursuance of this Scheme at their respective carrying values appearing in the books of account of the Demerged Company 2 as on the Appointed Date.

30.2.2 The Resulting Company 2 shall credit its share capital account, with the aggregate face value of the new equity or OCPS shares issued as the case may be to the shareholders of the Demerged Company 2 pursuant to demerger of Demerged Undertaking 2.

30.2.3 To the extent there are inter-company balance(s) and transaction(s) between the Resulting Company 2 and the Demerged Undertaking 2, if any, the rights and obligations in respect thereof will stand cancelled.;

30.2.4 The difference, if any, from the accounting under the clause 30.2.1 and 30.2.2, shall be recorded as capital reserve in the books of Resulting Company 2.

30.2.5 In case of any differences in accounting policy followed by the Demerged Company 2 in respect of Demerged Undertaking 2 *vis-à-vis* the accounting policy followed by the Resulting Company 2, the impact of the same till the Appointed Date will be quantified and adjusted in the Reserves of the Resulting Company 2, to ensure that upon the coming into effect of this Scheme, the financial statements of the Resulting Company 2 reflect the financial position on the basis of a consistent accounting policy.

PART D

REDUCTION AND CANCELLATION OF THE EXISTING EQUITY SHARE CAPITAL OF THE RESULTING COMPANY 2

31. REDUCTION AND CANCELLATION OF EXISTING EQUITY SHARE CAPITAL OF THE RESULTING COMPANY 2

31.1 Immediately upon Implementation of Part C of the Scheme and with effect from the Effective Date and upon allotment of the New Equity Shares/ OCPS by the Resulting Company 2 to the shareholders of Demerged Company 2, the entire pre-demerger paid up equity share capital of the Resulting Company 2 shall stand cancelled, extinguished and annulled and the paid up capital of the Resulting Company 2 to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company 2, pursuant to section 66 of the Act as also any other applicable provisions of the Act.

31.2 The reduction of the share capital of the Resulting Company 2 shall be effected as an integral part of the Scheme itself, without having to follow the process under section 66 of the Act separately and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under section 66 of the Act confirming the reduction.

31.3 On effecting the reduction of the share capital as stated in Clause 31.1 above, the share certificates in respect of such shares cancelled by the Resulting Company 2 and held by their respective holders shall also be deemed to have been cancelled.

31.4 The cancellation of the shares held by the Demerged Company 2 in the Resulting Company 2 is to be appropriately adjusted with share capital/ share premium of the Resulting Company 2 (pursuant to the provisions of the section 230 to 232 read with section 52 and section 66 and other applicable provisions, if any, of the Act.)

31.5 On the Effective Date, the Resulting Company 2 shall debit its share capital account in its books of account with the aggregate face value of such cancelled shares.

31.6 The capital reserve in the books of the Resulting Company 2 shall be increased to the extent to the amount of such cancelled shares.

31.7 Notwithstanding the reduction in the equity share capital of the Resulting Company 2, the Resulting Company shall not be required to add “And Reduced” as suffix to its name.

PART E

GENERAL TERMS & CONDITIONS

32. APPLICATION / PETITIONS TO THE NCLT AND APPROVALS

32.1 The Demerged Company 1, Demerged Company 2/ Resulting Company 1 and Resulting Company 2 shall make the requisite joint company applications/petitions under Section 230 to 233 read with Section 66 of the Act, and other applicable provisions of the Act to the Hon'ble National Company Law Tribunal, as applicable, for seeking the sanctioning of this Scheme.

32.2 The Resulting Company 1 and Resulting Company 2 shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company 1 and Resulting Company 2 may require to own and operate the Demerged Undertaking 1 and Demerged Undertaking 2 to be transferred respectively to it under this Scheme

33. DIVIDEND

33.1 For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent Resulting Company 1 and Resulting Company 2 from declaring and paying dividends, whether interim or final, to its equity members as on the record date to be fixed by Board for the purpose of any such dividend.

33.2 Demerged Company 1 and Demerged Company 2 shall not utilize the profits or income, if any, relating to the Demerged Undertaking 1and Demerged Undertaking 2for the purpose of declaring or paying any dividend to its members or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of Resulting Company 1 and Resulting Company 2, respectively.

33.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Demerged Companies or Resulting Companies to deem or claim any dividends, which subject to the applicable provisions of the Act, shall be entirely at the discretion of the Board of Directors, of the respective Companies, as may be required.

34. MODIFICATIONS ORAMENDMENTS TO THE SCHEME

34.1 Each of the Demerged Companies and Resulting Companies by their respective Board of Directors so nominated in that behalf, may assent to any modification or amendment to this Scheme or to any conditions or limitations that the NCLT and/ or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme in the best interest of all stake holders. All amendment / modification pursuant to this Clause shall be subject to approval of NCLT or any other authorities under applicable law. The Demerged Companies, Resulting Companies, through their respective Board of Directors so nominated in that behalf, be and are hereby authorised to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, or under or by virtue of this Scheme and / or any matters concerning or connected therewith.

For the removal of doubt, it is hereby clarified that withdrawal by any one of the Company (ies) from the Scheme shall not prejudicially affect the implementation of the Scheme between the remaining parties. In such a circumstance, the Scheme shall remain in full force and effect and be implemented by and between the remaining Company (ies) as if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

35. GENERAL TERMS AND CONDTIONS

35.1 Upon this Scheme being approved by the requisite majority of the respective Members and creditors of the Demerged Companies and Resulting Companies, they shall apply to the Hon'ble NCLT for sanction of this Scheme under Section 230 to 232 read with Section 66 and other applicable provisions of the Act as the case may be and for such order or Orders, as the said Hon'ble NCLT may deem fit for carrying this Scheme into effect.

35.2 Subject to the approval of the NCLT, Demerged Companies and Resulting Companies through their respective Board of Directors or such other person or persons, as their respective Board of Directors may authorize, including any committee or sub-committee thereof, are hereby empowered and authorized to assent from time to time to any modifications or amendments or conditions or limitations which the NCLT or any other Government Authority may deem fit to impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect. The power of the Board of Directors of the Demerged Companies and Resulting Companies shall be subject to the final approval of the NCLT.

35.3 The Scheme is and shall be conditional upon and subject to:

(a) The Scheme being approved by the respective requisite majorities in value of such class of person including members and/or Creditors, of each of the Demerged Companies and Resulting Companies and requisite Order or Orders being obtained.

(b) Such other sanctions and approvals as may be required by any applicable law in respect of the Scheme.

(c) the sanctions of the Hon'ble NCLT being obtained, under Sections 230 to 232 and other applicable provisions, if any, of the Act in favour of Demerged Companies and Resulting Companies and certified true copies of the Order sanctioning the Scheme passed by the Hon'ble NCLT under Section 232 being filed with the Registrar of Companies, Chhattisgarh and all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

(d) In the event of this Scheme failing to take effect finally, this Scheme become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own cost or as may be mutually agreed.

36. SEVERABILITY

36.1 Each provision or part of this Scheme is Independent and is severable. Any failure of any one provisions or part of this Scheme for lack of necessary approval from the members/creditors/Appropriate Authorities or for any other reason that the Board of Directors may deem fit shall not result in the whole scheme failing. If any part of this Scheme (or any clause of a part thereof) is ruled invalid or illegal by any court of competent jurisdiction, or unenforceable under present or future laws, the same shall not, subject to the decision of the Demerged Company (ies) and Resulting Company (ies), affect the validity or implementation of the other parts and/or provisions of this scheme. It shall be open to the Board of Directors concerned to consent to sever such provision(s) or part(s) of the Scheme and implement the rest of the Scheme with such modification.

37. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clauses not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority within such further period or periods as may be agreed upon between the Demerged Companies and Resulting Companies through their respective Boards of Directors (and which the Board of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

38. COSTS

All costs, charges taxes including duties (including the stamp duty, if any, applicable in relation to this scheme), levies and all other expense, if any (save as expressly otherwise agreed) including stamp duty and registration fee etc. of any deed, documents, instruments or NCLT's Order arising out of and in carrying out and implementing this Scheme and matters incidental to the completion of arrangement of the said Scheme of Arrangement shall be borne and paid by Resulting Company 1 and Resulting Company 2. All the expenses incurred by the respective Demerged Companies in relation to the demerger of the Undertakings, as per Part B and Part C of this Scheme, including stamp duty expenses, if any shall be allowed as deduction to the Resulting Company 1 and Resulting Company 2, respectively, in accordance with Section 35DD of the Income-tax Act, 1961.

39. SEQUENCE OF COMING INTO EFFECT OF THIS SCHEME

On the section of the Scheme and upon the Scheme becoming effective, the following shall be deemed to become effective and operative in the sequence and order mentioned hereunder:

a) Demerger of the Demerged Undertaking 1 from Demerged Company 1 to Resulting Company 1;

b) Demerger of the Demerged Undertaking 2 from Demerged Company 2 to Resulting Company 2; and

c) Reduction and cancellation of the existing equity share capital of the Resulting Company 2.

Annexure A

Schedule of immovable properties forming part of Remaining Undertaking 1

Sl. No.	*Class of assets**	*Address of the property*	*Area*	*Date since held*
1	Freehold Land	Ward No 16, Plot No (Kh. No.) 47/2, Old BNC Mill Compound, Baldeo Bag, Rajnandgoan (CG)	2.905 Acres	14.01.2009
2	Freehold Land	Ward No 44, P.H.No. 41, Kh. No. 335/1 & 335/2, Purani Basti, Kourinbhata, Rajnandgaon (CG)	1.140 Acres	19.07.2017
3	Freehold Land	Ward No. 16, Part of Plot No. 47 & 28/5, Baldeo Bag, Rajnandgaon (CG)	972.50 SFT	10.01.1990
4	Freehold Land	Ward No.. 16, Plot NO 28/4, Baldeo Bag, Rajnandgaon (CG)	2650.00 SFT	11.08.1993
5	Building	Building at land at Sr No 4 (Building with AC)	5,000 SFT	01.04.2009 & 01.04.2017
6	Freehold Land	Ward No. 16, Part of Plot No. 47 & 28/5, Baldeo Bag, Rajnandgaon (CG)	930.00 SFT	11.01.1990
7	Freehold Land	Ward No. 16, Part of Plot No. 47 & 28/5, Baldeo Bag, Rajnandgaon (CG)	575.00 SFT	10.01.1990
8	Freehold Land	Ward No 23, Guru Gobind Singh Ward, Plot NO. 239/1 & part of 234/2, Lal Bag, Rajnandgaon (CG)	7568.00 SFT	29.02.2008
9	Building	Building at land at Sr NO 8 (Building with equipments and AC)	5400 SFT	2013
10	Lease hold land	Plot No. FP-29 & FP-30, Butibori Industrial Area, Village Kirmiti, Hingna, Nagpur (MH)	3297.00 SQMTR	08.05.2008
11	Freehold Land	Ward No. 16, Plot NO 28/12, Baldeo Bag, Rajnandgaon (CG)	1250.00 SFT	23.11.2002
12	Freehold Land	Gat No. 327, Mouza Thakambe, Nagar Palika Nashik (MH)	1.71 HECT	21.10.2016

Annexure B

<u>Terms of 5% Non-Cumulative Optionally Convertible Preference Shares issued by Resulting Company 1</u>

<u>Instrument Type</u>

The OCPS shall be Optionally Convertible, or Redeemable at the option of the shareholder.

<u>Dividend Rights</u>

The OCPS would have a non-cumulative coupon rate of 5% per annum.

<u>Face Value</u>

The OCPS shall be subject to the provisions of the Articles of Association of the Resulting Company 1, The Face Value of such shares would be INR 100/- per share.

<u>Voting Rights</u>

With respect to voting rights of 5% Non-cumulative Optionally Convertible Preference Shareholders, it shall be governed by section 47 of the Act.

<u>Tenure of OCPS</u>

The Resulting Company 1 shall give an option by way of Notice to the holder of the OCPS to either redeem or convert at any time before the expiry of 20 years from the date of allotment. If the holder of the OCPS does not exercise the option within 30 days of issue of notice by way of positive confirmation to the Resulting Company 1 of either redemption of OCPS or conversion of OCPS into equity shares, then upon expiry of 30 days of issue of notice, the OCPS shall be compulsorily redeemed.

<u>Terms of OCPS</u>

1 OCPS of Face Value INR 100/-would be converted into 1 equity share of Face Value INR 100/-. If the OCPS are to be redeemed, then such OCPS shall be redeemed at par.

<u>Winding-Up</u>

In the event of winding up of Resulting Company 1, the holders of OCPS shall have a right to receive paid up value of the share capital and arrears of dividend, whether declared or not, upto the commencement of winding up, in priority to any paid up capital on the equity shares out of the surplus, but shall not have any further rights to participate in the profits or assets of the Resulting Company 1.

Annexure C

Terms of 5% Non-Cumulative Optionally Convertible Preference Shares issued by Resulting Company 2

Instrument Type

The OCPS shall be Optionally Convertible, or Redeemable at the option of the shareholder.

Dividend Rights

The OCPS would have a non-cumulative coupon rate of 5% per annum.

Face Value

The OCPS shall be subject to the provisions of the Articles of Association of the Resulting Company 2, The Face Value of such shares would be INR 10/- per share.

Voting Rights

With respect to voting rights of Optionally Convertible Preference Shareholders, it shall be governed by section 47 of the Act.

Tenure of OCPS

The Resulting Company 2 shall give an option by way of Notice to the holder of the OCPS to either redeem or convert at any time before the expiry of 20 years from the date of allotment. If the holder of the OCPS does not exercise the option within 30 days of issue of notice by way of positive confirmation to the Resulting Company 2 of either redemption of OCPS or conversion of OCPS into equity shares, then upon expiry of 30 days of issue of notice, the OCPS shall be compulsorily redeemed.

Terms of OCPS

1 OCPS of Face Value INR 10/-would be converted into 1 equity share of Face Value INR 10/-. If the OCPS are to be redeemed, then such OCPS shall be redeemed at par.

Winding-Up

In the event of winding up of Resulting Company 2, the holders of OCPS shall have a right to receive paid up value of the share capital and arrears of dividend, whether declared or not, upto the commencement of winding up, in priority to any paid up capital of the equity shares out of the surplus, but shall not have any further rights to participate in the profits or assets of the Resulting Company 2.

S A P D & ASSOCIATES
CHARTERED ACCOUNTANTS

"Kankaria Estates"
6, Little Russel Street
4th Floor, Kolkata - 700 071
Phone : 4003-5801, 4050-5850
E-mail : sapd.associates2014@gmail.com

The Board of Directors,
ABIS Exports (India) Private Limited
IB Corporate House Village- Indamara,
Post- Pendri, Rajnandgaon,
Chhattisgarh - 491441.

Re: Advisory Report on Exchange Ratio of Shares upon composite scheme of arrangement of:

a) Indian Agro and Food Industries Limited ('Demerged Company 1');

b) ABIS Exports (India) Private Limited ('Resulting Company 1' or 'Demerged Company 2); and

c) Drools Pet Feed Private Limited ('Resulting Company 2').

Dear Sirs,

As requested by the management of the aforementioned companies and based on the applicable laws/ regulations, I recommend a fair and equitable exchange ratio for the proposed composite scheme of arrangement of the above mentioned companies as per the attached valuation report duly prepared by us.

For SAPD & ASSOCIATES
Chartered Accountants
FRN 327271E

Sankar Garg

(CA Sankar Garg)
Partner
M No. 069240

Place: Kolkata
Date:15th November 2018

1. **Introduction**

1.1. **Background and terms of engagement**

There is a proposal before the Board of Directors of the aforesaid Companies to consider the composite Scheme of Arrangement which provides for demerger and vesting of Poultry Operation Undertaking of India Agro and Food Industries Limited (IAFIL), as a going concern to ABIS Exports (India)Private Limited (AEIPL) and demerger and vesting of the Pet Feed Undertaking of ABIS Exports (India) Private Limited (AEIPL), as a going concern to Drools Pet FeedPrivate Limited (DPFPL) with effect from the Appointed date. The Appointed date is 1 January 2019.However, in case, the Effective Date does not fall within 31 March 2019, the Appointed Date shall mean the 1st day of the financial year in which Effective Date falls. Hence, in case, the Effective date falls in Financial Year 2019-20, the Appointed date shall be 1 April 2019.

This Scheme of Arrangement is presented pursuant to the provisions of Section 230 to 232 read with section 66 of the Companies Act, 2013 and relevant provisions of the Income-tax Act, 1961 as may be applicable for the transfer by way of demerger of:

a. Demerged Undertaking 1/ Poultry Operation Undertaking of the Demerged Company 1/IAFIL to the Resulting Company 1/AEIPL in the manner provided for in the Scheme (*'referred to as Demerger 1'*); and

b. Pet Feed undertaking of the Demerged Company 2/AEIPL to the Resulting Company 2/DPFPL in the manner provided for in the Scheme (*'referred to as Demerger 2'*).

We have been approached by the "Demerged Company 1" and "the Resulting Company 1 /Demerged Company2"and "Resulting Company 2" to carry out a relative valuation of the shares of the Companies and to recommend a fair and equitable ratio of exchange,that is to say the number of shares to be allotted by the "Resulting Company 1" and "Resulting Company 2" to the shareholders of the "Demerged Company 1" and "Demerged Company 2", respectively, on such Composite Arrangement.

This report ("Report") sets out the findings of our exercise. The valuation of the Companies has been carried out on a "going concern" basis to determine the swap ratio on the Appointed Date being stated as above.

1.2. **Profile of the Companies**

1.2.1. **INDIAN AGRO AND FOOD INDUSTRIES LIMITED (IAFIL) (Demerged Company1)**

IAFIL was incorporated under Part IX of the Companies Act, 1956 on 1 May 2009 with the Registrar of Companies, Chhattisgarh as a Public Company, Limited by Shares, having its registered office situated at Village - Indamara, Post -Pendri, Rajnandgaon (C.G) - 491441. The Corporate Identification Number of IAFIL is U01222CT2009PLC021165. The Permanent Account Number ('PAN') of IAFIL is AACCI0730N. The shareholding pattern of the Company as on 30 September 2018 is as follows:

Sl. No.	*Shareholders*	*No. of shares*	*%-age of holding*
1	Abdul Razzak	3,045	0.1%
2	Abis Broiler Pvt Ltd	286,954	8.4%
3	Abis Exports (India) Private Limited	227,700	6.6%
4	Abis Organic Fertilizer Pvt Ltd	49,844	1.5%
5	Abis Poultry Pvt Ltd	367,872	10.7%
6	AfraFahim	7,200	0.2%
7	AfrozBano	400	0.0%
8	AnjumAlvi	9,225	0.3%
9	Aziz Poultry Pvt Ltd	177,058	5.2%
10	AzminaBano	9,100	0.3%
11	Bahadur Ali	355,420	10.4%
12	Fahim Sultan	179,405	5.2%
13	Fountain Head Mercantiles Pvt. Ltd.	399,389	11.6%
14	Halifax Merchandise Pvt. Ltd.	566,110	16.5%
15	Kulwant Kaur Dhalla	2,935	0.1%
16	Mohan Singh Dhalla	2,935	0.1%
17	Narayan Das Rajak	3,448	0.1%
18	Sandeep Dhalla	2,935	0.1%
19	Shahnaz Begum	3,230	0.1%
20	Shree Radhe Tea Plantation Pvt Ltd	418,725	12.2%
21	Sultan Ali	103,880	3.0%
22	Tanaz Aziz	5,000	0.1%
23	Vinod Gupta	5,500	0.2%
24	Zeeshan Bahadur	121,940	3.6%
25	Zoya Afrin	120,750	3.5%
		3,430,000	***100.0%***

1.2.2. **ABIS EXPORTS (INDIA) PRIVATE LIMITED (AEIPL) (Resulting Company 1/ Demerged Company 1)**

AEIPL was incorporated on 10 August 1998 with the Registrar of Companies, Chhattisgarh as a Private Company, Limited by Shares, having its registered office at IB Corporate House Village- Indamara, Post- Pendri, Rajnandgaon, (C.G.)-491441. The Corporate Identification Number of AEIPL is U51101CT1998PTC012995. The PAN of AEIPL is AACCA2881J. The shareholding pattern of the Company as on 30 September 2018 is as follows:

Sl. No.	*Shareholders*	*No. of shares*	*%-age of holding*
1	Abdul Rajjak	2,019	0.24%
2	Abis Organic Fertilizer Pvt Ltd	3,031	0.36%
3	AfrozBano	25,959	3.07%

Sl. No.	Shareholders	No. of shares	%-age of holding
4	ArshiaAvez Sheikh	7,875	0.93%
5	AzminaBano	25,812	3.05%
6	Bahadur Ali	39,011	4.61%
7	Bhabut Rao Thkare	2,000	0.24%
8	Fahim Sultan	29,703	3.51%
9	Fountain Head Mercantiles Pvt. Ltd.	182,173	21.54%
10	Halifax Merchandise Pvt. Ltd.	245,768	29.05%
11	HaseenaBano	2,000	0.24%
12	Lakhan Lal	312	0.04%
13	Mehboob Khan	2,000	0.24%
14	Munwwar Jahan Kaji	2,000	0.24%
15	Narayan Das Rajak	2,500	0.30%
16	Rafique Ur Rehman	1,500	0.18%
17	RambhauWadke	2,000	0.24%
18	Ramesh Thakre	2,000	0.24%
19	RamniZade	2,000	0.24%
20	Shahnaz Bano	375	0.04%
21	Shanta Bai	2,000	0.24%
22	Shoukat Ali	375	0.04%
23	Shree Radhe Tea Plantation Pvt Ltd	209,280	24.74%
24	Sultan Ali	40,988	4.85%
25	Tanaz Aziz	194	0.02%
26	Usha Gupta	250	0.03%
27	Vindheshari Gupta	625	0.07%
28	Wahida Begum	2,000	0.24%
29	Yunush Khan	1,000	0.12%
30	Zeeshan Bahadur	9,150	1.08%
		845,900	***1.00***

1.2.3. **DROOLS PET FEED PRIVATE LIMITED (DPFPL) (Resulting Company 2)**

DPFPL was incorporated on 10 September 2018 with the Registrar of Companies, Chhattisgarh as a Private Limited Company, Limited by Shares, having its registered office situated at Khasra No. 436/2, IB Corporate House, Village - Indamara, Post - Pendri. Rajnandgaon CT 491441. The Corporate Identification Number of DPFPL is U01409CT2018PTC008756. The PAN of DPFPL is AAGCD8374B. The shareholding pattern of the Company as on 30 September 2018is as follows:

Sl. No.	Shareholders	No. of shares	%-age of holding
1	ABIS Exports (India) Private Limited	10,000	100%
Note: For 1 (one) share of Drools Pet Feed Private Limited, the registered holder is Mr. Sultan Ali.			

1.3. ***Rationale for Demerger***

1.3.1. Rationale for Demerger 1

We understand that Demerged Company 1 is engaged in the business of poultry operations and real-estate business. The Demerged Company 1 would demerge it's 'poultry operations to Resulting Company 1 and it would continue to undertake the real estate business. The demerger of the Demerged Undertaking 1 of Demerged Company 1 to Resulting Company 1would help in following manner:

a. Consolidating the group's operations in key operating company and realise potential synergies of consolidation in view of integrated business and production facilities;

b. To achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders;

c. The existing management expertise and quality systems & controls of the Resulting Company 1 will enhance the performance of the business of the Demerged Undertaking 1;

d. The Demerged Undertaking 1 is a forward integration to poultry feed business of Resulting Company 1, the proposed vesting of Demerged Undertaking 1 pursuant to this Scheme will allow to augment the infrastructural capability of Resulting Company 1 to effectively meet future challenges in their businesses and to achieve cost optimisation and specialisation for sustained growth and strengthen the Balance sheet which will facilitate expansion and capitalise on opportunities for growth and thereafter creating a structure for allowing capital mobilization;

e. The proposed Scheme will benefit all the stakeholders, which will lead to growth and value creation in the long run and maximizing the value and return to the Shareholders of the Demerged Company 1 and the Resulting Company 1.

Further, the land parcels identified by the management for undertaking real-estate projects would be retained in the Remaining Undertaking 1 and would be converted to Real Estate/Infrastructure Projects including Housing Projects. The Demerged Company 1 believes that demerger of Demerger Undertaking 1 will result in specialized management focus on Real Estate Projects, which in turn will enhance its focus on the Remaining Undertaking 1.

1.3.2. Rationale of Demerger 2

Demerged Company 2 is currently engaged in manufacturing of animal feed (poultry feed, pet feed, fish feed and shrimp feed), solvent extraction and soya refinery under the brand name of "ABIS". It also offers pet food under home grown brands: "Drools", "Focus", "Vet-Pro" and "Finsters", etc.

The pet feed business of the Demerged Company 2 caters to retail B2C market has different

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industry specific risks, has different business cycle and operate *inter alia* under different market dynamics, it can attract different types of investors as well as management teams and follow different independent business strategies, even as they all have significant potential for growth and profitability. Thus, the Demerged Company 2 would demerge its pet feed business to Resulting Company 2 and would continue to operate the other businesses (i.e., poultry feed, fish feed and shrimp feed) under its own brand name including the poultry business which would be transferred pursuant to Demerger 1. The aforesaid demerger would help to achieve the following benefits:

a) house the pet feed business under Resulting Company 2 which would result to a dedicated and specialised management focus on the specific needs of the Demerged Undertaking 2; and

b) it will allow to fulfil the objectives more efficiently and to offer opportunities to the management to vigorously pursue growth and expansion opportunities.

2. Data obtained

2.1. We have called for and obtained such data, information, etc., as deemed necessary for the purpose of our assignment, which have been made available to us by the Management of the respective Companies. **Appendix A** hereto broadly summarizes the data obtained.

2.2. For the purpose of our assignment, we have relied on the statements, information and explanations provided to us and have not verifiedthe accuracy thereof.

3. Valuation methodology

3.1. *In case of Demerger 1*

It is universally recognized that valuation is not an exact science and that estimating values necessarily involves selecting a method or approach that is suitable for the purpose. In this valuation, it is not the absolute values but the relative values which are of concern. Our objective is to ascertain the relative valuation of the DemergedCompany 1*vis-à-vis* the ResultingCompany 1 to determine a fair and equitable exchange ratio.

Since the demerged company 1 *vis-à-vis* the Resulting Company 1 are unlisted, there is no market data available on the basis of which relative valuation of the companies can be worked out.

As per the draft scheme of Demerger, the assets and liabilities of the Demerged Company 1 received by the Resulting Company 1 pursuant to the Demerger 1 will be recorded by the Resulting Company 1 at respective book value as reflected in the books of the Demerged

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Company 1 as on the Appointed Date. The same is also in accordance with the provisions of the section 2(19AA) of the Income-tax Act, 1961 which provides that,in demerger, all the assets and liabilities of the Demerged Undertaking 1 ought to be recorded in the books of Resulting Company 1 at book value.

Both the Demerged Company 1 and Resulting Company 1 are held by substantially same set of shareholders i.e., the ultimate shareholders of Demerged Company 1 and Resulting Company 1 are Mr. Bahadur Ali and Mr. Sultan Ali and their family members. Upon demerger of Poultry Operation Undertaking, the economic interest of the ultimate shareholders of the Demerged Company 1 and Resulting Company 1 would remain substantially same/ neutral to the shareholders of Demerged Company 1 and Resulting Company 1.

We are of the opinion that the Net Asset Value ('NAV') method is fair considering that:

a) the ultimate/ beneficial owner of the Demerged Company 1 and Resulting Company 1 is substantially the same and held substantially by Mr. Bahadur Ali and Mr. Sultan Ali and their family members; and
b) provisions of the section 2(19AA) of the Actalso requires that the assets and liabilities to be transferred under a demerger ought to be recorded at book value.

Our choice of methodology of valuation viz. NAV method has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgement and *bonafide* manner based on our previous experience of assignments of a similar nature.

Steps involved in determining the NAV of the Companies are as follows:

1. Non-current & Current Assetsof the Demerged Undertaking 1/ Poultry Operation Undertaking of the Demerged Company 1are taken at their respective book values.

2. Non-current & Current Liabilities of the Demerged Undertaking 1/ Poultry Operation Undertaking of the Demerged Company 1 are taken at their respective book values.

3. The amount of liabilities as in para 2 above is deducted from the value of total assets derived in Para 1 above to arrive at the NAV of the Companies.

The NAV so arrived at is divided by the number of fully paid-up, issued and subscribed equity shares of the respective Companies to arrive at the value per share.

Under the composite scheme of arrangement, the management is also proposing to allot Optionally Convertible Preference Shares (OCPS) of Resulting Company 1 to the shareholders of the Demerged Company 1 *in lieu* of the proposed scheme of arrangement,

SAPD & ASSOCIATES KOLKATA CHARTERED ACCOUNTANTS which would entitle the shareholders to either opt for equity shares or OCPS of the issuer company. The terms for issue of OCPS by the Resulting Company 1 has been summarised below -

Terms of 5% Non-Cumulative Optionally Convertible Preference Shares issued by Resulting Company 1

Instrument Type

The OCPS shall be Optionally Convertible, or Redeemable at the option of the shareholder.

Dividend Rights

The OCPS would have a non-cumulative coupon rate of 5% per annum.

Face Value

The OCPS shall be subject to the provisions of the Articles of Association of the Resulting Company 1, The Face Value of such shares would be INR 100/- per share.

Voting Rights

With respect to voting rights of 5% Non-cumulative Optionally Convertible Preference Shareholders, it shall be governed by section 47 of the Act.

Tenure of OCPS

The Resulting Company 1 shall give an option by way of Notice to the holder of the OCPS to either redeem or convert at any time before the expiry of 20 years from the date of allotment. If the holder of the OCPS does not exercise the option within 30 days of issue of notice by way of positive confirmation to the Resulting Company 1of either redemption of OCPS or conversion of OCPS into equity shares, then upon expiry of 30 days of issue of notice, the OCPS shall be compulsorily redeemed.

Terms of OCPS

1 OCPS of Face Value INR 100/-would be converted into 1 equity share of Face Value INR 100/-. If the OCPS are to be redeemed, then such OCPS shall be redeemed at par.

Winding-Up

In the event of winding up of Resulting Company 1, the holders of OCPS shall have a right to receive paid up value of the share capital and arrears of dividend, whether declared or not, upto the commencement of winding up, in priority to any paid up capital on the equity shares out of the surplus, but shall not have any further rights to participate in the profits or assets of the Resulting Company 1.

3.2. ***In case of Demerger 2***

Resulting Company 2 is the wholly owned subsidiary (WOS) of the Demerged Company 2. Subsequent to Demerger, the entire pre-demerger equity share capital of Demerged Company 2 would be cancelled. All the shareholders of Demerged Company 2 shall become the shareholders of Resulting Company 2 in proportion to the shareholding held in Demerged Company 2.

Thus, the ownership of both the Resulting Company 2 and the Demerged Company 2 would be identical. Since shares by Resulting Company 2 pursuant to demerger, are to be issued to the shareholders of Demerged Company 2in proportion to the shareholding held in Demerged Company 2, in effect different shareholder's interest would not emerge. The principle to be considered is that the shareholders proportionate holding and interest in the Demerged Company 2 and Resulting Company 2 is to remain the same.

In the present analysis where the proposal is of the demerger of the Pet Food Division of Demerged Company 2 into Resulting Company 2 and that too when the set of shareholders are identical, what is relevant is not determination of the value of shares of the Companies separately, but the determination of the total number of shares to be issued in exchange for/ against existing shares of the Company such that the proportion of shareholding of shareholders of Demerged Company 2 in Resulting Company 2 remains the same.

Under the composite scheme of arrangement, the management is also proposing to allot Non-Cumulative Optionally Convertible Preference Shares (OCPS) of the Resulting Company 2 to the shareholders of the Demerged Company 2 in lieu of the proposed composite scheme of arrangement, which would entitle the shareholders either opt for equity shares or OCPS of the Resulting Company 2.

Terms of 5% Non-Cumulative Optionally Convertible Preference Shares issued by Resulting Company 2

Instrument Type

The OCPS shall be Optionally Convertible, or Redeemable at the option of the shareholder.

Dividend Rights

The OCPS would have a non-cumulative coupon rate of 5% per annum.

Face Value

The OCPS shall be subject to the provisions of the Articles of Association of the Resulting Company 2, The Face Value of such shares would be INR 10/- per share.

Voting Rights

With respect to voting rights of 5% Non-cumulative Optionally Convertible Preference Shareholders, it shall be governed by section 47 of the Act.

Tenure of OCPS

The Resulting Company2 shall give an option by way of Notice to the holder of the OCPS to either redeem or convert at any time before the expiry of 20 years from the date of allotment. If the holder of the OCPS does not exercise the option within 30 days of issue of notice by way of positive confirmation to the Resulting Company2of either redemption of OCPS or conversion of OCPS into equity shares, then upon expiry of 30 days of issue of notice, the OCPS shall be compulsorily redeemed.

Terms of OCPS

1 OCPS of Face Value INR 10/-would be converted into 1 equity share of Face Value INR 10/-. If the OCPS are to be redeemed, then such OCPS shall be redeemed at par.

Winding-Up

In the event of winding up of Resulting Company 2, the holders of OCPS shall have a right to receive paid up value of the share capital and arrears of dividend, whether declared or not, upto the commencement of winding up, in priority to any paid up capital on the equity shares out of the surplus, but shall not have any further rights to participate in the profits or assets of the Resulting Company 2.

4. **Valuation and ratio of exchange**

4.1. **With respect to the Demerger 1**

4.1.1. Having regard to the foregoing*(incase of Demerger 1)*, we have arrived at the relative fair value of the shares of the Companies. We have established the ratio between the values so ascertained as set out in para 4.1.3 below.

4.1.2. In doing so, we have kept in view the need to avoid fractional allotment of shares to the shareholders of the companies.

4.1.3. Under the composite scheme of arrangement, for the companies involved in the demerger, the management is also proposing to allot Non-Cumulative Optionally Convertible Preference Shares (OCPS) of the Resulting Company 1 to the shareholders of the Demerged Company 1 in lieu of the proposed composite scheme of arrangement, which would entitle the shareholders either opt for equity shares or OCPS of the Resulting Company 1.

4.1.4. Under these circumstances we recommend that based on and subject to various assumptions and limitations set forth herewith,

For every 21 fully paid up equity shares of the Demerged Company 1 having face value of Rs. 10 each and held by the members of the Demerged Company 1 as on Record Date, 4 Equity Shares of the Resulting Company 1 having a face value of Rs. 100 each, be issued to the members of Demerged Company 1.

OR

For every 21 fully paid up equity shares of the Demerged Company 1 having face value of Rs. 10 each and held by the members of the Demerged Company 1 as on Record Date, 4 fully paid up Non-Cumulative Optionally Convertible Preference Shares of the Resulting Company 1 having a face value of Rs. 100 each, be issued to the members of Demerged Company 1.

4.2. **With respect to the Demerger 2**

4.2.1. As stated in the paragraphs above(***in case of Demerger 2***), in case of this type of demerger, there is no requirement of separate valuation of shares as the shareholding pattern of the companies would be the same. Upon allotment of shares by the Resulting Company 2 in the proposed Share Entitlement Ratio, the ultimate beneficial economic interest of the existing shareholders of Demerged Company 2 in the Resulting Company 2 will be the same as in the Demerged Company 2.

4.2.2. Under these circumstances we recommend that based on and subject to various assumptions and limitations set forth herewith, the share entitlement ratio of"

1 (One) equity share of Rs. 10/- each fully paid up in Resulting Company 2 for every 1 (One) equity share of Rs. 100 /- each fully paid up and held by such members in Demerged Company 2.

OR

1 (One) Non-Cumulative Optionally Convertible Preference Shares share of Rs. 10/- each fully paid up in Resulting Company 2 for every 1 (One) equity share of Rs. 10 /- each fully paid up and held by such members in Demerged Company 2.

5. Limitations and disclaimer

5.1. Our valuation is based on the information furnished to **us being complete** and **accurate in all** material respects.

5.2. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore not performed any audit, review or examination of any information used and therefore, do not express any opinion with regards to the same.

5.3. Our report is meant for the purpose mentioned in para 1.1 and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

5.4. We have relied upon written representations from the Management of the Companies that the information contained in this report is materially accurate and complete, fair in the manner of its portrayal and therefore forms a reliable basis for the valuation.

5.5. We have no obligation to update this report because of events or transactions occuring subsequent to the date of this report.

6. Conclude

We are thankful to the management of the Companies for furnishing data, information, etc without which our completing the present assignment would not have been possible.

For SAPD & ASSOCIATES
Chartered Accountants
FRN 327271E

Sankar Garg

(CA Sankar Garg)
Partner
M No. 069240

Place: Kolkata
Date:15th November 2018

Appendix A: Broad summary of data obtainedfrom the management of the respectiveCompanies(Refer Para 2.1)

1. Memorandum and Articles of association of the Companies.
2. Shareholding structure of the Companies.
3. Brief history and business profile of the Companies.
4. Audited Financial statements of the Companies for the last three years ended March 31, 2016, March 31, 2017 and March 31, 2018.
5. Provisional un-audited accounts of the Demerged Company 1 and Resulting Company 1 for the year ended 30thSeptember, 2018.
6. Management's estimates of contingent liabilities likely to materialize in case of both the Companies.
7. Answers to specific questions and issues raised by us to the Management after examining the foregoing data.
8. Draft Composite Scheme of Arrangementamongst Demerged Company 1,the Resulting Company 1/Demerged Company 2 and the Resulting Company 2.

& ASSOCIATES KATA CHARTERED ACCOUNTANTS

Report of the Board of Directors of Indian Agro and Food Industries Limited pursuant to section 232(2)(c) of the Companies Act, 2013 with regard to the effect of the Composite Scheme of Arrangement amongst the Indian Agro and Food Industries Limited, ABIS Exports (India) Private Limited and Drools Pet Food Private Limited

This report of Directors (the Report) is prepared pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013 and summarises the effect of the Composite Scheme of Arrangement ('the Scheme") amongst Indian Agro and Food Industries Limited ('the First Applicant Company'), ABIS Exports (India) Private Limited ('the Second Applicant Company') and Drools Pet Food Private Limited ('the Third Applicant Company') and their respective shareholders under Sections 230 to 232 of the Companies Act, 2013 (and other applicable provisions if any and the rules made thereunder).

The demerger of 'poultry business' of the Indian Agro and Food Industries Limited into ABIS Exports (India) Private Limited was approved by the Board of Directors *vide* its resolution dated 17 November 2018.

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining the effect of the Composite Scheme of Arrangement on each class of shareholders, key managerial personnel, promoters shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders and creditors along with the notice convening the meeting, as applicable.

The following is the Report taking into consideration the aforesaid provisions:

1. **Background of the First Applicant Company i.e., Indian Agro and Food Industries Limited**

INDIAN AGRO AND FOOD INDUSTRIES LIMITED was incorporated under Part IX of the Companies Act, 1956 on 1 May 2009 with the Registrar of Companies, Chhattisgarh as a Public Company, limited by Shares, having its IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441. The Corporate Identification Number of IAFIL is U01100CT2009PLC021165. The Permanent Account Number ('PAN') of IAFIL is AACCI0730N. The email address of the First Applicant Company is indianagro@ibgroup.co.in.

IAFIL has altered its Object Clause under the main Object Clause of the Memorandum of Association of the First Applicant Company *vide* special resolutions passed by the members of IAFIL in the Extraordinary General Meeting held on 29 October 2018 and 22 November 2018, respectively. Accordingly, Certificates of Registration of the Special Resolution Confirming Alteration of Object Clause(s) from the Registrar of Companies, Chhattisgarh dated 31 October 2018 and 29 November 2018, respectively, were received by IAFIL.

IAFIL or the First Applicant Company is engaged in the poultry business and in real estate business. The poultry operations involve raising domesticated birds for the purpose of farming meat or eggs.

The Authorized, Issued, Subscribed and Paid-up capital of the First Applicant Company as on 30 September 2018 is as follows:

Particulars	**Amount (Rs)**
Authorized share capital	
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000
Issued, subscribed and paid up share capital	

34,30,000 Equity Shares of Rs.10/- each	3,43,00,000

Subsequent to 30 September 2018 there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of the First Applicant Company.

2. Rationale for the Scheme

This Composite Scheme of Arrangement is presented pursuant to the provisions of Section 230 to 232 read with section 66 of the Companies Act, 2013 and relevant provisions of the Income-tax Act, 1961 as may be applicable for the transfer by way of demerger of:

a) Demerged Undertaking 1/ Poultry Operation Undertaking (as defined in the Scheme) of the Demerged Company 1/IAFIL to the Resulting Company 1/AEIPL in the manner provided for in the Scheme ('referred to as Demerger 1'); and

b) Demerged Undertaking 2/ Pet Feed Undertaking (as defined in the Scheme) of the Demerged Company 2/AEIPL to the Resulting Company 2/DPFPL in the manner provided for in the Scheme ('referred to as Demerger 2').

Rationale for Demerger 1 i.e., demerger of 'poultry business'

Part B of the Composite Scheme of Arrangement deals with the demerger of the poultry business i.e., Poultry Operations Undertaking/ Demerged Undertaking 1 of Demerged Company 1/ First Applicant Company to Resulting Company 1/ Demerged Company 2/ Second Applicant Company. Such demerger of the 'poultry business' would help in following manner:

a) Consolidating the group's operations in key operating company and realise potential synergies of consolidation in view of integrated business and production facilities;

b) To achieve and fulfil their objectives more efficiently and economically and the same is also in the interest of all stakeholders;

c) The existing management expertise and quality systems & controls of the Resulting Company 1 will enhance the performance of the business of the Demerged Undertaking 1;

d) The Demerged Undertaking 1 is a forward integration to poultry feed business of Resulting Company 1, the proposed vesting of Demerged Undertaking 1 pursuant to this Scheme will allow to augment the infrastructural capability of Resulting Company 1 to effectively meet future challenges in their businesses and to achieve cost optimisation and specialisation for sustained growth and strengthen the Balance sheet which will facilitate expansion and capitalise on opportunities for growth and thereafter creating a structure for allowing capital mobilization;

The proposed Scheme will benefit all the stakeholders, which will lead to growth and value creation in the long run and maximizing the value and return to the Shareholders of the Demerged Company 1 and the Resulting Company 1.

Further, the land parcels identified by the management for undertaking real-estate projects would be retained in the Remaining Undertaking 1 and would be converted to Real Estate/Infrastructure Projects including Housing Projects. The Demerged Company 1 believes that demerger of Demerger Undertaking 1 will result in specialized management focus on Real Estate Projects, which in turn will enhance its focus on the Remaining Undertaking 1.

3. Salient Features of the Scheme

The salient features of the Scheme are as under:

a) The Scheme provides for demerger of the poultry business ('Demerged Undertaking 1') from First Applicant Company to Second Applicant Company ('Demerger 1') and the demerger of the pet food business ('Demerged Undertaking 2') from Second Applicant Company to Third Applicant Company ('Demerger 2').

b) The Appointed Date for the Scheme is 1 April 2019.

c) The Effective Date shall mean the date on which the certified true copy of the Order of Hon'ble National Company Law Tribunal, Cuttack Bench sanctioning this Scheme is filed with the jurisdictional Registrar of Companies, by the Applicant Companies.

d) The proposed arrangement will be such that all the assets, liabilities, rights, entitlements, obligations, etc. of 'poultry business' of Indian Agro and Food Industries Limited would stand transferred to and vested as a going concern in the ABIS Exports (India) Private Limited, and the Shareholders of Indian Agro and Food Industries Limited would receive equity shares or optionally convertible preference shares of ABIS Exports (India) Private Limited.

e) The proposed arrangement also includes demerger of 'pet feed business' of ABIS Exports (India) Private Limited to the Third Applicant Company which will be such that all the assets, liabilities, rights, entitlements, obligations, etc. of 'pet feed business' of ABIS Exports (India) Private Limited would stand transferred to and vested as a going concern in the Drools Pet Food Private Limited, and the Shareholders of ABIS Exports (India) Private Limited would receive equity shares or optionally convertible preference shares of Drools Pet Food Private Limited.

f) Upon the Scheme becoming effective and subject to the terms and condition of this Scheme, in consideration of the demerger and transfer of the assets and liabilities of the 'poultry business' by the First Applicant Company to the Second Applicant Company in terms of this Scheme, the Second Applicant Company shall, without any application or deed, issue and allot to the equity shareholders or optionally convertible preference shares of the Second Applicant Company, at the option of the shareholders holding paid up Equity Shares in the First Applicant Company and whose names appear in Register of Members of the First Applicant Company on the Record Date.

This Scheme also provides for various other matters consequential or otherwise integrally connected with the above.

4. Share Entitlement Ratio

a) The Board has relied on the valuation report on share exchange ratio prepared by M/s. SAPD & Associates, Chartered Accountants, for determining the swap ratio for the Composite Scheme of Arrangement. A copy of the same is available for inspection.

b) The fair basis of valuation has taken into consideration all the factors relevant to the companies. It has been stated in the Valuation Report that the fair equity exchange ratio for demerger of poultry business from the First Applicant Company (Demerged Company 1) to the Second Applicant Company (Resulting Company 2) would be

To each member of the Demerged Company 1 whose name is recorded in the Register of Members of the Demerged Company 1 (other than shares already held therein immediately before the Demerger, or by nominee for, the Resulting Company 1) on the Record Date or his/her/its legal heirs, executors or successors as the case may be, 4 (four) Equity Shares or OCPS of face value of Rs. 100 (one hundred) *each at par in Resulting Company 1 for every 21 (twenty one) Equity Shares of face value of Rs. 10 (ten) each held by them in Demerged Company 1, as per the option selected by the Shareholder.*

c) No special valuation difficulties were reported in the aforesaid Report.

5. Details of promoter shareholders

The list of promoter shareholders as on date is as under:

Sl. No.	*Name*	*Address*	*Shares Held*
1.	Bahadur Ali	Baldeo Bag, Rajnandgaon (C.G) - 491441	3,55,420
2.	Sultan Ali	Baldeo Bag, Rajnandgaon (C.G) - 491441	1,03,880
3.	Zeeshan Bahadur	Baldeo Bag, Rajnandgaon (C.G) - 491441	1,21,940
4.	Fahim Sultan	Baldeo Bag, Rajnandgaon (C.G) - 491441	1,79,405
5.	Tanaz Aziz	Baldeo Bag, Rajnandgaon (C.G) - 491441	5,000
6.	Zoya Afrin	Baldeo Bag, Rajnandgaon (C.G) - 491441	1,20,750
7.	Halifax Merchandise Pvt. Ltd.	Village - Indamara, Post - Pendri, Rajnandgaon	5,66,110
8.	Afra Fahim	Baldeo Bag, Rajnandgaon (C.G) - 491441	7,200
9.	Fountain Head Mercantiles Pvt. Ltd.	2 Sir Hariram Goenka Street, 5th Floor, Kolkata	3,99,389
10.	Afroz Bano	Baldeo Bag, Rajnandgaon (C.G) - 491441	400
11.	Azmina Bano	Baldeo Bag, Rajnandgaon (C.G) - 491441	9,100
12.	Abis Poultry Pvt Ltd	Village - Indamara, Post - Pendri, Rajnandgaon	3,67,872
13.	Abis Organic Fertilizer Pvt Ltd	Village - Indamara, Post - Pendri, Rajnandgaon	49,844
14.	Abis Broiler Pvt Ltd	Village - Indamara, Post - Pendri, Rajnandgaon	2,86,954
15.	Aziz Poultry Pvt Ltd	Village - Indamara, Post - Pendri, Rajnandgaon	1,77,058
16.	Shree Radhe Tea Plantation Pvt Ltd	2 Sir Hariram Goenka Street, 5th Floor, Kolkata	4,18,725
17.	Abis Exports (India) Private Limited	IB Corporate House, Village - Indamara, Post - Pendri, Rajnandgaon (C.G) - 491441	2,27,700

6. Key Managerial Personnel and Directors

The list of Key Managerial Personnel and Directors as on date is as under:

Sl. No.	*Name*	*Address*	*Designation*	*DIN*	*Shares Held*
1.	Mr. Narendra Kumar Lodha	H. No. 25/73, Vyas Marg, Shakti Nagar, Roop Nagar, Delhi 110007 Delhi	Director	00080643	Nil
2.	Mr. Bahadur Ali	Baldeo Bag, Rajnandgaon (C.G) – 491441	Director	00157609	3,55,420
3.	Mr. Sultan Ali	Baldeo Bag, Rajnandgaon (C.G) – 491441	Director	00157642	1,03,880
4.	Mr. Arvind Kumar Bhandari	B4-302, Water Lily, Adani Shantigram Vaishnadevi Circle,	Director	00586234	Nil

Sl. No.	***Name***	***Address***	***Designation***	***DIN***	***Shares Held***
		SG Highway, Adalai, Gandhinagar 382421			
5.	Mr. Anjum Alvi	Baldeo Bag, Rajnandgaon (C.G) – 491441	Director	03437049	Nil
6.	Mr. Abdul Rajjak	Baldeo Bag, Rajnandgaon (C.G) – 491441	Director	06581812	3,045
7.	Mr. Tanaz Aziz	Baldeo Bag, Rajnandgaon (C.G) – 491441	Director	01853757	5,000
8.	Mr. Rakesh Puri	Orange Drive – 32, Ground Floor, Mailbu Towne, Sohna Road, Sector – 47, South City-II, Gurgaon – 122018	Director	07068559	Nil

7. Effect of the Composite Scheme of Arrangement on Equity Shareholders and Directors and KMPs

None of the Directors, Promoters, KMPs (if any), non-promoter shareholders, respectively have any material personal interest in the Scheme, except to the extent of shares held in Applicant Companies, if any.

Sd/-
(Sultan Ali)
(Director)
DIN: 00157642

Date: 17 November 2018
Place: Rajnandgaon

Indian Agro and Food Industries Limited

Standalone Balance Sheet as at 31st March 2019

(Rs. in Lacs)

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
ASSETS:			
Non-Current Assets			
(a) Property Plant and Equipment	2	-	25,284.68
(b) Capital work-in-progress		-	4,884.22
(c) Investment Property	3	1,121.09	1,347.09
(d) Other Intangible Assets	4	-	29.75
(e) Biological Assets other than bearer plants	5	-	1,124.12
(f) Financial Assets			
(i) Investments	6	1,462.46	1,772.89
(ii) Other Financial Assets	7	-	1,510.84
(g) Deferred Tax Assets (Net)	8	-	255.76
(h) Other Non-Current Assets	9	30.00	163.08
Total Non-Current Assets		**2,613.55**	**36,372.43**
Current Assets:			
(a) Inventories	10	-	12,968.81
(b) Biological Assets other than bearer plants	5A	-	12,749.89
(c) Financial Assets			
(i) Trade Receivables	11	-	2,582.26
(ii) Cash and cash equivalents	12	379.33	524.47
(iii) Bank balances other than (ii) above	12A	-	88.25
(iv) Other current financial assets	7A	-	256.83
(d) Other Current Assets	9A	-	1,621.55
(e) Assets classified as held for sale	42	82,500.22	-
Total Current Assets		**82,879.55**	**30,792.06**
TOTAL ASSETS		**85,493.10**	**67,164.49**
EQUITY AND LIABILITIES:			
EQUITY			
(a) Equity Share Capital	13	343.00	343.00
(b) Other Equity	14	42,897.59	34,601.37
Total Equity		**43,240.59**	**34,944.37**
LIABILITIES			
Non-Current Liabilities:			
(a) Financial Liabilities			
(i) Borrowings	15	-	10,838.54
(b) Provisions	16	-	261.29
(c) Deferred Tax Liabilities (Net)	8	99.65	-
Total Non-Current Liabilities		**99.65**	**11,099.83**
Current liabilities:			
(a) Financial liabilities			
(i) Borrowings	17	-	14,090.05
(ii) Trade Payables	18		
Total outstanding dues of micro enterprises and small enterprises		-	69.92
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	3,537.98
(iii) Other Financial Liabilities	19	-	2,989.92
(b) Other Current Liabilities	20	-	253.30
(c) Provisions	16A	-	51.31
(d) Current tax liabilities (net)	21	298.46	127.81
(e) Liabilities directly associated with assets classified as held for sale	42	41,854.40	-
Total Current Liabilities		**42,152.86**	**21,120.29**
TOTAL EQUITY AND LIABILITIES		**85,493.10**	**67,164.49**

Significant accounting policies 1

See accompanying notes forming part of financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 06 August, 2019
Place : Pune

For and on behalf of Board of Directors

Bahadur Ali
Director
DIN: 157609

Sultan Ali
Whole time Director
DIN: 157642

Date : 29 June, 2019
Place : Raipur

Indian Agro and Food Industries Limited

Standalone Statement of profit and loss for the year ended 31st March 2019

(Rs. In Lacs)

Particulars	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I) Continuing Operations			
Other Income	23	3.00	3.00
Total Income		**3.00**	**3.00**
Expenses			
Employee benefit expenses	27	4.49	4.14
Depreciation and amortisation expenses	3	44.38	67.71
Other expenses	29	20.58	7.67
Total expenses		**69.45**	**79.52**
Profit before tax for the year from continuing operations (Ref Note 42)		(66.45)	(76.52)
Income tax expense relating to continuing operations			
- Current tax (including Short / (Excess) provision for tax relating to prior years)		-	-
- Deferred tax		-	-
Total tax expense		-	-
Profit after tax for the year from continuing operations		**(66.45)**	**(76.52)**
II) Discontinuing Operations	42		
Revenue from Operations	22	252,900.41	172,247.67
Other Income	23	391.59	276.81
Total Income		**253,292.00**	**172,524.48**
Expenses			
Cost of materials consumed	24	188,612.19	110,518.31
Purchases of stock-in-trade	25	3,004.70	4,080.11
Changes in inventories of biological assets	26	(7,595.59)	(2,668.77)
Employee benefit expenses	27	13,554.59	9,830.06
Finance costs	28	2,221.68	2,121.47
Depreciation and amortisation expenses	2 & 4	3,630.10	3,003.06
Other expenses	29	36,930.65	26,291.70
Total expenses		**240,358.32**	**153,175.94**
Profit before tax from discontinued operations		**12,933.68**	**19,348.54**
Income tax expense relating to discontinued operations	42		
- Current tax (including Short / (Excess) provision for tax relating to prior years)		4,208.81	6,649.30
- Deferred tax		357.78	(226.82)
Total tax expense		**4,566.59**	**6,422.48**
Profit after tax from discontinued operations	42	**8,367.09**	**12,926.06**
Total Profit after tax from continuing and discontinued operations		**8,300.64**	**12,849.54**
Other comprehensive income from continuing operations		-	-
Other comprehensive income from discontinued operations			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement of post employment benefit obligations		(6.79)	(113.32)
(b) Income tax related to items that will not be reclassified to Profit or Loss		2.37	39.22
Total other comprehensive income for the year		**(4.42)**	**(74.10)**
Total comprehensive income for the year		**8,296.22**	**12,775.44**
Earnings per equity share (Nominal value per share Rs. 10 each)			
Basic & Diluted (in Rs.) of continuing operations	35	(1.94)	(2.23)
Basic & Diluted (in Rs.) of discontinuing operations	35	243.94	376.85
Basic & Diluted (in Rs.) of continuing and discontinued operations	35	242.00	374.62
Significant accounting policies	1		
See accompanying notes forming part of financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Deloitte Haskins & Sells LLP Chartered Accountants

Date : 06 August, 2019
Place : Pune

For and on behalf of Board of Directors

Bahadur Ali
Director
DIN: 157609

Sultan Ali
Whole time Director
DIN: 157642

Date : 29 June, 2019
Place : Raipur

Indian Agro and Food Industries Limited
Standalone Cash Flow Statement for the year ended 31 March 2019

(Rs. In Lacs)

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax:	12,867.23	19,272.02
	Adjustment for:		
	Finance costs	2,098.56	1,943.59
	Interest income	(240.20)	(71.71)
	Loss/(Profit) on sale of Property, plant and equipment	(1.17)	380.54
	Depreciation and amortisation expense	3,674.49	3,070.77
	Provision / (reversal of) for doubtful trade receivables and advances (net)	169.62	(43.36)
	Bad debts and advances written off / write back	(25.87)	846.66
	Remeasurement of post employment benefit obligations	(6.79)	(113.32)
	Change in fair value of biological assets	(949.63)	5.14
	Operating profit before Working Capital changes	**17,586.24**	**25,290.33**
	Adjustments for changes in Working capital		
	(Increase) / Decrease in Trade Receivables	(231.00)	(1,261.44)
	(Increase) / Decrease in Inventories	(5,754.77)	(4,635.31)
	(Increase) / Decrease in Biological Assets	(6,645.96)	(2,673.91)
	(Increase) / Decrease in Other Current Assets	(38.42)	(1,418.77)
	(Increase) / Decrease in Other Non-Current Assets	2.61	(4.47)
	(Increase) / Decrease in Other Current Financial Assets	(131.99)	1,832.39
	(Increase) / Decrease in Other Non - Current Financial Assets	(68.62)	(483.05)
	Increase / (Decrease) in Trade Payables	1,960.94	1,519.12
	Increase / (Decrease) in Current Provisions	144.99	31.53
	Increase / (Decrease) in Non-Current Provisions	(156.29)	187.90
	Increase / (Decrease) in Other Current Financial Liabilities	0.00	-
	Increase / (Decrease) in Other Current Liabilities	120.28	(55.19)
	Cash generated from/ (used in) operations	**6,788.01**	**18,329.13**
	Income taxes refund/ (paid)	(4,038.17)	(7,270.76)
	Net Cash from / (used in) operating activities (A)	**2,749.84**	**11,058.37**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property ,Plant & Equipment	(4,461.27)	(9,745.04)
	Proceeds from sale of Property, Plant & Equipment	3.84	21.89
	(Increase) / Decrease in Demand deposits	(1,003.24)	166.70
	Interest Received	240.20	71.71
	Purchase of Long term Investment	(1,689.56)	(1,772.89)
	Net Cash from/(used in) investing activities (B)	**(6,910.03)**	**(11,257.63)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long term borrowings	(4,062.66)	(11,821.04)
	Proceeds from Long term borrowings	9,153.36	13,535.92
	Increase/ (Decrease) in short term borrowings	2,099.54	373.49
	Finance cost paid	(2,066.38)	(1,892.16)
	Net Cash from/(used in) financing activities (C)	**5,123.86**	**196.21**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**963.67**	**(3.05)**
	Cash and Cash Equivalents (Opening balance)	524.47	527.52
	Cash and Cash Equivalents (Closing balance)	1,488.14	524.47
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**963.67**	**(3.05)**

Notes :

1 Figures in brackets represent outflows of cash and cash equivalents.

2 Cash and cash equivalents comprise of :

(Rs. In Lacs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash on hand	747.27	169.69
Balances with Banks	740.87	354.78
	1,488.14	**524.47**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 06 August, 2019
Place : Pune

DELOITTE HASKINS & SELLS LLP Chartered Accountants

For and on behalf of Board of Directors

Bahadur Ali
Director
DIN: 157609

Sultan Ali
Whole time Director
DIN: 157642

Date : 29 June 2019
Place : Raipur

Indian Agro and Food Industries Limited

Notes forming part of standalone financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019

A. Changes in Equity Share Capital

	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Balance at the beginning of the year	343.00	343.00
Shares issued during the year	-	-
Shares bought back during the year	-	-
Balance at the end of the year	**343.00**	**343.00**

B. Changes in Other Equity

Rs. in Lacs

Particulars	Securities Premium	Retained Earnings	Total Other Equity
Balance as at 01 April, 2017	**10,378.24**	**11,447.69**	**21,825.93**
Profit for the year	-	12,849.54	12,849.54
Other comprehensive income for the year, net of income tax	-	(74.10)	(74.10)
Subtotal	-	**12,775.44**	**12,775.44**
Balance as at 31 March, 2018	**10,378.24**	**24,223.13**	**34,601.37**

Particulars	Securities Premium	Retained Earnings	Total Other Equity
Balance as at 01 April, 2018	**10,378.24**	**24,223.13**	**34,601.37**
Profit for the year	-	8,300.64	8,300.64
Other comprehensive income for the year, net of income tax	-	(4.42)	(4.42)
Subtotal	-	**8,296.22**	**8,296.22**
Balance as at 31 March, 2019	**10,378.24**	**32,519.35**	**42,897.59**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 06 August 2019
Place : Pune

For and on behalf of Board of Directors

Bahadur Ali
Director
DIN: 157609

Sultan Ali
Whole time Director
DIN: 157642

Date : 29 June, 2019
Place : Raipur

Indian Agro and Food Industries Limited

Notes forming part of financial statements

Corporate information

The Company was incorporated on 01st May 2009 as a public limited company in the name of Indian Agro and Food Industries Limited ("the Company"). The Company is engaged in the business of poultry farming.

The financial statements were authorized for issuance by the Company's Board of Directors on 29 June 2019.

1. Significant accounting policies

1.1 Basis of preparation and presentation of financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("the Rules").
The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Biological Assets and agricultural produce
- Assets classified as held for sale

All amounts included in the financial statements are reported in Indian Rupees Lacs and have been rounded off to nearest decimal of Rs. in Lacs (INR 00,000).

1.2 Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

1.3 Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non-monetary assets and liabilities denominated in foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined.

Foreign exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for productive use which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

1.4 Property, Plant and Equipment:

Property, plant and equipment including subsequent expenditure related to an item of Property, plant and equipment are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.

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1.5 Depreciation on Property, plant and equipment

Land is not depreciated. Depreciation of other items of Property, Plant and Equipment are provided on a written down value over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset.

Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life (years)
Buildings	5, 30 and 60
Roads	10
Electrical Installations	10
Plant & Machinery (poultry farm equipments and others)	25
Other Plant & Machinery	8
Furniture & Fixtures	10
Computers	3 -6
Motor Vehicles	8-10
Office Equipments	5

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.

1.6 Intangible Assets

Intangible assets viz. computer software that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized using the written down value method over their estimated useful lives of 6 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of profit and loss when the asset is derecognized.

1.7 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would

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have determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

1.8 Non – current assets held for sale and discontinued operations:

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, biological assets, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.
An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.
Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.
Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.
A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.9 Financial instruments

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

i) Financial assets at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any. Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

ii) Equity investments – Equity Investments in associates, subsidiaries and joint ventures are stated at cost. Other equity investments are measured at Fair value through profit and loss account (FVTPL).

iii) Financial liabilities:

Initial recognition and measurement: Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Fair value measurement: The Company classifies the fair value of its financial instruments in the following hierarchy, based on the Inputs used in their valuation:

Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

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Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

1.10 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and subsequently re-measured at their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Profit and Loss immediately. The Company has not designated any derivative financial instrument as a hedging instrument.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives where the risk and characteristics are not closely related to the host contracts and the host contracts are both measured at fair value through profit or loss.

1.11 Inventories, Biological assets and agricultural produce:

1.11.1 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, stores and spare parts and packing materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

1.11.2 Biological Assets:

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Biological assets include Poultry for live-stock breeding (Grand-parent and Breeder), hatching eggs, live commercial birds (Broiler and Layer) and commercial cockrel birds. All biological assets are measured at fair value less cost to sell. Grand-parent birds are held to produce hatchable eggs which produce Breeder Birds. Breeder birds are held to produce hatchable eggs which produce broiler birds. Commercial broiler birds, commercial cockrel birds and commercial eggs are held for sale in the normal course of business the fair value of the biological assets, which do not have an active market is determined by the Company using the income approach as per Ind AS 113. Commercial layer birds and hatching eggs are carried at fair value, which approximates the cost of the biological asset as little biological transformation takes place since its initial cost incurrence and the impact of the biological transformation on price is not expected to be material. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell in terms of Ind AS 41. The gain or loss arising on initial recognition of such biological assets at fair value less costs to sell and from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises. Poultry for livestock, hatchable eggs and commercial layer birds have been classified as bearer biological assets as these are held to bear produce. The commercial broiler birds and commercial cockrel birds have been classified as consumable biological assets as those are to be harvested as agricultural produce or sold as biological assets.

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1.11.3 Agricultural Produce:

The Company recognizes agricultural produce when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Agriculture Produce at the point of harvest include Commercial Eggs and Commercial Broiler (carcass). Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell shall be included in Statement of Profit and Loss for the period in which it arises.

1.12 Employee Benefits

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other long-term employee benefits

The liability for earned leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Statement of profit and loss.

Post-employment benefits

(a) Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expenses when the employees have rendered services entitling them to the contribution.

Provident fund: The employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

(b) Defined benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements , comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of profit and loss. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Defined benefit costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in Statement of Profit and Loss.

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

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Chartered Accountants

Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation carried out at each balance sheet date using the projected unit credit method.

1.13 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

1.14 Income Tax

i) Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on taxes (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

1.15 Leases

At the inception of a lease, the lease arrangement is classified either as a finance lease or an operating lease, based on the substance of the lease arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

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Assets taken on finance lease

Assets held under finance leases are initially recognized as an asset and a lease obligation at the lower of the fair value of the asset and the present value of minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Minimum lease payments are apportioned between finance expense and reduction of the outstanding lease obligation. Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease obligation. Finance expense is recognized immediately in the Statement of Profit and Loss.

Assets taken on operating lease

Rental expenses from operating leases are generally recognized in Statement of profit and loss on a straight-line basis over the term of the lease, unless the payments are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.16 Cash and cash equivalent

Cash and cash equivalents comprise cash in hand and unencumbered, highly liquid bank and other balances (with original maturity of three months or less) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.17 Revenue recognition

The Company has adopted Ind AS 115 Revenue from Contracts with Customers from 1 April 2018 which resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements. An entity has an option to adopt Ind AS 115 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 115 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application (i.e. 1 April 2018 in the case of the Company). Under the modified retrospective method, the comparative information in the financial statements would not be restated and would be presented based on the requirements of the previous standards (e.g. Ind AS 18/Ind AS 11).

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application).

However, there is no impact on the Company's retained earnings as at 1 April 2018 on account of adoption of Ind AS 115.
Due to the nature of the contracts with the customer and the business model, there is no change in any financial statement line item as compared with the previous revenue recognition requirements.

Revenue Recognition:
A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

a) Sale of Goods – Whole Sale
The company is in the business of poultry farming. The company sells these from their owned retail outlets and from their farms (own and contracted). Sales are recognised when the Company satisfy its performance obligation, which generally is at the time the Company delivers the product to the customer (i.e. in case of CIF sales when the goods are delivered to the customer at their directed place and in case of ex-works sale when goods dispatched from the farms).

Payment terms differ by customer, but payment terms in most of the Company's customers range from 7 to 30 days from date of delivery. Revenue for the Company's product sales has not been adjusted for the effects of a financing component as the Company expects, at contract inception, that the period between when the Company transfers control of the product and when the Company receives payment will be one year or less. The wholesalers have full discretion over the channel and price to sale the product.

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b) Sale of Goods – Retail

The group operates a chain of retail stores selling live birds and eggs. Revenue from the sale of goods is recognised when the Company sells a product to the customer. Payment of the transaction price is due immediately when the customer purchases the birds or eggs.

c) Rebates and Discount

The company has the policy of giving cash discount to its customer in case they make the payment within 1 or 2 days. Also company give discount to its major customers as per their mutually agreed terms.

d) Interest Income

Interest income is recognized on accrual basis as per the terms of relevant contracts or by using the effective Interest method, where applicable.

e) Dividend and investment income:

Dividend income is recognized when the right to receive payment is established. Incomes from investments are accounted on an accrual basis.

1.18 Government Grant

Government grants including any non-monetary grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognized in Statement of profit and loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognized as expenses.

Government grants relating to the purchase of property, plant and equipment assets are included in non- current liabilities as deferred income and credited to statement of profit and loss on straight line basis over the expected life lives of the related assets.

1.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in Statement of profit and loss in the period in which they are incurred.

1.20 Segment reporting

Operating segments are reported in a manner consistent with the reporting presented to the chief operating decision maker.

The chief operating decision makers include the whole time director, chairman and the chief financial officer. The Company is engaged in the business of sale of chicks and eggs which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 1. The revenues, total expenses and net profit as per the Statement of profit and loss represents the revenue, total expenses and the net profit of the sole reportable segment.

1.21 Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding

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during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive.

1.22 Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. On transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost). The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repairs and maintenance costs are recognised in thestatement of profit and loss as incurred.

Transfers are made to (or from) investment property only when there is a change in use and not merely made on the basis of change in intention to transfer. At the period end date, the company re-assesses the classification of properties held at that date and, if applicable, reclassifies the properties to reflect the recognition criteria as on that date.

Subsequent measurement

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Depreciation on investment properties is provided on the written down value, over the useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset Category	Estimated useful life (in years)	Estimated useful life as per Schedule II to the Companies Act, 2013 (in years)
Buildings	58	60

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by International Valuation Standards Committee.

De-recognition

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of de-recognition.

1.23 Recent accounting developments

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 and has amended the following standards:

a. **Ind AS 116 Leases**: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is

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of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The Company is in the process of evaluation of the impact of the standard.

b. **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.
The standard permits two possible methods of transition –
i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.
i) The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in the Statement of profit and loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

c. **Amendment to Ind AS 19** – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.
The amendments require an entity:

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• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognise in the Statement of profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

1.24 Key accounting judgement, estimates and assumptions

The areas involving critical estimates or judgements are:

(i) **Depreciation and amortization**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Assets include Property, plant and equipment, intangible assets and investment property. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 1.5.

(ii) **Employee Benefits**

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations. Refer note 31.

(iii) **Provision and contingencies**

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

(iv) **Fair valuation**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model or the income approach. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. With respect to certain biological assets, where there is no active market for the unharvested produce, the Company arrives at the fair value using the income approach as per Ind AS 113. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments and biological assets. Refer Note 41 for further disclosures.

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Notes forming part of the Standalone Financial Statements

Note 2 : Property Plant and Equipment

(Rs in Lacs)

Particulars	Freehold Land	Building	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Computers	Total
Gross carrying amount:								
Balance as at 1st April, 2017	1,399.69	8,624.03	12,182.35	28.55	119.19	2,402.25	65.82	24,821.88
Additions	156.56	2,404.31	3,625.71	6.78	22.77	667.72	45.22	6,929.07
Disposals	0.15	348.58	118.84	0.34	3.25	42.68	3.56	517.40
Reclassification/adjustments	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	**1,556.10**	**10,679.76**	**15,689.22**	**34.99**	**138.71**	**3,027.29**	**107.48**	**31,233.55**
Accumulated depreciation and impairment:								
Balance as at 1st April, 2017	-	766.79	1,633.78	8.88	43.60	602.65	19.44	3,075.14
Depreciation expense during the year	-	781.62	1,529.54	5.74	36.78	601.91	33.12	2,988.71
Elimination on disposal of assets	-	63.20	29.03	0.17	1.64	20.60	0.34	114.98
Elimination on reclassification/adjustment of assets	-	-	-	-	-	-	-	-
Balance as at 31st March, 2018	-	**1,485.21**	**3,134.29**	**14.45**	**78.74**	**1,183.96**	**52.22**	**5,948.87**
Net carrying amount as at 31st March, 2018	**1,556.10**	**9,194.55**	**12,554.93**	**20.54**	**59.97**	**1,843.33**	**55.26**	**25,284.68**
Gross carrying amount:								
Balance as at 1st April, 2018	1,556.10	10,679.76	15,689.22	34.99	138.71	3,027.29	107.48	31,233.55
Additions	16.40	2,542.69	5,041.92	42.93	70.03	293.91	125.64	8,133.52
Disposals	-	-	-	-	-	34.95	-	34.95
Reclassification/adjustments	38.35	141.23	15.14	36.63	(36.23)	-	-	195.12
Less: Adjustments relating Assets reclassified as held for sale	1,610.85	13,363.68	20,746.28	114.55	172.50	3,286.26	233.12	39,527.24
Balance as at 31st March, 2019	-	-	-	-	-	-	-	-
Accumulated depreciation and impairment:								
Balance as at 1st April, 2018	-	1,485.20	3,134.29	14.45	78.75	1,183.96	52.22	5,948.87
Depreciation expense during the year	-	958.10	1,925.78	17.36	35.46	628.81	53.43	3,618.94
Elimination on disposal of assets	-	-	-	-	-	32.27	-	32.27
Elimination on reclassification/adjustment of assets	-	-	-	-	-	-	-	-
Reclassification/adjustments	-	14.88	6.82	16.51	(25.29)	-	-	12.92
Less: Adjustments relating Assets reclassified as held for sale	-	2,458.18	5,066.90	48.32	88.92	1,780.50	105.64	9,548.46
Balance as at 31st March, 2019	-	-	-	-	-	-	-	-
Net carrying amount as at 31s March, 2019	-	-	-	-	-	-	-	-

i) Refer Note 15.1 for information on property, plant and equipment pledged as security by the Company.

ii) Other Adjustments in freehold land (Gross Block: 38.35 lacs, Accumulated Depreciation: Nil); building (Gross Block: 141.23 lacs, Accumulated Depreciation: 14.88); Plant and Equipments (Gross Block: 15.14 lacs, Accumulated Depreciation: 6.82); Furniture and Fixtures (Gross Block: 36.63 lacs, Accumulated Depreciation: 16.51) includes transfer from Investment property to PPE and Office Equipments (Gross Block: 36.23, Accumulated Depreciation: 25.29) transferred from PPE to Investment property

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Note 3: - Investment Property

Particulars	Rs. In lacs
Gross carrying amount:	
Balance as at 1st April, 2017	1,432.08
Additions	62.94
Disposals	-
Reclassification/adjustments	-
Balance as at 31st March, 2018	**1,495.02**
Accumulated depreciation and impairment:	
Balance as at 1st April, 2017	80.22
Depreciation / amortisation expense during the year	67.71
Elimination on disposal of assets	-
Elimination on reclassification/adjustment of assets	-
Balance as at 31st March, 2018	147.93
Net carrying amount as at 31st March, 2018	**1,347.09**
Gross carrying amount:	-
Balance as at 1st April, 2018	1,495.02
Additions	0.60
Disposals	-
Reclassification/adjustments	(195.12)
Less: Adjustments relating Assets reclassified as held for sale	-
Balance as at 31st March, 2019	**1,300.50**
Accumulated depreciation and impairment:	
Balance as at 1st April, 2018	147.93
Depreciation / amortisation expense during the year	44.38
Elimination on disposal of assets	-
Elimination on reclassification/adjustment of assets	-
Reclassification/adjustments	(12.90)
Balance as at 31st March, 2019	179.41
Less: Adjustments relating Assets reclassified as held for sale	-
Net carrying amount as at 31st March, 2019	**1,121.09**

The company has classified certain land and buildings as investment property

Information regarding income and expenditure of investment property	**Rs.in Lacs** **31st Mar 2019**
Rental income derived from investment property	3.00
Direct operating expenses (Including repairs and maintenance)	-
Profit before depreciation and indirect taxes	3.00
Depreciation	44.38
Net Profit/(Loss)	(41.38)

As at 31 March, 2018 the fair value of the properties is 1,898.10 Lacs. The fair valuation is derived by an independent valuer based on the market prices as on that date. There is no material deviation in the fair value as assessed previously as on 31 March 2019.

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Note 4 : Intangible Assets **Rs In Lacs**

Description of Assets	**Software**
Gross carrying amount:	
Balance as at 1st April, 2017	46.54
Additions	15.75
Disposals	-
Balance as at 31st March, 2018	**62.29**
Accumulated amortisation / impairment:	
Balance as at 1st April, 2017	18.19
Amortisation expense during the year	14.35
Balance as at 31st March, 2018	**32.54**
Net carrying amount as at 31st March, 2018	**29.75**
Gross carrying amount:	
Balance as at 1st April, 2018	62.29
Additions	1.45
Disposals	
Less: Adjustments relating Assets reclassified as held for sale	63.74
Balance as at 31st March, 2019	-
Accumulated amortisation and impairment:	
Balance as at 1st April, 2018	32.54
Amortisation expense during the year	11.16
Less: Adjustments relating Assets reclassified as held for sale	43.70
Less: Adjustments relating Assets reclassified as held for sale	
Balance as at 31st March, 2019	-
Net carrying amount as at 31st March, 2019	-

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NOTE 5 - BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Bearer biological assets		
Poultry for livestock breeding	-	1,043.33
Commercial layer birds	-	80.79
Total Non Current Biological Assets	-	**1,124.12**

NOTE 5A - BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Consumable and bearer biological assets		
Poultry for livestock breeding	-	6,358.42
Commercial layer birds	-	763.08
Hatching eggs	-	1,565.93
Commercial broiler birds	-	3,902.62
Commercial cockrel birds	-	15.45
Agricultural produce		
Commercial Eggs	-	60.71
Commercial Broiler (carcass)	-	83.68
Total Current Biological Assets	-	**12,749.89**
Total Biological Assets	-	**13,874.01**

Reconciliation of changes in the carrying amount of biological assets:

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
a) Measurement basis: (Fair value less costs to sell)		
Poultry for livestock breeding		
At the beginning of the year	-	5,900.67
Gains arising from cost inputs and purchases	-	3,985.03
Decrease due to devalaution	-	2,809.10
Fair value adjustment recorded in the statement of profit and loss (Ref Note 22.02)	-	325.15
At the end of the year	-	**7,401.75**
Commercial layer birds		
At the beginning of the year	-	982.35
Gains arising from cost inputs and purchases	-	836.73
Decrease attributable to sales	-	975.21
At the end of the year	-	**843.87**
Hatching eggs		
At the beginning of the year	-	1,020.02
Gains arising from cost inputs and purchases	-	4,947.23
Decrease due to harvest/sale	-	4,401.32
At the end of the year	-	**1,565.93**
Commercial broiler birds		
At the beginning of the year	-	2,861.16
Gains arising from cost inputs and purchases	-	91,295.94
Decrease due to harvest/sale	-	90,275.61
Fair value adjustment recorded in the statement of profit and loss (Ref Note 22.02)	-	21.13
At the end of the year	-	**3,902.62**
Commercial cockrel birds		
At the beginning of the year	-	52.76
Gains arising from cost inputs and purchases	-	515.01
Decrease due to harvest/sale	-	552.98
Fair value adjustment recorded in the statement of profit and loss (Ref Note 22.02)	-	0.66
At the end of the year	-	**15.45**
Agricultural Produce at the end of the year	-	**144.39**
Total	-	**13,874.01**

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NON-FINANCIAL MEASURES OF PHYSICAL QUANTITIES OF BIOLOGICAL ASSETS		As at 31st March 2019	As at 31st March, 2018
Biological assets at the end of the year			
Poultry for livestock breeding	Nos	-	1,919,043
Commercial layer birds	Nos	-	639,240
Hatching eggs	Nos	-	13,600,376
Commercial broiler birds	Nos	-	18,752,167
Commercial Cockrel birds	Nos	-	40,524
Output of agricultural produce during the year			
Commercial eggs	Nos	-	155,895,006
Grownup commercial broiler	Kgs	-	2,381,328

NOTE 6 - NON CURRENT INVESTMENTS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Unquoted Investment (all fully paid)		
1) Investment in Joint Ventures (at cost unless stated otherwise)		
i) Investment in others		
A) ABIS Sampoorna LLP	-	310.43
2) Other Investments (at fair value through profit and loss)		
i) Investment in equity instruments		
A) ABIS Broiler Private Limited [290,000 (31st March 2018: 290,000) equity shares of Rs. 10 each]	251.75	251.75
B) Halifax Merchandise Pvt. Ltd [1,825,000 (31st March 2018: 1,825,000) equity shares of Rs. 10 each]	1,210.71	1,210.71
Total Unquoted Investment	**1,462.46**	**1,772.89**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	**1,462.46**	**1,772.89**

Refer note 41 for determination of fair value

NOTE 7 - OTHER NON-CURRENT FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHEREWISE STATED)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Security Deposits	-	435.83
Bank deposits with more than 12 months maturity	-	75.43
Loans to Individual	-	999.58
Total	-	**1,510.84**

NOTE 7A- OTHER CURRENT FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHEREWISE STATED)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Security Deposits	-	66.43
Loans and advances to employees	-	190.40
Total	-	**256.83**

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NOTE 8 - DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March, 2018 Rs. Lacs
Deferred Tax Asset / (Liabilities):		
Tax effects of items constituting deferred tax assets		
On difference between book balance and tax balance of property plant and equipment	94.69	206.74
Provision for doubtful debts	59.28	4.85
Unpaid Liability Carried forward u/s 43B - leave encashment	33.70	14.68
Disallowance under section 40 (a)(ia)	3.14	-
Unrealised foreign exchange gain relating to capital asset	(10.30)	-
Provision for employee advances	6.29	-
Provision for slow moving inventory	45.39	27.69
Biological assets loss/(Gain) - fair value	(331.84)	1.80
	(99.65)	255.76
Total	(99.65)	255.76
Recognized in Other Comprehensive income	2.37	39.22
Recognized in Statement of Profit and Loss	(357.78)	(226.82)

NOTE 9 - OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHEREWISE STATED)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Capital advances	30.00	158.61
Prepaid Expenses	-	4.47
Total	30.00	163.08

NOTE 9A - OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHEREWISE STATED)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Prepaid expenses	-	97.77
Advances to suppliers	-	1,518.56
Balances with government authorities (GST, Custom Duty, Export Incentives etc.)	-	5.22
Total	-	1,621.55

NOTE 10 - INVENTORIES (Valued at lower of cost or net realisable value)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Raw materials	-	12,251.24
Stores and spares	-	717.57
Total	-	12,968.81

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NOTE 11 - TRADE RECEIVABLES (Unsecured)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Considered good	-	2,582.26
Considered doubtful	-	13.88
Less: Allowance for doubtful debts	-	13.88
Total	-	**2,582.26**
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	-	**2,596.14**
(c) Trade Receivables which have significant increase in Credit Risk;	-	-
(d) Trade Receivables - credit impaired.";	-	-
Less : Expected Credit Loss	-	**13.88**
Total Trade Receivables	-	**2,582.26**

Notes
1] Trade receivables are dues in respect of the goods sold in the normal course of business
2] Trade Receivables include receivables from related parties. (Refer Note 34)
3] Average credit period on sale of goods ranges from 30-90 days.

Movement in the allowance for expected credit loss	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Balance at the beginning of the year	-	57.24
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	-	(43.36)
Balance at the end of the year	-	13.88

Ageing of Expected credit loss allowance	As at 31st March 2018 Rs. Lacs	As at 31st March 2018 Rs. Lacs
More than 90 days past due	-	13.88
Balance at the end of the year	-	13.88

NOTE 12 - CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Cash and Cash Equivalents		
Cash on hand	247.90	169.69
Balance with banks in -		
Current Accounts	131.43	354.78
Total	**379.33**	**524.47**

NOTE 12A - OTHER BANK BALANCES

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Other Bank Balances		
In Demand Deposit Account (Deposits with maturity more than 3 months but less than 12 months - under lien)	-	88.25
Total	-	**88.25**

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NOTE 13 - SHARE CAPITAL

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Authorised:		
5,000,000 (March 31, 2018: 5,000,000) equity shares of Rs 10 each	500.00	500.00
Issued, subscribed and fully paid-up:		
3,430,000 (March 31, 2018: 3,430,000) equity shares of Rs 10 each	343.00	343.00

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Name of Shareholder	31st March 2019		31st March 2018	
	Number of Shares	Amount	Number of Shares	Amount
Shares outstanding at the beginning of the year	3,430,000.00	343.00	3,430,000.00	343.00
Add: additional equity shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	3,430,000.00	343.00	3,430,000.00	343.00

b. Rights, preferences and restrictions attached to shares

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

c. Details of shareholders holding more than 5% equity shares in the Company

Name of Shareholder	31st March 2019		31st March 2018	
	Number of Shares	Percentage	Number of Shares	Percentage
(a)Halifax Merchandise Pvt. Ltd.	566,110	16.50%	566,110	16.50%
(b) Shree Radhe Tea Plantation Pvt. Ltd.	418,725	12.21%	418,725	12.21%
(c) Bahadur Ali	355,420	10.36%	355,420	10.36%
(d) Fountain Head Mercantiles Pvt. Ltd.	399,389	11.64%	399,389	11.64%
(e) Abis Poultry Pvt. Ltd.	367,872	10.73%	367,872	10.73%
(f) Abis Broiler Pvt. Ltd.	286,954	8.37%	286,954	8.37%
(g) Fahim Sultan	179,405	5.23%	179,405	5.23%
(h) Abis Exports (India) Pvt. Ltd.	227,700	6.64%	227,700	6.64%
(i) Aziz Poultry Pvt. Ltd.	177,058	5.16%	177,058	5.16%

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NOTE 14 - Other Equity

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Securities Premium:		
Balance at the beginning and at the end of year	10,378.24	10,378.24
Retained earnings		
Balance at the beginning of the year	24,223.13	11,447.69
Add: Profit for the year from discontinuing and continuing operations	8,300.64	12,849.54
Less: Other comprehensive income	(4.42)	(74.10)
Balance at the end of the year	32,519.35	24,223.13
Total	**42,897.59**	**34,601.37**

Nature and purpose of reserves:
Securities premium reserve
Securities premium reserve is used to record the premium on issue of shares. The Companies Act, 2013 prescribes the utilisation of the securities premium reserve.

Retained Earnings
Retained earning of the Company is kept aside out of the company's profits to meet future (known or unknown) obligations.

NOTE 15 - NON-CURRENT BORROWINGS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Measured at amortized cost		
(A) Secured Borrowings		
- Term loans		
From Banks	-	10,838.54
Total Secured Borrowings	-	10,838.54

NOTES 15.1 - Details of security provided in respect of secured non current borrowings

The loan is secured by way of first charge on entire property, plant and equipment of the Company and second charge by way of hypothecation of Company's entire current assets including stocks of raw materials, semi-finished and finished goods, biological assets, consumables stores and spares and such other movables, book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the bank.

NOTES 15.2 Rate of interest for the term loans is in the range of 8.5% to 11.5%.

NOTES 15.3 Maturity profile (Refer Note 42)

Particulars	Term loans from bank as at 31st March, 2019
Current maturities	
2019-20	4,446.86
	4,446.86
Non Current maturities	
2020-21	3,830.26
2021-22	3,708.90
2022-23	2,024.59
2023-24	1,416.27
2024 and beyond	2,689.45
	13,669.47
Total	**18,116.33**

NOTE 16 - NON CURRENT PROVISIONS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provisions for Employee Benefits		
Gratuity (Refer Note 31)	-	261.29
Total	-	**261.29**

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NOTE 16A - CURRENT PROVISIONS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provision for Employee Benefits		
Provision for Compensated absences	-	42.02
Gratuity (Refer Note 31)	-	9.29
Total	-	51.31

NOTE 17 - CURRENT BORROWINGS

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Measured at amortized cost		
(A) Secured Borrowing from banks #		
- Cash Credit / working capital demand loan	-	14,090.05
Total	-	14,090.05

Notes : # Secured by hypothecation of the Company's Stock in Trade and Receivables (both present and future)

NOTE 18 - TRADE PAYABLES

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Trade payables for goods and services		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 38)	-	69.92
Total outstanding dues to creditors other than micro enterprises and small enterprises	-	3,537.98
Total	-	3,607.90

NOTE 19 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Current Maturities of long term borrowings (Ref Note 15.2)	-	2,187.09
Interest Accrued but not due on borrowings	-	78.87
Payables on purchase of property plant and equipment	-	723.96
Total	-	2,989.92

NOTE 20 - OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Advances from customers	-	86.44
Statutory Remittances (Contribution to Provident Fund, withholding taxes & Service Tax etc.)	-	166.86
Total	-	253.30

NOTE 21 - CURRENT TAX LIABILITIES

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provision for Tax (Net of TDS and tax paid in advance of Rs.3,921.60 Lacs (31st March 2018 Rs. -106.28 Lacs)	298.46	127.81
Total	298.46	127.81

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NOTE 22 - REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations	-	-
ii) Discontinuing Operations		
Sale of biological assets and traded goods (Refer note 22.01 below)	251,444.93	171,823.91
Other operating revenues (Refer note 22.02 below)	1,455.48	423.76
Total from	**252,900.41**	**172,247.67**

22.01 Breakup of Revenue from Sale of biological assets and traded goods

Sale of biological assets			
Day Old Chick		3,259.31	6,423.67
Birds		238,801.82	147,815.81
Eggs		8,928.50	16,483.03
	A	250,989.63	170,722.51
Sale of other goods			
Poultry Equipment		105.45	465.06
Medicine		1.18	-
Feed		348.67	636.34
	B	455.30	1,101.40
Sale of Products (Gross)	**A + B**	251,444.93	171,823.91

22.02 Breakup of Other Operating Revenue

Sale of Rice Husk	-	1.81
Sale of Manure	345.17	271.53
Export benefits	-	10.87
Spares, Scrap Sales and EC Installation Charges	160.68	144.69
Gain/(Loss) on fair value of biological assets other than bearer plants	949.63	(5.14)
	1,455.48	423.76

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NOTE 23 - OTHER INCOME

Particulars	**For the year ended 31st March 2019 Rs. Lacs**	**For the year ended 31st March 2018 Rs. Lacs**
i) Continuing Operations		
(A) Other non operating income		
Rent Income	3.00	3.00
- on other financial assets measured at amortised cost	-	-
ii) Discontinuing Operations		
(A) Interest Income		
- on bank deposits (at amortised cost)	48.14	13.52
- on other financial assets measured at amortised cost	192.07	58.19
(B) Other non operating income		
Profit on sale of property plant and equipment (net)	1.17	
Government incentive		
Rent Income	48.34	98.71
Bad Debts Written Back (net)	25.87	
Miscellaneous Income	48.48	106.39
(C) Net (gain)/loss on foreign exchange differences (other than considered on finance cost)	27.52	
Total from continuing operations	**3.00**	**3.00**
Total from discontinued operations	**391.59**	**276.81**

NOTE 24 - COST OF MATERIAL CONSUMED

Particulars	**For the year ended 31st March 2019 Rs. Lacs**	**For the year ended 31st March 2018 Rs. Lacs**
i) Continuing Operations	-	-
ii) Discontinuing Operations		
Opening Stock of raw materials:	12,251.24	7,286.05
Add: Purchases of raw materials:	194,280.11	115,483.50
Less: Closing Stock of raw materials:	17,919.16	12,251.24
Total	188,612.19	110,518.31

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NOTE 25 - PURCHASES OF STOCK IN TRADE

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations	-	-
ii) Discontinuing Operations		
Birds	1,223.66	2,596.66
Poultry Equipments	116.14	361.27
Eggs	1,664.90	1,122.18
	3,004.70	4,080.11

NOTE 26 - CHANGES IN BIOLOGICAL ASSETS

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations	-	-
ii) Discontinuing Operations		
Biological assets and Inventory as at the beginning of the year :		
Biological assets	13,874.01	11,205.24
Finished Goods		
	13,874.01	11,205.24
Biological assets and Inventory as at the end of the year :		
Biological assets	21,469.60	13,874.01
Finished Goods		
	21,469.60	13,874.01
Net Decrease	**(7,595.59)**	**(2,668.77)**

NOTE 27 - EMPLOYEE BENEFIT EXPENSE

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations		
Salaries, wages and bonus and contribution to PF	4.49	4.14
ii) Discontinuing Operations		
Salaries, wages and bonus	12,617.27	9,211.32
Contribution to provident and other funds (Refer note 31)	852.60	565.57
Workmen and Staff welfare expenses	84.72	53.17
Total Continuing Operation	**4.49**	**4.14**
Total Discontinued Operation	**13,554.59**	**9,830.06**

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NOTE 28 - FINANCE COSTS

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations	-	-
ii) Discontinuing Operations		
a) Interest on		
Borrowings	2,091.24	1,919.38
Others	7.32	24.21
b) Other borrowing costs		
Bank Charges	123.12	177.88
Total	**2,221.68**	**2,121.47**

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NOTE 29 - OTHER EXPENSES

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
i) Continuing Operations		
Legal and ROC Expenses	11.00	5.17
Payment To Statutory Auditors (Refer Note 30)	2.50	2.50
Rental Charges	7.08	-
ii) Discontinuing Operations		
Consumption of stores, spares and other supplies	792.95	1,482.81
Bird rearing and custom hatching charges	21,240.64	12,148.90
Power and fuel	4,693.45	2,940.71
Rental Charges	1,116.06	657.15
Repairs and Maintenance -		
Building & Farm	400.88	314.23
Plant & Machinery	443.58	307.26
Vehicle	35.25	30.03
Others	155.08	136.84
Advertisement expenses	9.64	34.91
Insurance	104.17	106.03
Rates and taxes	118.45	82.77
Communication expenses	64.56	72.63
Traveling and conveyance expenses	251.55	202.92
Office Expenses	333.43	167.86
Donation	3.96	103.25
Canteen Expenses		-
Printing & Stationery		-
Freight, transport and packing expenses	3,538.31	2,576.06
Vehicle Running & Maintenance Expenses	1,901.40	2,550.24
Brokerage, Incentives & Commission	168.28	244.38
Sales Promotion & Marketing	879.98	446.93
Loss sale of Property Plant and Equipments		-
Corporate Social Responsibility Expenses (Ref note 37)	180.10	76.50
Professional & Consultancy Fees	61.41	118.71
Net loss on foreign exchange differences	-	70.85
Legal Expenses	-	-
Payment To Statutory Auditors (Refer Note 30)	27.50	27.50
Provision for doubtful trade receivables	169.62	(43.36)
Doubtful debts and advances written off	0.00	846.66
Loss on sale/write off of property plant and equipments	-	380.54
Miscellaneous expenses	240.40	208.39
Total from continuing operations	**20.58**	**7.67**
Total from discontinued operations	**36,930.65**	**26,291.70**

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Notes forming part of the Standalone Financial Statements

NOTE 30 - PAYMENT TO STATUTORY AUDITORS

Rs. in Lacs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
As Auditors		
Audit Fees	27.50	15.00
Tax Audit Fees	2.50	2.50
Others		12.50
Total	**30.00**	**30.00**
-Pertaining to continuing operations	2.50	2.50
-Pertaining to discontinuing operations	27.50	27.50

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NOTE 31 : EMPLOYEE BENEFITS

I. Defined Contribution Plans

Contribution are made to Provident Fund in India for employees at the rate as prescribed by the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized towards defined contribution plan is:

Rs. in Lacs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Contribution to Provident Fund	600.57	382.16
Employee state insurance	252.03	183.41

Note: The above contributions are included in Contribution to provident and other funds reported in note 27 of employee benefit expense.

II. Defined benefit plans

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Rs. in Lacs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Gratuity (Refer Note A)		
Non - Current	105.00	261.29
Current	99.86	9.29
Leave Obligation (Refer Note B)		
Non - Current	-	-
Current	96.45	42.02

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Note A: Gratuity

The company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy. Each year the level of funding in the gratuity plan is reviewed by the company.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i) Reconciliation of benefit obligation

Rs. in Lacs

Particulars	31st March 2019	31st March 2018
Present Value of Defined Benefit Obligations as on April 1	469.45	159.00
Current service cost	245.98	175.78
Interest expense/(income)	36.15	11.99
Benefit payments from plan assets	(17.42)	(5.06)
Benefit payments from employer	-	-
Remeasurements	-	-
Past Service Cost including curtailment Gains/Losses	-	16.78
(Gain)/loss from change in financial assumptions	3.76	(9.78)
(Gain)/loss from change in experience adjustments	13.14	120.75
Present Value of Defined Benefit Obligations as on March 31	**751.06**	**469.46**

ii) Reconciliation of fair value of plan assets

Rs. in Lacs

Particulars	31st March 2019	31st March 2018
Present Value of Defined Benefit Obligations as on April 1	198.87	82.02
Interest income	25.42	3.86
Employer contribution	339.34	118.05
Benefit payments from plan assets	(17.42)	(5.06)
Present Value of Defined Benefit Obligations as on March 31	**546.21**	**198.87**

iii) Amount to be recognized in Balance Sheet

Rs. in Lacs

Particulars	As at 31st March, 2019	As at 31st March, 2018
Present value of funded obligations	751.06	469.46
Fair value of plan assets	(546.21)	(198.87)
Amount to be recognized in Balance Sheet	**204.85**	**270.59**

iv) Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense

Rs. in Lacs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current Service Cost	245.98	192.56
Interest Cost	20.83	5.77
Expenses recognized in statement of profit and loss	**266.81**	**198.33**

v) Remeasurement for the year and amount recognised in statement of other comprehensive income (OCI)

Rs. in Lacs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(Gain)/loss from change in financial assumptions	3.76	(9.78)
(Gain)/loss from change in experience adjustments	13.14	120.75
Return on assets (excluding interest income)	(10.11)	2.36
Expenses recognized in statement of other comprehensive income (OCI)	**6.79**	**113.33**

Valuation in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Discount rate	7.66%	7.70%
Salary escalation	8.00%	8.00%
Normal Retirement Age	60 years	60 years
Mortality table	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Attrition at Ages	**Withdrawal Rate %**	**Withdrawal Rate %**
- up to 30 years	4.00%	4.00%
- from 31 to 44 years	3.00%	3.00%
- above 44 years	1.00%	1.00%

(a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated terms of the obligations.

(b) Withdrawal rate is employee turnover rate based on the Company's past and expected employee turnover.

(c) Salary escalation rate: The estimates of future salary increases considered taking into the account the inflation, seniority, promotion and other relevant factors.

(d) Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:
Expected benefit payments for the year ending:

Rs. in Lacs

Particulars	As at 31st March, 2019	As at 31st March, 2018
31st March 2020	99.86	60.71
31st March 2021	26.38	6.55
31st March 2022	16.29	14.82
31st March 2023	26.71	12.17
31st March 2024	19.05	14.31
31st March 2025 and onwards	21.59	10.46
31st March 2026 and onwards	541.18	350.42

Major categories of plan asset are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investment with Insurer (HDFC Life)*	100.00%	100.00%

* In the absence of information, details of planned assets are not given.

Sensitivity analysis for significant assumptions are as follows:

Rs. in Lacs

Particulars	For year ended 31st March, 2019	For year ended 31st March, 2018
Increase/(decrease) in present value of defined benefit obligation as at the end of the year		
(i) 0.5% increase in discount rate	(63.13)	(31.34)
(ii) 0.5% decrease in discount rate	40.84	35.00
(iii) 0.5% increase in rate of salary escalation	40.39	34.48
(iv) 0.5% decrease in rate of salary escalation	(63.20)	(31.18)

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

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

These plans typically expose the group to actuarial risk such as: Investment risk, Interest rate risk, longevity risk and salary risk.

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Investment Risk -

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on planned asset is below this rate, it will create a planned deficit. Currently, for the plan in India, it has relatively balanced mixed of investment in government securities, and other debt instruments.

Interest Risk -

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plans debt investments.

Longevity Risk -

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Salary Risk -

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

Demographic Risk -

As the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

Possible reasons for Actuarial Gains or Losses on Plan Liabilities

1) If the actual attrition, retirement or mortality experience turns out to be higher or lower than expected based on the assumptions made at the start of the accounting period, it would lead to an Actuarial Gain or Loss on Plan Liabilities.

2) If the salary increases are higher or lower than expected based on the assumption made at start of the accounting period, it would lead to an Actuarial Gain or Loss on Plan Liabilities.

3) If the actuarial assumptions of salary increase, attrition rate and discount rate change from one valuation year to another, it may lead to Actuarial Gain or Loss on Plan Liabilities.

4) Any significant changes in the demographic profile may also lead to Actuarial Gain or Loss on Plan Liabilities such as a large growth of the employee count from new joinees.

Possible reasons for experience Gains or Losses on Plan Assets:

Return on plan assets greater/(lessor) than discount rate. For example, if the discount rate was 8% and the fund actually earned 7% it would result in an actuarial loss on assets.

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NOTE 32 :Related Party Disclosure

A) List of Related Parties

(i) Joint Ventures

Name	Relationship
ABIS SAMPOORNA LLP	Joint Venture

(ii) Key Management Personnel & Directors

Name	Designation
Sultan Ali	Whole Time Director
Bahadur Ali	Director
Abdul Rajjak	Executive Director
Anjum alvi	Executive Director
Tanaz Aziz	Whole Time Director

(iii) Other related parties with whom transactions have taken place during the year:

(a) Entities where Key management personnel either have significant influence or are members of key management personnel of that entity :(EKMP)

1. Abis Exports (India) Pvt ltd (AEPL)
2. Abis Poultry Private Ltd
3. Aziz Poultry Private Ltd
4. Abis Hatchery Pvt Ltd
5. Abis Broiler Pvt Ltd
6. Abis Organic Fertilizer Pvt Ltd
7. Abis Agrotech Private Limited
8. Aziz Educational Society
9. Capital Poultry Farm
10. Bharat Broiler Farm
11. AZIZ Memorial Charitable Trust
12. AZIZ Agriculture Farm
13. Abis Ceramics & Pottries
14. Abis Premier LLP

B) Transactions With Related Parties

(i) Details of Compensation to Directors

Rs. in Lacs

	31-Mar-19			
Particulars	**Sultan Ali**	**Abdul Rajjak**	**Anjum alvi**	**Tanaz Aziz**
Short Term Employee Benefit	600.00	22.43	36.09	48.00
Perquisites	40.03	-	-	-
Total	**640.03**	**22.43**	**36.09**	**48.00**

	31-Mar-18			
Particulars	**Sultan Ali**	**Abdul Rajjak**	**Anjum alvi**	**Tanaz Aziz**
Short Term Employee Benefit	648.00	10.95	11.70	-
Perquites	40.03	-	-	-
Total	688.03	10.95	11.70	-

Note: Employee benefit payable (gratuity and leave encashment) are calculated on the basis of actuarial valuation. Amount payable for individual employees as at 31 March 2019 cannot be separately identified and has therefore not been included in the above.

(ii) Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2019

Rs. in Lacs

Particulars	Joint Venture	EKMP	KMP	Relatives of KMP	Total
Transactions During the Year					
Sale of goods	199.94	731.16	-	-	**931.10**
Sale of Services		-			-
Rental income		15.00	-	-	**15.00**
Purchase of goods	-	112,163.38	-	-	**112,163.38**
Rental expenditure	-	392.28	-	-	**392.28**
Hospitality Expenditure	-	53.69	-	-	**53.69**
Employee Benefit Expense - Salary	-	-	-	204.00	**204.00**

Loan Taken	-	-	190.00	10.00	**200.00**
Loan Repaid	-	-	190.00	-	**190.00**
Interest Paid on Loan	-	-	1.49	-	**1.49**
Investment in Joint Venture	1,694.67	-	-	-	**1,694.67**
Loss on Investment in JV (Abis Premier LLP)	(1.95)	-	-	-	**(1.95)**
CSR Expenditure	-	180.00	-	-	**180.00**
Outstanding Balances As on 31st March 2019					
Trade Receivables	11.54	27.95	-	-	**39.49**
Advances to Customer	-	242.82	-	-	**242.82**
Trade Payables	-	8.82	-	-	**8.82**
Investments in Joint Venture	2,000.00	-	-	-	**2,000.00**
Loans Payables	-	-	-	10.99	**10.99**

(iii) Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2018

Rs. in Lacs

Particulars	**Joint Venture**	**EKMP**	**KMP**	**Relatives of KMP**	**Total**
Transaction During the year 2017-18					
Sale of Goods	0.18	856.86	-	-	857.04
Sale of Services					
Rental income	-	15.24	-	-	15.24
Purchase of Goods	-	74,365.99	-	-	74,365.99
Rental expenditure	-	286.93	-	-	286.93
Hospitality Expenditure	-	30.55	-	-	30.55
Employee Benefit Expense - Salary	-	-	-	204.00	204.00
Loan Taken	600.00	-	50.00	-	650.00
Loan Repaid	600.00	-	260.66	4.18	864.84
Interest Paid on Loan	3.52	-	3.59	0.38	7.49
Investment in Joint Venture	310.43	-	-	-	310.43
Investment in Equity	-	1,462.46	-	-	1,462.46
CSR Expenditure	-	74.00	-	-	74.00
Donation Exp	-	100.00	-	-	100.00
Outstanding Balances As on 31st March 2018					
Trade Receivables	-	7.28	-	-	7.28
Advances to Customer	-	768.24	-	-	768.24
Trade Payables	-	7.35	-	-	7.35
Investments	310.43	-	-	-	310.43

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(iv) Disclosure of significant transactions with related parties.

Particulars	FY 18-19	FY 17-18
Sale of goods		
ABIS Export (India) Private Limited	672.54	801.15
Abis Sampoorna LLP	199.94	0.18
Purchase of goods		
ABIS Export (India) Private Limited	112,069.70	74,115.99
Rent Expense		
ABIS Export (India) Private Limited	108.00	-
AZIZ Poultry Private Limited	128.40	128.40
ABIS Poultry Private Limited	120.00	120.00
Rent Income		
ABIS Export (India) Private Limited	3.00	3.24
AZIZ Agriculture Farm	12.00	12.00
Hospitality Expenses		
ABIS Export (India) Private Limited	53.69	30.55
Loan Taken		
Bahadur Ali	190.00	-
Loan Repaid		
Bahadur Ali	190.00	122.24
Interest Paid on Loan (net of TDS)		
Bahadur Ali	0.51	1.86
Sultan Ali	0.99	1.74
Subsricption of equity shares / Investment in others		
ABIS Sampoorna LLP	1,689.56	310.43
Corporate Social Responsibility Expenditure		
Aziz Memorial Charitable Trust	180.00	74.00

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Notes forming part of Standalone financial statements

NOTE 33 - OPERATING LEASES

I) Continuing Operations: Nil (March 31, 2018: Nil)

II) Discontinued Operations:

a) Lease Payments under non-cancellable Operating Lease

Particulars	As at 31st March, 2019 Rs. In Lacs	As at 31st March, 2018 Rs. In Lacs
(i) Not later than one year	407.81	363.13
(ii) Later than one year and not later than five years.	1,631.25	1,243.53
(iii) Later than five years	4,571.82	5,424.36
Total	**6,610.87**	**7,031.02**

b) Lease payments recognised in the Statement of Profit and Loss for the year from 1st April 2018 to 31st March 2019 Rs. 1,123.14 Lacs (31st March 2018 Rs. 657.15 Lacs)

c) The aforesaid leasing arrangements are in respect of Godowns and retail offices and outlets with lease period of 2 and 30 years.

NOTE 34 - INCOME TAX EXPENSES

The note presents an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

(i) Statement of Profit or loss

Rs in Lacs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax expense	4,204.09	6,592.80
Deferred tax	357.78	(226.82)
Subtotal	**4,561.87**	**6,365.98**
Short / excess provision for Income tax relating to prior years	4.72	56.50
Total income tax expense recognised in statement of Profit & Loss	4,566.59	6,422.48

(ii) Amounts recognised directly in equity

Rs in Lacs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Net (gain)/Loss on remeasurement of defined benefit plans	(6.79)	(113.32)
Income tax charged to OCI	2.37	39.22

Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Rs in Lacs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(A) Profit before income tax expense	12,867.22	19,272.02
(B) Enacted tax rate in India	34.94%	34.61%
(C) Expected tax expenses	4,496.32	6,669.66
(D) Other than temporary difference		
Interest paid on TDS	0.09	0.31
Expenditure incurred on Corporate Social Responsibility	180.10	92.75
Loss of cash	-	27.87
Exempt Income - Agricultural Income	(12.00)	(12.00)
Standard deduction on rental income	(0.90)	(0.97)
Profit on Sale of Assets	(1.17)	(10.09)
Others	(995.55)	(862.03)
(E) Effect of Income exempt from Tax	(829.43)	(764.16)
(F) Net Adjustment in Tax Expense (B * E)	(289.83)	(264.46)
(G) Current tax expense to be recognised in statement of Profit & Loss (F - C)	4,206.49	6,405.20
(H) Income tax adjustment on income tax charged to other comprehensive income on remeasurement of defined benefit plans	2.37	39.22
(I) Net current tax expense recognised in statement of Profit & Loss	**4,204.11**	**6,365.98**

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NOTE 35 - EARNINGS PER SHARE

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Net Profit After Tax Rs In Lacs		
From continuing operations (Rs In Lacs)	(66.45)	(76.52)
From discontinued operations (Rs In Lacs)	8,367.09	12,926.06
Weighted Average Number of Equity Shares (Continuing and discontinued operatIions, nos) (Basic and Diluted)	3,430,000.00	3,430,000.00
Nominal Value of Equity Shares (In Rs)	10.00	10.00
Basic / diluted earning per share		
From continuing operations (Rs)	(1.94)	(2.23)
From discontinued operations (Rs)	243.94	376.85
From continuing and discontinued operations (Rs)	242.00	374.62

NOTE 36 - CAPITAL AND OTHER COMMITMENTS

I) Continuing Operations: Nil (March 31, 2018: Nil)

II) Discontinued Operations:

Particulars	As at 31st Mar, 2019 Rs. In Lacs	As at 31st March, 2018 Rs. In Lacs
<u>Commitments</u> Estimated amount of contracts remaining to be executed on capital account and not provided for (net off of advances 31 March 2019: 77.94 Lacs; 31 March 2018: 158.61 Lacs)	10.96	147.36
Total	**10.96**	**147.36**

*Contingent liability as at 31st March 2019 Rs. Nil (31 March, 2018 - Rs. Nil)

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Notes forming part of Standalone financial statements

NOTE 37 - CORPORATE SOCIAL RESPONSIBILITY

I) Continuing Operations: Nil (March 31, 2018: Nil)

II) Discontinued Operations:

Rs in Lacs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Gross amount required to be spent by the company during the year	177.15	73.72
b. Amount spent during the year on; Promoting education through various educational programs basically for disadvantaged sections of society.	180.00	76.50

NOTE 38 - DISCLOSURE UNDER SECTION 22 OF MICRO SMALL AND MEDIMUM ENTERPRISES DEVELOPMENT ACT 2006

I) Continuing Operations: Nil (March 31, 2018: Nil)

II) Discontinued Operations:

Particulars	As at 31 March, 2019	As at 31 March, 2018
	Rs in Lacs	Rs in Lacs
Principal amount payable to Micro And Small Enterprises (to the extent identified by the company from available information) as at 31st March.	211.87	69.92
Amounts due for more than 45 days and remains to be outstanding as at 31st March	1.33	21.53
Interest on Amounts due for more than 45 days and remains to be outstanding as at 31st March.	0.16	3.82
Amount of payments made to suppliers beyond 45 days during the year	-	69.77
Estimated interest due and payable on above	-	2.51
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of interest accrued and remaining unpaid as at the end of the year *	-	-
The amount of estimated interest due and payable for the period from 1st April to actual date of payment or 15th May	0.16	3.82

* Interest payable as per section 16 of the Micro, Small and medium Enterprises Development, 2006, for the year is Rs 0.16 lacs (March 31,2018 - Rs 3.82 Lacs).

The same has not been accrued in the books of the Company as amount is not contractually payable.

NOTE 39 - During the year 2016-17, the company had moved to the Settlement Commission vide application dated 01st August, 2016 against the search operation conducted during F.Y. 2014-15. The order of the settlement commission has been received on 30 May 2017, and the company has accounted for undisclosed income amounting to Rs. 121.5 Lacs in Financial year 2016-17. The Company has paid the income tax of Rs. 898.47 Lacs (Including appropriation of Rs. 57.00 Lacs cash seized during the course of search) for such undisclosed income.

During the year 2016-17, such undisclosed income and income taxes paid thereon, were directly credited to retained earnings. During the previous year, the Company was required to follow Indian Accounting Standards reporting for the first time and comparative financial year i.e. 2016-17 financial information were drawn accordingly, which included the reclassification of such income from retained earnings to revenue from operations and income tax paid was disclosed under tax expenses. The Company has received the settlement order from the Income Tax Settlement Commission but the assets and documents seized have not yet been released from the IT department.

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Notes forming part of Standalone financial statements
NOTE 40 FINANCIAL INSTRUMENTS AND RISK REVIEW

I) Capital Management
The Company's capital management objectives are to maintain a strong capital base so as to maintain confidence of its business partners and to sustain future development of the business. Considering the reducing debt equity ratio and the positive surplus position of the company The Board of Directors does not see any major challenges in capital management in next one year.
The company manages capital risk by maintaining sound capital structure through monitoring of financial ratios. The company takes the positioning of the current ratio management as quite critical to continue to maintain itself as a surplus organization.
In case of contingency if the Company needs to borrow, Company does have a borrowing policy and undrawn borrowing facilities in place and if required to borrow, the Company goes with the lowest cost borrowing option that is available in the market like packing credit etc.

Debt Equity Ratio

	As at 31st March 2019 Rs in Lacs	As at 31st March 2018 Rs in Lacs
Debt	34,305.92	27,115.68
Equity	43,240.60	34,944.38
Debt Equity Ratio	**0.79**	**0.78**

II) Financial Risk Management Framework
The Company's activities expose it to a variety of financial risks : market demand risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is commodity price risk. The Company uses derivative financial instruments to mitigate exchange rate fluctuation risk.

a) Credit Risk

Credit risk is the risk of financial loss arising from failure of the customer to repay according to the contractual terms or obligations. Credit risk includes primarily risk of default and a possibility of erosion in creditworthiness of the customer impacting the future business of the Company. Credit risk is managed by the customer center teams with specific policies for analysing credit limits and creditworthiness of customers. Such reviews are done on continuous basis. Such credit limits which are reviewed in line with the credit limits are also maintained in the SAP system as well wherein the sales beyond credit limits are held back by system unless specifically approved.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivables. None of the financial instruments of the Company results in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was 2,669.50 Lacs and Rs. 2,618.60 Lacs as of 31 March, 2019 and 31 March 2018 respectively, being the total of the carrying amount of balances with trade receivables

Trade receivables
Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or a group of financial assets is impaired. Company provides a loss allowance on a trade receivable on case to case basis at the end of each reporting period. An impairment analysis at each reporting date on an individual basis for major customers. In addition a large number of customers that are outstanding for upto 90 days are assessed for impairment collectively.

Movement in the allowance for expected credit loss	As at 31st March 2019 Rs in Lacs	As at 31st March 2018 Rs in Lacs
Balance at the beginning of the year	13.88	57.24
Movement in the expected credit loss allowance	169.61	(43.36)
Balance at the end of the year	183.49	13.88

b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The primary risk to the company is on account of Foreign Rate Fluctuation Risk.

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

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i) Interest Rate Risk

The Company is exposed to interest rate risk on its cash and cash equivalents, long-term loans and borrowings, which can have an impact on the cash flows of these instruments. The exposure to interest rate risk is managed through the Company's Board by using counterparties that offer the best rates which enables the Company to maximise returns whilst minimising risk.

ii) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Details of foreign currency exposure were as under.

DETAILS OF DERIVATIVE INSTRUMENTS (FOR HEDGING)

a) Continuing Operations: Nil (March 31, 2018: Nil)

b) Discontinued Operations:

Details of currency swap

Particulars	Currency	Amount in foreign currency		Equivalent amount in Rs. Lacs	
		Mar-19	Mar-18	Mar-19	Mar-18
Fixed currency swap USD-INR	USD	10,592,461.66	5,343,511.45	7,000.00	3,500.00
No of contracts	2.00				

DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE NOT HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE

Particulars	Currency	Amount in foreign currency		Equivalent amount in Rs. Lacs	
		Mar-19	Mar-18	Mar-19	Mar-18
Trade Payable	EUR	1,020,000.00	-	792.56	-
	USD	-	-	-	-

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to other foreign currencies is not material.

Rs. in Lacs

Particulars	Currency	Change in rate	Effect on profit before tax - gain / (loss)
March 31, 2019	EURO	5%	(39.63)
	EURO	-5%	39.63
March 31, 2018	EURO	5%	-
	EURO	-5%	-

c) Liquidity Risk:

The Company determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long-term needs. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. The Company has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	31-Mar-19			31-Mar-18		
	Less than 1 Year	1-3 Years	> 3 Years	Less than 1 Year	1-3 Years	> 3 Years
Financial liabilities						
Borrowings excluding current maturities of long term borowing	16,189.59	9,563.74	4,105.72	14,090.05	8,281.31	2,557.23
Trade Payables	5,568.84	-	-	3,607.90	-	-
Other Financial Liabilities current maturities of long term borowing	5,751.63	-	-	2,989.92	-	-
Total	**27,510.06**	**9,563.74**	**4,105.72**	**20,687.87**	**8,281.31**	**2,557.23**

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Maturities of financial assets

The following table details the Company's expected maturity for financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on such assets.

a) Continuing Operations: Nil (March 31, 2018: Nil)

Particulars	31-Mar-19			31-Mar-18		
	Less than 1 Year	1 - 3 Years	> 3 Years	Less than 1 Year	1 - 3 Years	> 3 Years
Financial assets						
Investments	-	-	1,462.46	-	-	1,462.45
Other Financial Assets	-	-	-	-	-	-
Total	-	-	**1,462.46**	-	-	**1,462.45**

b) Discontinued Operations:

Particulars	31-Mar-19			31-Mar-18		
	Less than 1 Year	1 - 3 Years	> 3 Years	Less than 1 Year	1 - 3 Years	> 3 Years
Financial assets						
Trade Receivables	2,669.50			2,582.26	-	-
Cash and Cash Equivalents	1,488.14			524.47	-	-
Bank balances other than (iii) above	1,091.49			88.25	-	-
Other Financial Assets	1,968.28			1,767.67	-	-
Total	**7,217.41**	-	-	**4,962.65**	-	-

iii) Categories of financial instruments

a) Continuing Operations: Nil (March 31, 2018: Nil)

Particulars	31-Mar-19		31-Mar-18	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Investments	1,462.46	-	1,462.46	310.43
Other Financial Assets	-	-	-	-
Total Financial Liabilities	**1,462.46**	-	**1,462.46**	**310.43**

b) Discontinued Operations: (31, March 2019)

Particulars	31-Mar-19		31-Mar-18	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	2,669.50	-	2,582.26
Cash and Cash Equivalents	-	1,488.14	-	524.47
Bank balances other than (iii) above	-	1,091.49	-	88.25
Other Financial Assets	-	1,968.28	-	1,767.67
Total Financial Assets	-	**7,217.41**	-	**4,962.65**
Financial Liabilities				
Borrowings excluding current maturities of long term borowing	-	29,859.06	-	24,928.59
Trade Payables	-	5,568.84	-	3,607.90
Other Financial Liabilities current maturities of long term borowing	-	5,751.63	-	2,989.92
Total Financial Liabilities	-	**41,179.53**	-	**31,526.41**

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NOTE 41 FAIR VALUE MEASUREMENT

a) Continuing Operations:

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Rs. In Lacs

Particulars	Carrying Amount		Fair Value	
	31st March, 2019	31st March,2018	31st March, 2019	31st March,2018
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Investments	1,462.46	1,462.46	1,462.46	1,462.46
Other Financial Assets	-	-	-	-

b) Discontinued Operations (31 March 2019):

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Rs. In Lacs

Particulars	Carrying Amount		Fair Value	
	31st March, 2019	31st March,2018	31st March, 2019	31st March,2018
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Trade Receivables	2,669.50	2,582.26	2,669.50	2,582.26
Cash and Cash Equivalents	1,488.14	524.47	1,488.14	524.47
Bank balances other than (iii) above	1,091.49	88.25	1,091.49	88.25
Other Financial Assets	1,968.28	1,767.67	1,968.28	1,767.67
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Borrowings excluding current maturities of long term borowing	29,859.06	24,928.59	29,859.06	24,928.59
Trade Payables	5,568.84	3,607.90	5,568.84	3,607.90
Other Financial Liabilities including current maturities of long term borowing	5,751.63	2,989.92	5,751.63	2,989.92

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

The Company determines fair values of financial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of financial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

(b) The fair value of the Company's Biological assets has been calculated based on the income approach as per Ind AS 113 using Level 3 inputs.

Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value m

Level 1: quoted (unadjusted) price is active market for identical assets or liabilities.

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly.

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

The following table presents our assets and liabilities measured at fair value at March 31, 2019 and March 31, 2018

Rs. In Lacs

Particulars	Level 1	Level 2	Level 3
March 31, 2019			
Biological assets	-	-	21,469.60
Investments	-	-	1,462.46
March 31, 2018			
Biological assets	-	-	13,874.01
Investments	-	-	1,462.46

During the year ended 31st March, 2019, there were no transfers between Level 1 and Level 2 fair value measurement and no transfer into and out of Level 3 fair value measurement.

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Notes forming part of Standalone financial statements

Note 42: Discontinued operations

(a) Scheme of Arrangement

The Board of directors of the company in their meeting held on November 17, 2018 approved the Scheme of arrangement ("Scheme") providing for demerger and vesting of Poultry Operation Undertaking of India Agro and Food Industries Limited, as a going concern to ABIS Export (India) Private Limited " Resulting Company 1") ; and demerger and vesting of the Pet Feed Undertaking of ABIS Export (India) Private Limited, as a going concern to Drools Pet Food Private Limited ("Resulting Company 2"), pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and also read with section 2 (19AA), section 2 (41A), section 2 (19AAA) and other applicable provisions of Income-tax Act, 1961 with effect from 1 April 2019 or such other date as may be fixed by the Hon'ble National Company Law Tribunal (NCLT), while sanctioning the Scheme.

The company is in process of taking the necessary steps for obtaining the requisite approvals from National Company Law tribunal as may be required for implementation of the scheme. On 17 December, 2018 the entity filed the application with the National Company Law Tribunal (NCLT) for demerger of its Poultry operations in ABIS Exports (India) Private Limited.

(b) Cash flow information

Cash Flows: Pertaining to discontinued operations	Discontinued Operations
Net Cash from / (used in) Operating activities	2,820.09
Net Cash from / (used in) Investing activities	(6,910.03)
Net Cash from / (used in) Financing activities	5,123.85

(c) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were classified as held for sale in relation to the discontinued operation as at 31 March 2019

Rs. In Lacs

Particulars	**31-Mar-19**
Assets classified as held for sale	
Non-Current Assets	
(a) Property Plant and Equipment	29,978.76
(b) Capital work-in-progress	1,760.39
(c) Other Intangible Assets	20.05
(d) Biological Assets other than bearer plants	3,158.49
(e) Financial Assets	
(i) Investments	2,000.00
(ii) Other Financial Assets	1,579.46
(f) Other Non-Current Assets	49.80
Total Non-Current Assets	**38,546.95**
Current Assets:	
(a) Inventories	18,723.58
(b) Biological Assets other than bearer plants	18,311.11
(c) Financial Assets	
(i) Trade Receivables	2,669.50
(ii) Cash and cash equivalents	1,108.81
(iii) Bank balances other than (ii) above	1,091.49
(iv) Other current financial assets	388.82
(d) Other Current Assets	1,659.96
Total Current Assets	**43,953.27**
Total assets of disposal group held for sale	**82,500.22**

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Liabilities directly associated with assets classified as held for sale:

Non-Current Liabilities:	
(a) Financial Liabilities	
(i) Borrowings	13,669.47
(b) Provisions	105.00
Total Non-Current Liabilities	**13,774.47**
Current liabilities:	
(a) Financial liabilities	
(i) Borrowings	16,189.59
(ii) Trade Payables	5,568.84
(iii) Other Financial Liabilities	5,751.63
(b) Other Current Liabilities	373.57
(c) Provisions	196.30
Total Current Liabilities	**28,079.93**
Total liabilities of disposal group classified as held for sale	**41,854.40**

Net assets of disposal group classified as held for sale	**40,645.82**

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NOTE 43 - SEGMENT REPORTING

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Company operates in India and is engaged in the business of sale of birds and eggs which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 1 The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

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Chartered Accountants

For and on behalf of Board of Directors

Bahadur Ali	**Sultan Ali**
Director	Whole time Director
DIN: 157609	DIN: 157642
Date: 29 June 2019	Date: 29 June 2019
Place: Raipur	Place: Raipur.

ABIS Exports (India) Private Limited

Standalone Balance Sheet as at 31st March 2019

Particulars	Note No.	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
ASSETS:			
Non-Current Assets			
(a) Property Plant and Equipment	2	25,998.39	27,074.01
(b) Capital work-in-progress		2,924.64	123.34
(c) Other Intangible Assets	3	34.57	28.36
(d) Financial Assets			
(i) Investments	4	3,279.38	3,278.38
(ii) Other Financial Assets	5	788.28	706.30
(e) Income Tax Assets (Net)		-	217.78
(f) Other Non-Current Assets	6	2,085.45	459.96
Total Non-Current Assets		**35,110.71**	**31,888.13**
Current Assets:			
(a) Inventories	7	28,381.67	24,473.60
(b) Financial Assets			
(i) Investments	4A	301.80	263.79
(ii) Trade Receivables	8	13,228.37	16,772.61
(iii) Cash and Cash Equivalents	9	107.19	372.39
(iv) Bank balances other than (iii) above	9A	23.70	22.37
(v) Other Financial Assets	5A	719.21	1,235.69
(c) Other Current Assets	6A	1,142.29	3,456.68
(d) Assets classified as held for Sale	30	9,112.74	-
Total Current Assets		**53,016.97**	**46,597.13**
TOTAL ASSETS		**88,127.68**	**78,485.26**
EQUITY AND LIABILITIES:			
EQUITY			
(a) Equity Share Capital	10	845.90	845.90
(b) Other Equity	11	47,993.02	40,865.02
Total Equity		**48,838.92**	**41,710.92**
LIABILITIES			
Non-Current Liabilities:			
(a) Financial Liabilities			
(i) Borrowings	12	10,128.56	8,096.98
(b) Provisions	13	64.90	213.33
(c) Deferred Tax Liabilities (Net)	14	1,240.09	1,517.82
Total Non-Current Liabilities		**11,433.55**	**9,828.13**
Current Liabilities:			
(a) Financial Liabilities			
(i) Borrowings	15	12,796.56	15,282.86
(ii) Trade Payables	16		
Total outstanding dues of micro enterprises and small enterprises		77.13	24.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		6,256.97	7,489.48
(iii) Other Financial Liabilities	17	2,935.26	2,786.26
(b) Provisions	13A	126.91	93.12
(c) Other Current Liabilities	18	909.66	1,270.03
(d) Current tax liabilities (net)	19	180.48	-
(e) Liabilities directly associated with assets classified as held for sale	30	4,572.24	-
Total Current Liabilities		**27,855.21**	**26,946.21**
TOTAL LIABILITIES		**88,127.68**	**78,485.26**

Summary of Significant accounting policies 1

See accompanying notes forming part of financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 16 August 2019
Place : Mumbai

ABIS Exports (India) Private Limited
For and on behalf of Board of Directors

Bahadur Ali
Managing Director
DIN: 157609

Sultan Ali
Director
DIN: 157642

Abhishek Jhunjhunwala
Company Secretary

Date : 16 August 2019
Place : Rajnandgaon

ABIS Exports (India) Private Limited

Standalone Statement of Profit and Loss for the year ended 31st March 2019

Particulars	Note No.	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Continuing Operations:			
Revenue from Operations	20	287,509.98	224,064.54
Other Income	21	434.18	4,960.55
Total Income		**287,944.16**	**229,025.09**
Expenses			
Cost of material consumed	22	233,949.01	173,121.40
Purchases of Stock-in-Trade	23	4,850.59	7,017.42
Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	(3,019.56)	(1,033.84)
Employee benefit expense	25	6,745.88	5,434.45
Finance Costs	26	2,632.99	2,347.61
Depreciation and amortisation expense	2 & 3	3,336.73	3,467.06
Other Expenses	27	28,546.41	24,189.17
Total Expenses		**277,042.05**	**214,543.27**
Profit before tax for the year from continuing operations		10,902.11	14,481.82
Tax expense			
- Current tax		3,582.14	4,909.60
- Deferred tax		(278.10)	(474.92)
Total tax expense		**3,304.04**	**4,434.68**
Profit after tax for the year from continuing operations		**7,598.07**	**10,047.14**
Discontinuing Operations			
Profit from discontinuing operations before tax	30	(470.77)	(538.75)
Tax expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Profit after tax from discontinuing operations		**(470.77)**	**(538.75)**
Total Profit after tax from continuing and discontinuing operations		**7,127.30**	**9,508.39**
Other comprehensive income from continuing operations			
(a) Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligation		1.07	(99.45)
(b) Income tax related to above items		(0.37)	34.41
Other comprehensive income from discontinuing operations		-	-
Total Other Comprehensive Income for the year		**0.70**	**(65.04)**
Total Comprehensive Income for the year		**7,128.00**	**9,443.35**
Earnings per equity share (Nominal value per share Rs. 10 each)			
Basic & Diluted (in Rs.) of continuing operations	36	898.22	1,187.75
Basic & Diluted (in Rs.) of discontinuing operations	36	(55.65)	(63.69)
Basic & Diluted (in Rs.) of continuing and discontinuing operations	36	842.57	1,124.05
Summary of Significant accounting policies	1		
See accompanying notes forming part of financial statements			

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 16 August 2019
Place : Mumbai

ABIS Exports (India) Private Limited
For and on behalf of Board of Directors

Bahadur Ali
Managing Director
DIN: 157609

Sultan Ali
Director
DIN: 157642

Abhishek Jhunjhunwala
Company Secretary

Date : 16 August 2019
Place : Rajnandgaon

ABIS Exports (India) Private Limited

Statement Of Changes In Equity For The Year Ended As At 31st March 2019

A. Changes in Equity

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Balance at the beginning of the year	845.90	845.90
Shares issued during the year	-	-
Shares bought back during the year	-	-
Balance at the end of the year	**845.90**	**845.90**

B. Changes in Other Equity

Particulars	Securities Premium	Capital Reserve	Retained Earnings	Total Other Equity
Balance as at 1st April 2017	**10,262.33**	**100.00**	**21,059.34**	**31,421.67**
Profit for the year from continuing and discontinuing operations	-	-	9,508.39	9,508.39
Other comprehensive income for the year, net of income tax			(65.04)	(65.04)
Subtotal	-	-	**9,443.35**	**9,443.35**
Balance as at 31st March 2018	**10,262.33**	**100.00**	**30,502.69**	**40,865.02**

Particulars	Securities Premium	Capital Reserve	Retained Earnings	Total Other Equity
Balance as at 1st April 2018	**10,262.33**	**100.00**	**30,502.69**	**40,865.02**
Profit for the year from continuing and discontinuing operations	-	-	7,127.30	7,127.30
Other comprehensive income for the year, net of income tax	-	-	0.70	0.70
Subtotal	-	-	**7,128.00**	**7,128.00**
Balance as at 31st March 2019	**10,262.33**	**100.00**	**37,630.69**	**47,993.02**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 16 August 2019
Place : Mumbai

ABIS Exports (India) Private Limited
For and on behalf of Board of Directors

Bahadur Ali
Managing Director
DIN: 157609

Sultan Ali
Director
DIN: 157642

Abhishek Jhunjhunwala
Company Secretary

Date : 16 August 2019
Place : Rajnandgaon

ABIS Exports (India) Private Limited

Standalone Cash Flow Statement for the year ended 31st March 2019

(Rs. In Lacs)

	Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit before tax:	10,431.34	13,943.07
	Adjustment for:		
	Finance costs	2,571.75	2,428.35
	Gain on Sale of Investment	(21.55)	(22.43)
	Interest income	(112.10)	(328.09)
	Loss/(Profit) on sale of Property, plant and equipment	33.95	82.85
	Depreciation and amortisation expense	3,716.30	3,933.01
	Gain on change in value of Derivative Asset / Liability	25.05	(25.05)
	Provision for doubtful trade receivables and advances	391.73	(372.95)
	Bad debts and advances written off	59.75	1,344.04
	Remeasurements of post employment benefit obligation	1.07	(99.45)
	Creditors written back	(251.07)	(133.89)
	Operating profit before Working Capital changes	**16,846.22**	**20,749.46**
	Adjustments for changes in Working capital		
	(Increase) / Decrease in Trade Receivables	(686.74)	(1,624.10)
	(Increase) / Decrease in Inventories	(6,209.82)	(7,765.22)
	(Increase) / Decrease in Other Current Assets	1,373.27	(2,044.86)
	(Increase) / Decrease in Other Non-Current Assets	(15.61)	10.13
	(Increase) / Decrease in Other Current Financial Assets	(57.62)	31.19
	(Increase) / Decrease in Other Non - Current Financial Assets	(113.05)	81.71
	Increase / (Decrease) in Trade Payables	659.40	2,752.86
	Increase / (Decrease) in Current Provisions	66.10	59.10
	Increase / (Decrease) in Non-Current Provisions	(135.61)	154.29
	Increase / (Decrease) in Other Current Financial Liabilities	(6.39)	221.17
	Increase / (Decrease) in Other Current Liabilities	(378.18)	790.49
	Cash generated from/ (used in) operations	**11,341.97**	**13,416.21**
	Income taxes refund/ (paid)	(3,183.88)	(6,640.12)
	Net Cash from / (used in) operating activities (A)	**8,158.09**	**6,776.09**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Capital expenditure on Property ,Plant & Equipment, Capital Work in Progress including capital advances	(8,882.01)	(2,267.88)
	Proceeds from sale of Property, Plant & Equipment	-	30.94
	Payments to acquire current investment (Mutual Fund)	(16.43)	(263.79)
	Proceeds on sale of current investment (Mutual Fund)	-	263.79
	Net Cash inflow/ (outflow) on Inter-Corporate Deposit	513.04	(1,066.00)
	(Increase) / Decrease in Demand deposits	(1.33)	2,469.94
	Interest Received	112.10	328.09
	(Increase)/decrease in Long term Investment	(1.00)	-
	Net Cash from/(used in) investing activities (B)	**(8,275.63)**	**(504.91)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Long term borrowings	(4,180.88)	(5,859.90)
	Proceeds from Long term borrowings	6,759.56	2,091.01
	Increase/ (Decrease) in Current borrowings	(123.44)	(126.62)
	Finance cost paid	(2,602.41)	(2,323.51)
	Net Cash from/(used in) financing activities (C)	**(147.17)**	**(6,219.02)**
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(264.71)**	**52.16**
	Cash and Cash Equivalents (Opening balance)	372.39	320.23
	Cash and Cash Equivalents (Closing balance)	107.68	372.39
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(264.71)**	**52.16**

DELOITTE HASKINS & SELLS LLP Chartered Accountants

Abis Exports (I) Pvt. Ltd. Rajnandgaon 491-441

Summary of Significant accounting policies 1
See accompanying notes forming part of financial statements

Notes :

1 Figures in brackets represent outflows of cash and cash equivalents.

2 Cash and cash equivalents comprise of :

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Cash on hand (Ref note 9)	56.14	31.08
Balances with Banks (Ref note 9)	51.54	341.31
	107.68	**372.39**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Jayesh Parmar
Partner

Date : 16 August 2019
Place : Mumbai

ABIS Exports (India) Private Limited
For and on behalf of Board of Directors

Bahadur Ali
Managing Director
DIN: 157609

Sultan Ali
Director
DIN: 157642

Abhishek Jhunjhunwala
Company Secretary

Date : 16 August 2019
Place : Rajnandgaon

ABIS Exports (India) Private Limited

Notes forming part of standalone financial statements

Corporate information

The Company was incorporated on 10th August, 1998 as a private limited company in the name of ABIS Exports (India) Private Limited. The company is engaged in the business of producing poultry feed, fish and shrimp feed, pet food, edible grade Oil, soya de-oiled cake and de-oiled rice bran. The Company is also engaged in the business of sale of poultry equipment and hospitality segment wherein the Company operates a chain of Restaurants.

The financial statements were authorized for issuance by the Company's Board of Directors on July, 2019.

1. Significant accounting policies

1.1 Basis of preparation and presentation of financial Statements

(i) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realisation/settlement within twelve months period from the balance sheet date.

1.2 Functional and presentation currency

The functional and presentation currency of the Company is the Indian Rupee.

1.3 Foreign currency transaction

Foreign currency transactions are translated at the exchange rate that approximates the prevalent exchange rate on the transaction date. Monetary assets and liabilities in foreign currencies are translated at the year-end rate. Non - monetary assets and liabilities denominated in foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined.

Foreign exchange differences are recognized in the Statement of Profit and Loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for productive use which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

1.4 Property, Plant and Equipment:

Property, plant and equipment including subsequent expenditure related to an item of fixed asset are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All repairs and maintenance are charged to the Statement of Profit and Loss during the financial year in which they are incurred.

Abis Exports (I) Pvt. Ltd. * RJN (C.G.) 491-441

1.5 Depreciation

Land is not depreciated. Depreciation of other items of Property, Plant and Equipment are provided on a written down value over the estimated useful life of the asset as prescribed in Schedule II to the Companies Act, 2013 or based on technical evaluation of the asset.

Estimated useful life of items of property, plant and equipment are as follows:

Type of Asset	Estimated Useful Life (years)
Buildings	5,30,60
Roads	10
Electrical Installations	10
Plant & Machinery	25
Other Plant & Machinery – Weigh Bridges and Silos	25
Furniture & Fittings	10
Computers	3 - 6
Motor Vehicles	8 - 10
Office Equipment	5

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. The Company assesses at each balance sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within operating profit in the Income statement.

1.6 Intangible Assets

Intangible assets viz. computer software that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a written down value over their estimated useful lives of 6 years, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of profit and loss when the asset is derecognized.

1.7 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Deloitte Haskins & Sells LLP Chartered Accountants

Exports (I) Pvt. Ltd. RJN (C.G.) 491-441

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

1.8 Non – current assets held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, biological assets, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

1.9 Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate, commodity price and foreign exchange rate risks, including foreign exchange forward contracts. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and subsequently re-measured at their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Profit and Loss immediately. The Company has not designated any derivative financial instrument as a hedging instrument.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives where the risk and characteristics are not closely related to the host contracts and the host contracts are bot measured at fair value through profit or loss.

DELOITTE HASKINS & SELLS LLP Chartered Accountants

Aaris Exports (I) Pvt. Ltd. RJN (C.G.) 491-441

1.10 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any. Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances.

ii) Equity investments – Equity Investments in subsidiaries, joint ventures and associates are stated at cost. Other equity investments are measured at fair-value through profit or loss.

Financial liabilities

Initial recognition and measurement: Financial liabilities are measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

Fair value measurement: The Company classifies the fair value of its financial instruments in the following hierarchy, based on the Inputs used in their valuation:

(i) The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

(ii) The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

(iii) The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, stores and spare parts and packing materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

1.12 Employee Benefits

Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other long-term employee benefits

The liability for earned leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in the Statement of profit and loss.

Post-employment benefits

(a) Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expenses when the employees have rendered the service entitling them to the contribution.

Provident fund: The employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

(b) Defined benefit plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements , comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest), is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the Statement of profit and loss. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Defined benefit costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in the Statement of profit and loss.

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established as trust. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation carried out at each balance sheet date using the projected unit credit method.

1.13 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.14 Income Tax

i) Current Income Tax: Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with local laws of various jurisdiction where the Company operates.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

1.15 Leases

At the inception of a lease, the lease arrangement is classified either as a finance lease or an operating lease, based on the substance of the lease arrangement. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets taken on finance lease

Assets held under finance leases are initially recognized as an asset and a lease obligation at the lower of the fair value of the asset and the present value of minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Minimum lease payments are apportioned between finance expense and reduction of the outstanding lease obligation. Finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease obligation. Finance expense is recognized immediately in the Statement of Profit and Loss.

Assets taken on operating lease

Rental expenses from operating leases are generally recognized in Statement of profit and loss on a straight-line basis over the term of the lease, unless the payments are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.16 Cash and cash equivalent

Cash and cash equivalents comprise cash in hand and unencumbered, highly liquid bank and other balances (with original maturity of three months or less) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.17 Revenue recognition

The Company has adopted Ind AS 115 Revenue from Contracts with Customers from 1 April 2018 which resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. An entity has an option to adopt Ind AS 115 using either the full retrospective method or the modified retrospective method. An entity that elects the modified retrospective method would apply Ind AS 115 retrospectively to only the current period by recognising the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application (i.e. 1 April 2018 in the case of the Company). Under the modified retrospective method, the comparative information in the financial statements would not be restated and would be presented based on the requirements of the previous standards (e.g. Ind AS 18/Ind AS 11).

Entities applying the modified retrospective method can elect to apply the revenue standard only to contracts that are not completed as at the date of initial application (that is, they would ignore the effects of applying the revenue standard to contracts that were completed prior to the date of initial application).

However, there is no impact on the Company's retained earnings as at 1 April 2018 on account of adoption of Ind AS 115.
Due to the nature of the contracts with the customer and the business model, there is no change in any financial statement line item as compared with the previous revenue recognition requirements.

The company is engaged in the business of manufacture and sale of poultry feed, fish and shrimp feed, pet food, Edible Grade Oil, Soya De-Oiled Cake and De-Oiled Rice Bran. The Company is also engaged in the business of sale of Poultry equipment and rendering of hospitality services wherein the Company operates a chain of Restaurants and hotels.

I) Revenue recognition

a. Sale of Goods

i) Sale of all product except poultry equipment (including Pet Food Sales)

Revenue from sales of products is recognized at the point where the customer obtains control of the goods and the Company satisfy its performance obligation, which generally is at the time the Company delivers the product to the customer (i.e. in case of CIF sales when the goods are delivered to the customer at their directed place and in case of ex-factory sale when goods are delivered at the factory gate).
Payment terms differ by customer, but payment terms in most of the Company's customers range from 30 to 100 days from date of delivery. Revenue for the Company's product sales has not been adjusted for the effects of a financing component as the Company expects, at contract inception, that the period between when the Company transfers control of the product and when the Company receives payment will be one year or less. Any exceptions are either not material or the Company collects interest for payments made after the due date.
The Company generally, ships products shortly after orders are received; therefore, the Company generally only has a few days of orders received but not yet shipped at the end of any reporting period. The Company excludes from the measurement of the transaction price all taxes assessed by a governmental authority that are imposed on the Company's sales of product and collected from a customer.

ii) Sale of poultry equipment

Revenue from sales of poultry equipment is recognised when the control of the equipment is transferred to the customer which is generally when the goods are made available to the customer. The product is sold normally with a warranty of 2 years. Transaction price does not include any amount for warranty. Hence the transaction price is not bifurcated as per IND AS 115 and there is no material impact because of the same.

b. Rendering of services

i) Revenue from rendering of restaurant sales and lodging service

Revenue comprises of rent of room, sale of food, and beverages and allied services relating to hotel operations. Revenue is recognised upon rendering of the service and collectability is reasonably certain as payment is collected immediately on rendering customer checkouts.

II) Rebate and Discounts

Most of the Company's products are sold to wholesale distributors. The Company initially invoices its customers at the contractually listed prices. Contracts with direct and indirect customers may provide for various rebates and discounts that may differ in each contract. As a consequence, to determine the appropriate transaction price for its product sales at that time, the Company recognizes estimates any rebates or discounts (on monthly basis) that ultimately will be due directly to the customer and other customers in the distribution chain under the terms of its contracts. Judgements as mentioned below are required in making these estimates. These rebate and discount amounts are recorded as a deduction to arrive at the Company's net product sales for the period. The Company estimates these accruals using the sales data for the period. In determining the appropriate accrual amount, judgement is considered in respect of the Company's historical experience with similar incentive programs and actual sales data to estimate the impact of such programs on revenue and continually monitor the impact of this experience and adjust as necessary. Although the Company accrues a liability for rebates related to these programs at the time the sale is recorded, but sometimes rebate adjustment may occur to incorporate revision because of periodic settlements.

Interest Income

Interest income is recognised on accrual basis as per the terms of relevant contracts or by using the effective Interest method, where applicable.

Dividend

Dividend and investment income: Dividend income is recognised when the right to receive payment is established. Incomes from investments are accounted on an accrual basis.

1.18 Government Grant

Government grants including any non-monetary grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants are recognised in Statement of profit and loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, are recognised as expenses.

Government grants relating to the purchase of property, plant and equipment assets are included in non- current liabilities as deferred income and credited to statement of profit and loss on straight line basis over the expected life lives of the related assets.

1.19 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in the Statement of profit and loss in the period in which they are incurred.

1.20 Segment reporting

Operating segments are reported in a manner consistent with the reporting presented to the chief operating decision makers.

The chief operating decision makers include the managing director, chairman and the chief financial officer. The operating segments accordingly identified are Hospitality, Pet Food, Poultry Feed, Fish and Shrimp Feed and Solvent and Refinery. Refer note no 32 for segment information presented.

1.21 Earnings per share

The Company presents Basic and Diluted earnings per share data for its equity shares. Basic earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive.

1.22 Recent accounting pronouncements

Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 and has amended the following standards:

Ind AS 116 Leases: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

i) Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

ii) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods. The Company is under the process of evaluation of the impact of the standard on the Company.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

1.23 Key accounting judgement, estimates and assumptions

The areas involving critical estimates or judgements are:

(i) **Depreciation and amortization**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The policy for the same has been explained under Note 1.5

(ii) **Employee Benefits**

The present value of the employee benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. Any changes in these assumptions will impact the carrying amount of obligations. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations. Refer note 31.

(iii) **Provision and contingencies**

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

(iv) **Fair valuation**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 42 for further disclosures.

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Notes forming part of the standalone financial statements

Note 2 : Property Plant and Equipment

Rs. in Lacs

Particulars	Freehold Land	Building	Plant & Equipments	Furnitures and Fixtures	Office Equipments	Vehicles	Computers	Total
Gross carrying amount								
Balance as at 1st April 2017	1,163.63	8,069.09	20,928.32	405.31	377.60	738.54	165.83	**31,848.32**
Additions	281.73	525.24	482.62	11.66	215.48	309.18	117.84	**1,943.75**
Disposals	-	-	117.18	-	3.80	6.79	9.36	**137.13**
Balance as at 31st March 2018	**1,445.36**	**8,594.33**	**21,293.76**	**416.97**	**589.28**	**1,040.93**	**274.31**	**33,654.94**
Accumulated depreciation								
Balance as at 1st April 2017	-	385.24	1,892.89	46.02	136.95	163.87	60.56	**2,685.53**
Depreciation charge for the year	-	641.13	2,606.66	123.75	170.13	295.18	81.89	**3,918.74**
Elimination on disposal of assets	-	-	13.78	-	1.72	3.15	4.69	**23.34**
Balance as at 31st March 2018	**-**	**1,026.37**	**4,485.77**	**169.77**	**305.36**	**455.90**	**137.76**	**6,580.93**
Net carrying amount as at 31st March, 2018	**1,445.36**	**7,567.96**	**16,807.99**	**247.20**	**283.92**	**585.03**	**136.55**	**27,074.01**
Gross carrying amount								
Balance as at 1st April 2018	**1,445.36**	**8,594.33**	**21,293.76**	**416.97**	**589.28**	**1,040.93**	**274.31**	**33,654.94**
Less: Adjustments relating Assets reclassified as held for sale	**2.66**	**361.66**	**2,246.22**	**99.47**	**47.90**	**2.19**	**56.06**	**2,816.16**
Additions	709.24	674.12	914.74	6.25	111.37	2,014.02	70.76	**4,500.50**
Disposals	4.27	-	20.72	4.15	16.40	3.08	11.48	**60.10**
Balance as at 31st March 2019	**2,147.67**	**8,906.79**	**19,941.56**	**319.60**	**636.35**	**3,049.68**	**277.53**	**35,279.18**
Accumulated depreciation								
Balance as at 1st April 2018	-	1,026.37	4,485.77	169.77	305.36	455.90	137.76	**6,580.93**
Less: Adjustments relating Assets reclassified as held for sale	-	47.85	447.10	48.18	19.92	0.84	29.86	**593.75**
Depreciation charge for the year	-	614.29	1,959.74	62.29	116.44	500.04	72.60	**3,325.40**
Elimination on disposal of assets	-	-	6.68	2.62	12.45	1.85	8.19	**31.79**
Balance as at 31st March 2019	**-**	**1,592.81**	**5,991.73**	**181.26**	**389.43**	**953.25**	**172.31**	**9,280.79**
Net carrying amount as at 31st March, 2019	**2,147.67**	**7,313.98**	**13,949.83**	**138.34**	**246.92**	**2,096.43**	**105.22**	**25,998.39**

i) Refer Note 12 for information on property, plant and equipment pledged as security by the Company.

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Notes forming part of the standalone financial statements

Note 3 : Other Intangible Assets (other than internally generated)

Description of Assets	**Software**
Intangible Assets	
Gross carrying amount:	
Balance as at 1st April 2017	33.86
Additions	16.29
Disposals	-
Balance as at 31st March 2018	**50.15**
Accumulated amortisation and impairment:	
Balance as at 1st April 2017	7.52
Amortisation expense during the year	14.27
Elimination on disposal of assets	-
Balance as at 31st March 2018	**21.79**
Net carrying amount as at 31st March 2018	**28.36**

Balance as at 1st April 2018	50.15
Less: Adjustments relating Assets reclassified as held for sale	5.97
Additions	20.95
Disposals	-
Balance as at 31st March 2019	**65.13**
Accumulated amortisation and impairment:	
Balance as at 1st April 2018	21.79
Less: Adjustments relating Assets reclassified as held for sale	2.56
Amortisation expense during the year	11.33
Elimination on disposal of assets	-
Balance as at 31st March 2019	**30.56**
Net carrying amount as at 31st March 2019	**34.57**

ABIS Exports (India) Private Limited

Notes forming part of standalone financial statements

Note 4 - Non Current Investments

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Unquoted Investment (all fully paid)		
1) Investment in Associates (at cost unless stated otherwise)		
i) Investment in equity instruments		
Abis Broiler Pvt.Ltd	707.88	707.88
[815,000 shares (31st March 2018: 815,000) equity shares of Rs.10 each]		
ABIS Organic Fertilizer Private Limited	531.25	-
[75,893 shares (31st March 2018: 75,893) equity shares of Rs.10 each]		
2) Investment in Subsidiaries (at cost unless stated otherwise)		
i) Investment in equity instruments		
ABIS Organic Fertilizer Private Limited	-	531.25
[75,893 shares (31st March 2018: 75,893) equity shares of Rs.10 each]		
Drools Pet Feed Pvt Ltd.	1.00	-
[10000 shares (31st March 2018: NIL) equity shares of Rs.10 each]		
3) Other Investments		
i) Investment in equity instruments (at FVTPL)		
Halifax Merchandise Pvt.Ltd	437.51	437.51
[653,000 (31st March 2018: 653,000) equity shares of Rs. 10 each]		
M/s. Sona Power Pvt. Ltd.	13.00	13.00
[130,000 (31st March 2018: 130,000) equity shares of Rs. 10 each]		
Aziz Poultry Pvt. Ltd.	238.50	238.50
[50,000 (31st March 2018: 50,000) equity shares of Rs. 100 each]		
Yugnirman Public School Pvt Ltd.	187.00	187.00
[1,870,000 (31st March 2018: 1,870,000) equity shares of Rs. 10 each]		
Indian Agro & Food Industries Ltd.	1,131.79	1,131.79
[227,700 (31st March 2018: 227,700) equity shares of Rs. 10 each]		
ii) Other Investments	31.45	31.45
Gold Bullion		
Total non current investment	**3,279.38**	**3,278.38**
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	**3,279.38**	**3,278.38**
Refer note 42 for determination of their fair value		

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Notes forming part of standalone financial statements

Note 4A - Current Investments

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Investments in Mutual Funds (Unquoted)		
a) Measured at Fair Value Through Profit and Loss (FVTPL)		
Aditya Birla Sunlife Equity 7,208.56 units (31st March 2018 - 7208.56 units)	52.67	49.62
Reliance top 200 1,60,264.12 units (31st March 2018 - 160264.12 units)	56.81	49.72
Kotak emerging equity 83,304.38 units (31st March 2018 - 83304.38 units)	32.41	32.48
SBI Magnum emerging business 24,495.11 units (31st March 2018 - 24495.11 units)	34.43	31.92
Franklin India dynamic accrual fund 81,483.52 units (31st March 2018 - 81483.52 units)	71.92	50.01
ICICI Pru regular savings 2,69,547.59 units (31st March 2018 - 269547.59 units)	53.56	50.04
Total current investment	**301.80**	**263.79**
Refer note 42 for determination of their fair value		

Note 5 - Other Non-Current Financial Assets

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
(Unsecured, considered good unless otherwise stated)		
Security deposits	723.25	648.98
Bank deposits with more than 12 months maturity	30.47	22.76
Cash Seized By Income Tax Department (Refer Note 40)	34.56	34.56
Total	**788.28**	**706.30**

Note 5A- Other Current Financial Assets

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
(Unsecured, considered good unless otherwise stated)		
Security deposits	1.68	24.67
Loans and advances to employees	154.68	110.08
Loans to Body Corporate /Individual	562.85	1,075.89
Outstanding forward contract not designated as hedge	-	25.05
Total	**719.21**	**1,235.69**

Note 6 - Other Non-Current Assets

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
(Unsecured, considered good unless otherwise stated)		
Capital advances	2,013.09	403.21
Prepaid Expenses	15.61	-
Balances with Government Authorities (Terminal excise duty recoverable)	56.75	56.75
Total	**2,085.45**	**459.96**

Note 6A - Other Current Assets

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
(Unsecured, considered good unless otherwise stated)		
Prepaid expenses	47.14	115.35
Advance to suppliers	1,095.15	1,150.06
Balances with government authorities	-	2,191.27
Total	**1,142.29**	**3,456.68**

Note 7 - Inventories

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Raw materials	16,566.58	14,599.56
Goods in Transit	225.91	273.61
	16,792.49	14,873.17
Work-in-progress	5,470.53	1,667.09
Finished goods	2,675.89	5,011.42
Stock-in-Trade	501.06	156.42
Goods in Transit	15.08	84.30
	516.14	240.72
Stores, spares and packing material	2,926.62	2,681.20
Total	**28,381.67**	**24,473.60**

Note 8 - Trade Receivables

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Considered good	13,228.37	16,772.61
Considered doubtful	318.15	169.39
Less: Allowance for doubtful debts	318.15	169.39
Total	**13,228.37**	**16,772.61**

(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	13,546.52	16,942.00
(c) Trade Receivables which have significant increase in Credit Risk;	-	-
(d) Trade Receivables - credit impaired.";	-	-
Less : Expected Credit Loss	318.15	169.39
Total Trade Receivables	13,228.37	16,772.61

1] Trade receivables are dues in respect of the goods sold in the normal course of business

2] Trade Receivables include receivables from related parties. (Refer Note 33)

3] Average credit period on sale of goods ranges from 30-90 days.

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Notes forming part of standalone financial statements

Movement in the allowance for expected credit loss	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Balance at the beginning of the year	154.21	542.35
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	163.94	(372.96)
Balance at the end of the year	318.15	169.39

Ageing of Expected credit loss allowance	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
More than 90 days past due	318.15	169.39
Balance at the end of the year	318.15	169.39

Note 9 - Cash And Cash Equivalents

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Cash and Cash Equivalents		
Cash on hand	55.65	31.08
Balance with banks in -		
Current Accounts	51.54	315.58
Exchange earner's foreign currency (EEFC) Accounts	-	25.73
Total	**107.19**	**372.39**

Note 9A - Other Bank Balances

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Other Bank Balances		
In Demand Deposit Account (Deposits with maturity more than 3 months but less than 12 months) -	23.70	22.37
Total	**23.70**	**22.37**

Note 10 - Share Capital

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Authorised:		
900,000 (March 31, 2018: 900,000) equity shares of Rs 100 each	900.00	900.00
Issued, subscribed and fully paid-up:		
845,900 (March 31, 2018: 845,900) equity shares of Rs 100 each	845.90	845.90

a. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year

Particulars	31st March 2019	
	Number of Shares	Rs. Lacs
Shares outstanding at the beginning of the year	845,900	845.90
Add: additional equity shares issued during the year	-	-
Less: equity shares forfeited / bought back during the year	-	-
Shares outstanding at the end of the year	845,900	845.90

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Notes forming part of standalone financial statements

Particulars	31st March 2018	
	Number of Shares	Rs. Lacs
Shares outstanding at the beginning of the year	845,900	845.90
Add: additional equity shares issued during the year	-	-
Less: equity shares forfeited / bought back during the year	-	-
Shares outstanding at the end of the year	845,900	845.90

b. Rights, preferences and restrictions attached to the shares

The Company has one class of equity shares having a par value of Rs 100/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Details of shareholders holding more than 5% equity shares in the Company

Name of Shareholder	31st March 2019	
	Number of Shares	Percentage
(a) Halifax Merchandise Pvt. Ltd.	245,768	29.05%
(b) Fountain Head Mercantiles Pvt. Ltd.	182,173	21.54%
(c.) Shree Radhe Tea Plantation Pvt. Ltd.	209,280	24.74%

Name of Shareholder	31st March 2018	
	Number of Shares	Percentage
(a) Halifax Merchandise Pvt. Ltd.	245,768	29.05%
(b) Fountain Head Mercantiles Pvt. Ltd.	182,173	21.54%
(c.) Shree Radhe Tea Plantation Pvt. Ltd.	209,280	24.74%

Note 11 - Other Equity

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Capital Reserve :		
Balance at the beginning and at the end of year	100.00	100.00
Securities Premium :		
Balance at the beginning and at the end of year	10,262.33	10,262.33
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	30,502.69	21,059.34
Add: Profit for the year	7,127.30	9,508.39
Add: Items of other comprehensive income	0.70	(65.04)
Balance at the end of the year	**37,630.69**	**30,502.69**
Total	**47,993.02**	**40,865.02**

Nature and purpose of reserves:

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The Companies Act, 2013 prescribes the utilisation of the securities

Retained Earnings

Retained earning of the Company is kept aside out of the company's profits to meet future (known or unknown) obligations.

Note 12 - Non-Current Borrowings

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Measured at amortized cost		
(A) Secured Borrowings		
- Term loans		
From Banks	10,128.56	8,096.98
Total Secured Borrowings	10,128.56	8,096.98
Total	**10,128.56**	**8,096.98**

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Notes forming part of standalone financial statements

NOTES 12.1 - Details of security provided in respect of secured non current borrowings
The term loan from banks are secured by way of first charge on entire Property Plant and Equipment of the company and second charge by way of hypothecation of company's entire current assets including stocks of raw materials, semi-finished and finished goods, consumables stores and spares and such other movables, book debts, bills whether documentary or clean, outstanding monies, receivables, both present and future, on a form and

NOTES 12.2 Rate of interest for the term loans is in the range of 8.5% to 11.5%.

NOTES 12.3 Maturity profile

Particulars	Term loans from bank 31st March 2019 Rs. Lacs
Discontinuing Operations	**Nil**
Continuing Operations	
Current maturities	
2019-20	2,561.97
Non Current maturities	
2020-21	4,669.77
2021-22	2,817.39
2022-23	1,736.08
2023-24	510.25
2024-25 & Beyond	395.07
	10,128.56
Total	**12,690.53**

Note 13 - Non Current Provisions

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provisions for Employee Benefit obligation		
Provision for Gratuity (Refer Note 31)	64.90	213.33
Total	**64.90**	**213.33**

Note 13A - Current Provisions

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provisions for Employee Benefit obligation		
Provision for compensated absences (Refer Note 31)	126.91	82.53
Provision for Gratuity (Refer Note 31)	-	10.59
Total	**126.91**	**93.12**

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Notes forming part of standalone financial statements

Note 14 - Deferred Tax Liability (Net)

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Deferred Tax Asset / (Liability):		
Tax effects of items constituting deferred tax asset		
Disallowances under section 43B of Income Tax Act, 1961	55.64	(28.83)
Allowance for doubtful debt - Trade Receivables	196.08	(59.19)
Provision for slow moving inventory	165.75	(143.52)
Other Items	(13.25)	(10.26)
Tax effects of items constituting deferred tax liabilities		
On difference between book balance and tax balance of property plant and equipment	1,644.31	1,762.94
Other Items		(3.32)
	1,240.09	1,517.82
Total	**1,240.09**	**1,517.82**
Recognized in Other Comprehensive income	(0.37)	34.41
Recognized in Statement of Profit and Loss	278.10	474.92

Note 15 - Current Borrowings

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Measured at amortized cost		
Secured Borrowing from banks #		
- Cash Credit / working capital demand loan#	12,796.56	14,326.11
- Buyer's Credits	-	956.75
Total	**12,796.56**	**15,282.86**

Notes : # Secured by hypothecation of the Company's Stock in Trade and Receivables (both present and future)

Note 16 - Trade Payables

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Total outstanding dues of micro enterprise and small enterprise (Note no 39)	77.13	24.46
Total outstanding dues to creditors other than micro enterprise and small enterprise	6,256.97	7,489.48
Total	**6,334.10**	**7,513.94**

Note 17 - Other Current Financial Liabilities

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Current maturities of long term loan borrowings (Refer note- 12.3)	2,561.97	2,014.86
Interest accrued but not due on borrowings	101.51	205.69
Security deposit Received	77.29	530.14
Payables on purchase of property plant and equipment	194.49	35.57
Total	**2,935.26**	**2,786.26**

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Notes forming part of standalone financial statements

Note 18 - Other Current Liabilities

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Advance received from customers	753.12	1,090.01
Statutory dues (Contribution to Provident Fund, withholding taxes, etc.)	104.55	180.02
Balances with government authorities	51.99	
Total	**909.66**	**1,270.03**

Note 19 - Current Tax Liabilities

Particulars	As at 31st March 2019 Rs. Lacs	As at 31st March 2018 Rs. Lacs
Provision for Income Tax [Net of TDS and Advance tax Rs.3,183.88 (31st March 18 Nil)]	180.48	-
Total	**180.48**	-

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Notes forming part of the standalone financial statements

Note 20 - Revenue From Operations

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Sale of Products (Refer note 20.01 below)	285,582.58	222,539.79
Other operating revenues (Refer note 20.02 below)	1,927.40	1,524.75
Total	**287,509.98**	**224,064.54**

20.01 Breakup of Revenue from Sale of Products

Manufactured Goods			
Poultry Feed		126,729.19	83,225.07
Fish & Shrimp Feed		52,098.71	49,715.71
Soya DOC		26,746.34	24,051.10
Edible Grade Oil		72,694.62	58,108.24
De Oiled Rice Bran & Others		1,368.24	101.84
	A	279,637.10	215,201.96
Traded Goods (including Poultry equipment)	B	5,945.48	7,337.83
Sale of Products (Gross)	A + B	**285,582.58**	**222,539.79**

20.02 Breakup of Other Operating Revenue

Room income, food, restaurant and Other Anciliiary Services	382.85	197.61
Export and other incentives	289.14	157.92
Sale of scrap	1,255.41	1,169.22
	1,927.40	**1,524.75**

Note 21 - Other Income

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
(A) Interest Income		
From Banks	3.38	91.48
Form Others	108.72	236.60
(B) Dividend income from investments measured at FVTPL	26.30	22.43
(C) Other non operating income		
Government incentives	-	4,067.08
Creditors and advances written back	88.02	133.89
Miscellaneous Income	207.76	409.06
Total	**434.18**	**4,960.55**

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Notes forming part of the standalone financial statements

Note 22 - Cost Of Materials Consumed

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Opening Stock :	14,423.70	8,129.47
Purchases	236,091.88	179,415.63
Closing Stock :	16,566.58	14,423.70
Total cost of materials consumed	**233,949.01**	**173,121.40**

Note 23 - Purchases Of Stock In Trade (Traded Goods)

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Purchases of stock in trade (including Poultry Equipment)	4,850.59	7,017.42
	4,850.59	**7,017.42**

Note 24 - Changes In Inventories Of Finished Goods, Work-In-Progress & Stock-In-Trade

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Inventory as at the beginning of the year :		
Finished goods	4,043.61	3,474.17
Stock-in-Trade	156.42	-
Work-in-progress	1,427.89	1,119.91
	5,627.92	4,594.08
Inventory as at the end of the year :		
Finished goods	2,675.89	4,043.61
Stock-in-Trade	501.06	156.42
Work-in-progress	5,470.53	1,427.89
	8,647.48	5,627.92
Net Decrease	**(3,019.56)**	**(1,033.84)**

Note 25 - Employee Benefit Expenses

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Salaries, wages and bonus	6,160.36	4,921.47
Contribution to provident and other funds	506.51	444.06
Workmen and Staff welfare expenses	79.01	68.92
Total	**6,745.88**	**5,434.45**

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Notes forming part of the standalone financial statements

Note 26 - Finance Cost

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
a) Interest on		
Borrowings	2,421.50	2,239.00
Others	35.42	10.95
b) Other borrowing costs		
Bank Charges	176.08	97.66
Total	**2,632.99**	**2,347.61**

Note 27 - Other Expenses

Particulars	For the year ended 31st March 2019 Rs. Lacs	For the year ended 31st March 2018 Rs. Lacs
Consumption of stores, spares and other supplies	4,971.26	4,478.98
Packing material consumed	5,933.26	5,080.42
Power and fuel	3,791.29	3,628.00
Rent	57.92	36.85
Repairs and Maintenance -		
Plant & Machinery	111.69	72.19
Vehicle	131.33	132.83
Others	79.96	9.95
Advertisement Expenses	26.52	43.99
Insurance	106.20	108.96
Rates and taxes	37.42	151.60
Communication expenses	25.65	26.92
Traveling and conveyance expenses	361.21	231.43
Office Expenses	30.64	33.12
Donation	66.43	100.52
Printing & Stationery	14.18	9.58
Freight, transport and packing	11,135.59	8,182.31
Brokerage, Incentives & Commission	207.88	211.82
Sales Promotion & Marketing	229.97	153.76
Expenditure on Corporate Social Responsibility (Refer Note - 43)	169.01	126.20
Professional & Consultancy Fees	390.70	602.17
Legal Expenses	32.68	18.36
Statutory Audit fees (Refer Note -28)	30.00	30.00
Provision for doubtful trade receivables and advances	163.94	-183.54
Bad debts and advances written off	50.75	592.82
Net loss on foreign currency transactions and translation	256.86	118.07
Loss on fixed assets scrapped / written off	28.31	81.68
Miscellaneous expenses	105.75	110.18
Total	**28,546.41**	**24,189.17**

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Notes forming part of standalone financial statements

NOTE 28 - Payment To Statutory Auditors

Rs. Lacs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
As Auditors		
Audit Fees	22.50	15.00
Tax Audit Fees	5.00	2.50
Others	2.50	12.50
Total	**30.00**	**30.00**
-Pertaining to continuing operations	30.00	30.00
-Pertaining to discontinuing operations	-	-

NOTE 29 - Net Exchange Differences Arising During The Year

Continuing Operations:

(i) recognised appropriately in the Statement of Profit and Loss - net loss - Rs. 256.86 Lacs (31st March, 2018 - net loss - Rs 118.07 Lacs)

(ii) adjusted in carrying amount of fixed assets -Nil (31st March, 2018 -Nil)

Discontinuing Operations:

(i) recognised appropriately in the Statement of Profit and Loss - net gain - Rs. 2.33 Lacs (31st March, 2018 - net loss- 1.97)

(ii) adjusted in carrying amount of fixed assets - Nil (31st March, 2018 Nil)

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Notes forming part of standalone financial statements

Note 30: Discontinued operations

(a) Scheme of Arrangement

The Board of directors of the company in their meeting held on November 17, 2018 approved the Scheme of arrangement ("Scheme") providing for demerger and vesting of Poultry Operation Undertaking of India Agro and Food Industries Limited, as a going concern to ABIS Export (India) Private Limited " Resulting Company 1") ; and demerger and vesting of the Pet Feed Undertaking of ABIS Export (India) Private Limited, as a going concern to Drools Pet Food Private Limited ("Resulting Company 2"), pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under and also read with section 2 (19AA), section 2 (41A), section 2 (19AAA) and other applicable provisions of Income-tax Act, 1961 with effect from 1 April 2019 or such other date as may be fixed by the Hon'ble National Company Law Tribunal (NCLT), while sanctioning the Scheme.

The company is in the process of taking necessary steps for obtaining the requisite approvals from National Company Law tribunal as may be required for implementation of the scheme. On 17 December, 2018 the entity filed an application with the National Company Law Tribunal (NCLT) for demerger of its Pet Food operations into Drools Pet Food Private Limited.

(b) Financial performance and cash flow information **Rs. Lacs**

Particulars	**For the year ended 31st March 2019**	**For the year ended 31st March 2018**
Revenue from Operations	11,596.33	10,354.57
Other Income	165.70	0.88
Total Income	**11,762.03**	**10,355.45**
Expenses		
Cost of materials consumed	4,208.74	3,160.22
Purchases of stock-in-trade	41.43	-
Changes in inventories of finished goods and biological assets	(209.26)	183.20
Employee benefit expenses	2,746.59	2,135.00
Finance costs	128.28	190.09
Depreciation and amortisation expenses	379.57	465.95
Other expenses	4,937.45	4,759.74
Total expenses	**12,232.80**	**10,894.20**
Profit before tax	**(470.77)**	**(538.75)**

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Rs. Lacs

Cash Flows: Pertaining to discontinued operations

Particulars	Discontinued Operations	
	For the year ended 31st March 2019	For the year ended 31st March 2018
Net Cash from / (used in) Operating activities	332.97	129.84
Net Cash from / (used in) Investing activities	(108.31)	(148.65)
Net Cash from / (used in) Financing activities	(224.31)	18.59

(c) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 31

Rs. Lacs

Particulars	31st March 2019
Assets classified as held for sale	
Non-Current Assets	
(a) Property Plant and Equipment	1,961.02
(b) Other Intangible Assets	1.97
(c) Financial Assets	
(i) Other Financial Assets	31.07
(d) Other Non-Current Assets	7.83
Total Non-Current Assets	**2,001.89**
Current Assets:	
(a) Inventories	2,301.74
(b) Financial Assets	
(i) Trade Receivables	3,779.49
(ii) Cash and cash equivalents	0.49
(iii) Bank balances other than (ii) above	-
(iv) Other current financial assets	36.01
(c) Other Current Assets	993.12
Total Current Assets	**7,110.85**
Total assets of disposal group held for sale	**9,112.74**

Liabilities directly associated with assets classified as held for sale

Non-Current Liabilities:	
(a) Provisions	12.83
Total Non-Current Liabilities	**12.83**
Current liabilities:	
(a) Financial liabilities	
(i) Borrowings	2,362.86
(ii) Trade Payables	1,588.17
(iii) Other Financial Liabilities	541.89
(b) Other Current Liabilities	34.18
(c) Provisions	32.31
Total Current Liabilities	**4,559.41**
Total Liabilities of disposal group held for sale	**4,572.24**

Net assets of disposal group held for sale	**4,540.50**

* Trade Payables of discontinuing operations excludes amount payable by the Pet Feed Undertaking to the Resulting Company 1(ABIS Exports (India) Private Limited).

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Notes forming part of the standalone financial statements

Note 31 : Employee benefits (including related to assets classified as held for sale and liabilities directly associated with assets classified as held for sale)

I. Defined Contribution Plans

Contribution are made to Provident Fund in India for employees at the rate as prescribed by the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized towards defined contribution plan is:

Rs. Lacs

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
Contribution to Provident Fund	388.28	274.03
Contribution to Employee State Insurance	123.67	105.46

Note: Above contributions are included in contribution to provident fund and other funds in Note 25 of employee benefit expenses.

II. Defined benefit plans

a) Gratuity

Rs. Lacs

Particulars	As at 31st March 2019	As at 31st March 2018
Gratuity (Refer Note A)		
Non - Current	77.73	213.33
Current	0.00	10.59
Leave Obligation		
Non - Current	148.57	-
Current	11.38	82.53

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(A) Gratuity

The company operate a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy. Each year the level of funding in the gratuity plan is reviewed by the company.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

i) Reconciliation of benefit obligation

Rs. Lacs

Particulars	31st March 2019	31st March 2018
Present Value of Defined Benefit Obligations as on April 1	455.78	188.56
Current service cost	154.71	127.76
Interest expense/(income)	35.09	14.22
Benefit payments from plan assets	(18.59)	(5.53)
Past Service Cost including curtailment Gains/Losses	-	28.18
(Gain)/loss from change in financial assumptions	3.32	(9.44)
(Gain)/loss from change in experience adjustments	5.28	112.03
Present Value of Defined Benefit Obligations as on March 31	**635.59**	**455.78**

ii) Reconciliation of fair value of plan assets

Particulars	31st March 2019	31st March 2018
Present Value of Defined Benefit Obligations as on April 1	242.45	123.77
Difference in Opening	-	0.42
Interest income	28.33	12.70
Employer contribution	305.68	111.09
Benefit payments from plan assets	(18.59)	(5.53)
Present Value of Defined Benefit Obligations as on March 31	**557.87**	**242.45**

iii) Amount to be recognized in Balance Sheet

Rs. Lacs

Particulars	31st March 2019	31st March 2018
Present value of funded obligations	635.59	455.78
Fair value of plan assets	(557.87)	(242.45)
Amount to be recognized in Balance Sheet	**77.73**	**213.33**

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iv) Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense

Rs. in Lacs

Particulars	31st March 2019	31st March 2018
Current Service Cost	154.71	155.94
Interest Cost	16.43	4.86
Expenses recognized in statement of profit and loss	**171.14**	**160.80**

v) Remeasurement for the year & amount recognised in statement of other comprehensive income (OCI)

Rs. in Lacs

Particulars	31st March 2019	31st March 2018
(Gain)/loss from change in financial assumptions	3.32	(9.44)
(Gain)/loss from change in experience adjustments	5.28	112.03
Return on assets (excluding interest income)	(9.67)	(3.34)
Expenses recognized in statement of other comprehensive income	**(1.07)**	**99.25**

Valuation in respect of Gratuity has been carried out by independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	31st March 2019	31st March 2018
Discount rate	7.66%	7.70%
Salary escalation	8.00%	8.00%
Normal Retirement Age	60 years	60 years
Mortality table	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)
Attrition at Ages	**Withdrawal Rate %**	**Withdrawal Rate %**
- up to 30 years	4.00%	4.00%
- from 31 to 44 years	3.00%	3.00%
- above 44 years	1.00%	1.00%

(a) The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated terms of the obligations.

(b) Withdrawal rate is employee turnover rate based on the Company's past and expected employee turnover.

(c) Salary escalation rate: The estimates of future salary increases considered taking into the account the inflation, seniority, promotion and other relevant factors.

(d) Disclosure related to indication of effect of the defined benefit plan on the entity's future cash flows:
Expected benefit payments for the year ending:

Rs. in Lacs

Particulars	31st March 2019
31st March 2020	60.05
31st March 2021	14.41
31st March 2022	16.06
31st March 2023	16.40
31st March 2024	17.47
31st March 2025 and onwards	511.20

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Major categories of plan asset are as follows:

Particulars	31st March 2019	31st March 2018
Investment with Insurer (HDFC Life)	100.00%	100.00%

In the absence of information, details with respect to allocation of plan assets has not been given.

Sensitivity analysis for significant assumptions are as follows:

Rs. in Lacs

Particulars	31st March 2019
Increase/(decrease) in present value of defined benefit obligation as at the	
(i) 0.5% increase in discount rate	(67.55)
(ii) 0.5% decrease in discount rate	21.20
(iii) 0.5% increase in rate of salary escalation	20.82
(iv) 0.5% decrease in rate of salary escalation	(67.61)

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

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

These plans typically expose the group to actuarial risk such as: Investment risk, Interest rate risk, longevity risk and salary risk.

Investment Risk -
The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on planned asset is below this rate, it will create a planned deficit. Currently, for the plan in India, it has relatively balanced mixed of investment in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estate due to the long term nature of plan liabilities, the board of overseas fund considers it appropriate that reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the fund.

Interest Risk -
A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plans debt investments.

Longevity Risk -
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plans liability.

Salary Risk -
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plans liability.

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Demographic Risk -

As the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

Possible reasons for Actuarial Gains or Losses on Plan Liabilities

1) If the actual attrition, retirement or mortality experience turns out to be higher or lower than expected based on the assumptions made at the start of the accounting period, it would lead to an Actuarial Gain or Loss on Plan Liabilities.

2) If the salary increases are higher or lower than expected based on the assumption made at start of the accounting period, it would lead to an Actuarial Gain or Loss on Plan Liabilities.

3) If the actuarial assumptions of salary increase, attrition rate and discount rate change from one valuation year to another, it may lead to Actuarial Gain or Loss on Plan Liabilities.

4) Any significant changes in the demographic profile may also lead to Actuarial Gain or Loss on Plan Liabilities such as a large growth of the employee count from new joinees.

Possible reasons for experience Gains or Losses on Plan Assets:

Return on plan assets greater/(lessor) than discount rate. For example, if the discount rate was 8% and the fund actually earned 7% it would result in an actuarial loss on assets.

Contributions expected to be paid to the plan during the next financial year Rs. 180.03 Lacs (previous period Rs 78.12 Lacs)

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Notes forming part of standalone financial statements

Note 32 - Segment Information (Including Related To Assets Classified As Held For Sale And Liabilities Directly Associated With Assets Classified As Held For Sale)

Note 32 (A) - Primary Segments - Business Segments

PARTICULARS	Hospitality		Pet Food (Discontinued Operations)		Poultry Feed, Fish & Shrimp Feed		Parivartan		Solvent, Refinery and Others		Total Amount	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs	Rs. in Lacs
a **Segment Revenue**												
Revenue from external customers												
Revenue from sale of goods	0.00	-0.00	11,553.92	10,337.91	179,032.45	138,032.91	1,945.06	145.56	104,605.07	84,361.31	297,136.50	232,877.69
Room income, food, restaurants and banquet inco	356.53	197.61	-	-	-	-	-	-	-	-	356.53	197.61
Total Segment Revenue	**356.53**	**197.61**	**11,553.92**	**10,337.91**	**179,032.45**	**138,032.91**	**1,945.06**	**145.56**	**104,605.07**	**84,361.31**	**297,493.03**	**233,075.30**
b **Segment Results**												
Profit before finance cost, depreciation, other inco	(33.49)	(53.11)	(168.73)	101.72	14,788.13	12,503.44	447.21	3.34	(333.97)	1,453.72	14,699.16	14,009.11
Add: Interest Income											112.10	328.09
Add: Other Income											2,098.73	5,977.15
Less: Depreciation											3,716.30	3,933.01
Less: Finance Costs											2,761.27	2,537.70
											(4,266.75)	**(165.48)**
Profit before tax											**10,432.41**	**13,843.62**
Tax Expense												
Income taxes											3,582.14	4,875.19
Deferred Tax											(277.73)	(474.92)
											3,304.41	4,400.28
Net Profit for the year											**7,128.00**	**9,443.35**
c **Segment Assets**	353.08	479.15	8,019.75	7,076.25	36,440.18	30,197.08	442.97	31.06	33,324.45	30,269.26	78,580.43	68,052.79
Unallocated Corporate Assets											9,495.26	10,432.47
Inter-Segmental Balances											56,475.55	46,779.89
Total Segment Assets	**382.33**	**479.13**	**9,112.74**	**7,107.17**	**78,106.56**	**63,253.58**	**421.80**	**39.50**	**56,527.81**	**54,385.77**	**88,075.69**	**78,485.26**
d **Segment Liabilities**	-337.90	(171.80)	1,070.48	501.03	55,233.58	43,381.39	475.06	3.28	(14,388.25)	(12,936.14)	42,052.97	30,777.76
Unallocated Corporate Liabilities											48,082.84	47,707.50
Inter-Segmental Balances											56,475.55	46,779.89
Total Segment Liabilities	**382.33**	**479.13**	**9,112.74**	**7,107.17**	**78,106.56**	**63,253.58**	**421.80**	**39.50**	**58,587.93**	**54,385.77**	**90,135.81**	**78,485.26**

Note 32 (B) - Secondary Segments - Geographical Segments

Rs. Lacs

Particulars	India		Outside India		Total	Total
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment revenue by geographical area based on geographical location of customers (including sales, services, export incentives, Other income etc.)	292,536.96	229,599.84	4,599.54	3,277.85	297,136.50	232,877.69

Note: The Company's assets and liabilities are located in India

Breakup of segment revenue outside India is as follows:	For the year ended 31st March 2019	For the year ended 31st March 2018
Bangladesh	3,823.48	2,719.43
Sri Lanka	252.54	140.24
Nepal	451.45	414.42
Bhutan	9.60	3.76
Others	62.47	-
Total	4,599.54	3,277.85

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Notes forming part of standalone financial statements
Note 33 - Related Party Disclosures
Related Party Disclosure (Including pertaining to discontinued operations)
A) List of Related Parties
(i) List of Subsidiaries

Name	Country of Incorporation	Ownership Interest	Relationship
Drools Pet Food Private Limited	India	100%	Subsidiaries

(ii) List of Associates

Name	Country of Incorporation	Relationship
Abis Broiler Pvt Ltd	India	Associate
Abis Organic Fertilizer Pvt Ltd	India	Associate

(iii) Key Management Personnel (KMP)

Name	Designation
Bahadur Ali	Managing Director
Sultan Ali	Director
Zeeshan Bahadur	Whole Time Director
Fahim Sultan	Whole Time Director
Abdul Rajjak	Director
Anjum Alvi	Director

(iv) Other related parties with whom transactions have taken place during the year:

(a) Entities where Key management personnel either have significant influence or are members of key management personnel of that entity : (EKMP)

1. Abis Poultry Private Ltd
2. Aziz Poultry Private Ltd
3. Abis Hatchery Private Ltd
4. India Agro and Food Industries Ltd **(IAFIL)**
5. Capital Poultry Farm
6. Aziz Educational society
7. Aziz Agricultural Farm
8. Aziz Memorial Charitable Trust
9. Halifax Merchandise Pvt. Ltd

B) Transactions With Related Parties

(i) Details of Compensation to Directors

	FY 2018-19				
Particulars	Bahadur Ali	Zeeshan Bahadur	Fahim Sultan	Abdul Rajjak	Anjum Alvi
Short Term Employee Benefit	900.00	120.00	120.00	-	-
Perquisites under Section 17 of Income tax Act 1961	42.37				
Post Employement Benefit	-	-	-	-	-
	FY 2017-18				
Particulars	Bahadur Ali	Zeeshan Bahadur	Fahim Sultan	Abdul Rajjak	Anjum Alvi
Short Term Employee Benefit	900.00	120.00	120.00	-	-
Perquisites under Section 17 of Income tax Act 1961	36.32				
Post Employement Benefit	-	-	-	-	-

Note: Employee benefit payable (gratuity and leave encashment) are calculated on the basis of actuarial valuation. Amount payable for individual employees as at 31 March 2019 cannot be separately identified and has therefore not been included in the above.

(ii) Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2019:

Particulars	Subsidiaries	Associates	EKMP	KMP	Relatives of KMP	Total
Sale of goods	-	-	112,777.13	-	-	**112,777.13**
Sale of Services						-
Rental income	-	6.00	126.00	-	-	**132.00**
Hospitality Income	-	-	53.69	-	-	**53.69**
Purchase of goods	-	2,043.13	4,631.22	-	-	**6,674.35**
Rental expenditure		3.00	3.00	-	-	**6.00**
Interest Income from Loans Granted	-	-	6.30	-	-	**6.30**
Employee Benefit Expense - Salary		-	-	-	60.00	**60.00**
Loans Granted	-	-	500.00	-	-	**500.00**
Donation Exp	-	-	54.14	-	-	**54.14**
Investment in Subsidiaries	1.00	-	-	-	-	**1.00**
Corporate Social Responsibility Expenses			169.00	-	-	**169.00**
Outstanding Balances As on 31st March 2019					-	-
Trade Receivables	-	-	186.42	-	-	**186.42**
Advances From Customer	-	-	118.76	-	-	**118.76**
Loans And Advances	-	-	500.00	-	-	**500.00**
Payable to KMP's	-	-	-	53.25	5.37	**58.62**
Interest Receivables	-	-	5.67	-	-	**5.67**

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Notes forming part of standalone financial statements
Note 33 - Related Party Disclosures
(iii) Transactions between the Company and related parties during the year and the status of outstanding balances as at March 31, 2018:

Particulars	Subsidiaries	Associates	EKMP	KMP	Relatives of KMP	Total
Sale of goods	-	1,960.80	78,847.49	-	-	80,808.29
Sale of Services						
Rental income	-	-	-	-	-	-
Hospitality Income			31.36	-	-	31.36
Purchase of goods	-	52.12	849.91	-	-	902.03
Rental expenditure	-	2.10	3.24	-	-	5.34
Interest Income from Loans Granted	-	-	-	-	-	-
Employee Benefit Expense - Salary	-	-	-	-	60.00	60.00
Loans Taken	-	-	-	3.68	-	3.68
Loans Repaid	-	-	-	35.96	21.05	57.01
Interest paid on loans	-	-	-	3.31	1.17	4.48
Donation Exp	-	-	100.00	-	-	100.00
Corporate Social Responsibility Expenses	-	-	125.00	-	-	125.00
Outstanding Balances As on 31st March 2018			-			-
Trade Receivables		360.75	605.48	-	-	966.23
Advances From Customer			695.41	-	-	695.41
Loans And Advances	-	-	-	-	-	-
Other Payables	-	-	-	-	-	-
Interest Receivables	-	-	-	-	-	-

(iv) Disclosure of significant transactions with related parties.

Particulars	FY 18-19	FY 17-18
Sale of Goods		
Indian Agro And Food Industries Ltd	112,069.70	74,115.99
Purchase of goods		
Indian Agro And Food Industries Ltd	672.54	801.15
Abis Broiler Pvt Ltd	2,043.13	52.12
Abis Poultry Pvt Ltd	1,929.50	-
Aziz Poultry Pvt Ltd	1,929.50	-
Rent Expense		
Indian Agro And Food Industries Ltd	3.00	3.24
Abis Broiler Pvt Ltd	3.00	2.10
Rent Income from Property		
Indian Agro And Food Industries Ltd	108.00	-
Hospitality Income		
Indian Agro And Food Industries Ltd	53.69	30.55
Loan Given		
Abis Hatchery Private Limited	500.00	-
Interest Received on Loan		
Abis Hatchery Private Limited	6.30	-
Corporate Social Responsibility Expenditure		
Aziz Memorial Charitable Trust	169.00	125.00
Donation given		
Aziz Memorial Charitable Trust	54.14	100.00
Shares purchased		
Drools Pet Feed Pvt Ltd.	1.00	-

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Note 34 - Operating Lease

A) Particulars Of Assets Taken On Operating Lease

Total of future Minimum Lease Payments under non-cancellable Operating Lease
i) Continuing Operations

Particulars	As at 31st March 2019 Rs. in Lacs	As at 31st March 2018 Rs. in Lacs
(i) Not later than one year	15.06	-
(ii) Later than one year and not later than five years.	4.22	-
Total	**19.28**	-

b) Lease payments recognised in the Statement of Profit and Loss for the year from 1st April 2018 to 31st March 2019 Rs. 53.68 Lacs (31st March 2018 Rs. 21.78 Lacs)

ii) Discontinuing Operations

Particulars	As at 31st March 2019 Rs. in Lacs	As at 31st March 2018 Rs. in Lacs
(i) Not later than one year	103.97	13.73
(ii) Later than one year and not later than five years.	158.02	6.92
Total	**261.99**	**21**

b) Lease payments recognised in the Statement of Profit and Loss for the year from 1st April 2018 to 31st March 2019 Rs. 168.80 Lacs (31st March 2018 Rs. 159.94 Lacs)

c) The aforesaid leasing arrangements are in respect of Godown with lease period of two years to five years.

Note 35 - Effective Tax Rate Reconciliation

(i) Profit or loss section

Rs in Lacs

Particulars	31st March 2019	31st March 2018
Current tax expense	3,871.82	5,135.54
Deferred tax	(278.10)	(474.92)
Short/(Excess) Provision of Previous Year	(289.68)	(225.94)
Total income tax expense recognised in statement of Profit & Loss	3,304.04	4,434.68

(ii) OCI Section

Rs in Lacs

Particulars	31st March 2019	31st March 2018
Net (gain)/Loss on remeasurement of defined benefit plans	1.07	(99.45)
Income tax charged to OCI	(0.37)	34.41

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(b) Reconciliation of effective tax rate

Rs in Lacs

Particulars	31st March 2019	31st March 2018
(A) Profit before tax	10,431.37	13,943.07
(B) Enacted tax rate in India	34.94%	34.61%
(C) Expected tax expenses	3,645.14	4,825.42
(D) Other than temporary difference		
Interest paid on TDS	-	0.36
Donations	66.43	
CSR Expenses	169.01	114.22
Loss on Sale and Scrapping of Assets	33.95	80.69
Long Term Capital Gain on Mutual funds	-	(34.60)
Impact on account of change in tax rate for deferred tax calculation	-	(14.63)
Income on account of Settlement Commission	-	-
Others	(417.56)	(522.79)
(E) Effect of income exempt from Tax	(148.18)	**(376.75)**
(F) Net Adjustment in Tax Expense (B * E)	(51.77)	(130.39)
(G) Current tax expense to be recognised in statement of Profit & Loss (F - C)	3,593.36	4,695.03
(H) Income tax adjustment on income tax charged to other comprehensive income on remeasurement of defined benefit plans	(0.37)	34.41
(J) Net current tax expense recognised in statement of Profit & Loss	**3,593.73**	**4,660.62**

Note 36 - Earning Per Share

Rs in Lacs

Particulars	31st March 2019	31st March 2018
Net Profit After Tax Rs in Lacs		
From continuing operations (Rs in Lacs)	7,598.07	10,047.14
From discontinuing operations (Rs in Lacs)	(470.77)	(538.75)
From continuing and discontinuing operations (Rs in Lacs)	7,127.30	9,508.39
Weighted Average Number of Equity Shares (Continuing and discontinuing operatiions, nos) (Basic and Diluted)	845,900	845,900
Nominal Value of Equity Shares (in Rs)	100.00	100.00
Basic / diluted earning per share		
From continuing operations (Rs)	898.22	1,187.75
From discontinuing operations (Rs)	(55.65)	(63.69)
From continuing and discontinuing operations (Rs)	842.57	1,124.05

Note 37 - Contingent Liability

Particulars	As at 31st March 2019 Rs. in Lacs	As at 31st March 2018 Rs. in Lacs
Sales Tax matters	-	17.55

Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

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Notes forming part of standalone financial statements
Note 38 - Commitments

Particulars	As at 31st March 2019 Rs. in Lacs	As at 31st March 2018 Rs. in Lacs
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net off Advances)	4,112.95	107.36

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Note 39 - Disclosure Under Section 22 Of Micro Small And Medimum Enterprises Development Act 2006

i) Continuing Operations

Particulars	31st March 2019	31st March 2018
	Rs in Lacs	Rs in Lacs
Principal amount payable to Micro And Small Enterprises (to the extent identified by the company from available information) as at 31st March.	77.14	24.46
Amounts due for more than 45 days and remains to be outstanding as at 31st March	3.50	9.06
Interest on Amounts due for more than 45 days and remains to be outstanding as at 31st March.	0.16	0.99
Amount of payments made to suppliers beyond 45 days during the year	90.45	231.71
Estimated interest due and payable on above	1.75	3.77
Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of interest accrued and remaining unpaid as at the end of the year	-	-
The amount of estimated interest due and payable for the period from 1st April to actual date of payment or 15th May	0.08	0.88
Principal amount payable to Micro And Small Enterprises (to the extent identified by the company from available information) as at 31st March, 2018		-
Interest on Amounts due for more than 45 days and remains to be outstanding as at 31st March		-

NOTE 40 - During the year 2016-17, the company had moved to the Settlement Commission vide application dated 01st August, 2016 against the search operation conducted during F.Y. 2014-15. The order of the settlement commission has been received on 30 May 2017, and the company has accounted for undisclosed Income amounting to Rs. 2,682.60 Lacs in the financial year 2016-17. The Company has paid income tax of Rs. 1,972.75 Lacs for (including appropriation of Rs. 192.49 Lacs cash seized during the course of search) such undisclosed income.

During the financial year 2016-17, such undisclosed income and income taxes paid thereon, were directly credited to retained earnings. During the previous year, the Company was required to follow Indian Accounting Standards reporting for the first time and comparative financial year i.e. 2016-17 financial information were drawn accordingly, which included the reclassification of such income from retained earnings to revenue from operations and income tax paid was disclosed under tax expenses. The Company has received the settlement order from the Income Tax Settlement Commission but the assets and documents seized have not yet been released from the IT department.

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Notes forming part of standalone financial statements

Note 41 Financial Instruments And Risk Review (Including Pertaining To Discontinued Operations)

i) Capital Management

The Company's capital management objectives are to to maintain a strong capital base so as to maintain confidence of its business partners and to sustain future development of the business. Considering the reducing debt equity ratio and the positive surplus position of the company The Board of Directors does not see any major challenges in capital management in next one year.

The company manages capital risk by maintaining sound capital structure through monitoring of financial ratios. The company takes the positioning of the current ratio management as quite critical to continue to maintain itself as a surplus organization.

In case of contingency if the Company needs to borrow, Company does have a borrowing policy in place and if required to borrow Company goes with the lowest cost borrowing option that is available in the market like packing credit etc.

Debt/ Equity Ratio

Particualrs	As at 31st March 2019 Rs in Lacs	As at 31st March 2018 Rs in Lacs
Total Debt	27,849.95	25,394.70
Total Equity	48,838.92	41,710.92
Current ratio	**0.57**	**0.61**

ii) Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks : market demand risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is commodity price risk. The Company uses derivative financial instruments to mitigate commodity price related risk exposures.

a) Credit Risk

Credit risk is the risk of financial loss arising from failure of the customer to repay according to the contractual terms or obligations. Credit risk includes primarily risk of default and a possibility of erosion in creditworthiness of the customer impacting the future business of the Company. Credit risk is managed by the customer center teams with specific policies for analysing credit limits and creditworthiness of customers. Such reviews are done on continuous basis. Such credit limits which are reviewed in line with the credit limits are also maintained in the SAP system as well wherein the sales beyond credit limits are held back by system unless specifically approved.

Financial instruments that are subject to concentration of credit risk principally consists of trade receivables. None of the financial instruments of the Company results in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs. 17088.14 Lacs and Rs. 16,772.61 Lacs as of 31st March, 2019 and 31st March, 2018respectively, being the total of the carrying amount of balances with trade receivables

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of financial statement whether a financial asset or a group of financial assets is impaired. Company provides a loss allowance on a trade receivable on case to case basis at the end of each reporting period. An impairment analysis at each reporting date on an individual basis for major customers. In addition a large number of customers that are outstanding for upto 90 days are assessed for impairment collectively.

Movement in the allowance for expected credit loss	As at 31st March 2019 Rs in Lacs	As at 31st March 2018 Rs in Lacs
Balance at the beginning of the year	169.39	542.35
Movement in the expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	391.73	(372.96)
Balance at the end of the year	561.12	169.39

b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, commodity price, liquidity and other market changes. The primary risk to the company is on account of Commodity Price Risk.

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

I) Commodity Price Risk

Commodity price risk arises from the risk of an adverse effect on current or future earnings from fluctuations in the prices of commodities. The principal directive is to procure commodities at the lowest cost to meet forecast requirements, both internally and for external sales. The overall procurement strategy and net positions are reported monthly to the Board. The Company may use derivative instruments, wherever available, to manage its pricing risks for input products. Hedge Decisions are based on a variety of factors including Risk Appetite of the Business and Price View. Such Hedge Decisions are usually done for the next 2 quarters.

II) Exchange Rate Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Details of foreign currency exposure were as under.

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Notes forming part of standalone financial statements
Note 41 Financial Instruments And Risk Review (Including Pertaining To Discontinued Operations)

DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE

Particulars	Currency	Amount in foreign currency		Equivalent amount Rs. in Lacs	
		31st March 2019	31st March 2018	31st March 2019	31st March 2018
Sundry creditors	EUR	-	-	-	-
	USD	148,732.00	-	104.64	-
Borrowings	EUR	-	-	-	-
	USD	1,000,000.00	-	701.03	-

* Balances are net off advances

DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE NOT HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE

Particulars	Currency	Amount in foreign currency		Equivalent amount Rs. in Lacs	
		31st March 2019	31st March 2018	31st March 2019	31st March 2018
Sundry creditors	EUR	141,100.00	-	109.64	-
	USD	512,227.78	128,487.78	354.31	83.57
Sundry Debtors *	EUR	-	-	-	-
	USD	262,789.80	134,668.64	181.78	87.59
Bank balances	EUR		-	-	-
	USD	-	39,552.90	-	25.73
Borrowings	EUR	-	1,187,334.42	-	957.26
	USD	-	-	-	-

* Balances are net off advances

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and SEK exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to other foreign currencies is not material.

Rs. in Lacs

Particulars	Currency	Change in rate	Effect on profit before tax - gain / (loss)
31st March 2019	EURO	5%	(5.48)
	EURO	-5%	5.48
	USD	5%	(8.63)
	USD	-5%	8.63
31st March 2018	EURO	5%	(45.39)
	EURO	-5%	45.39
	USD	5%	2.48
	USD	-5%	(2.48)

c) Liquidity Risk:
The Group determines its liquidity requirements in the short, medium and long term. This is done by drawing up cash forecast for short and medium term requirements and strategic financing plans for long-term needs. The Group manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. Surplus funds not immediately required are invested in certain products (including mutual fund) which provide flexibility to liquidate at short notice and are included in current investments. Besides, it generally has certain undrawn credit facilities which can be accessed as and when required; such credit facilities are reviewed at regular intervals. The Group has developed appropriate internal control systems and contingency plans for managing liquidity risk. This incorporates an assessment of expected cash flows and availability of alternative sources for additional funding, if required.

iii) Categories of financial instruments

Particulars	31st March 2019		31st March 2018	
	FVPL	Amortised Cost	FVPL	Amortised Cost
Financial Assets				
Investments	2,341.05	1,240.13	2,303.04	1,239.13
Trade Receivables	-	17,007.86	-	16,772.61
Cash and Cash Equivalents	-	107.68	-	372.39
Bank balances other than (iii) above	-	23.70	-	22.37
Other Financial Assets	-	1,574.57	-	1,941.99
Total Financial Assets	**2,341.05**	**19,953.94**	**2,303.04**	**20,348.49**
Financial Liabilities				
Borrowings	-	27,849.95	-	25,394.70
Trade Payables	-	-	-	7,513.94
Other Financial Liabilities	-	3,477.15	-	2,786.26
Total Financial Liabilities	-	**31,327.10**	-	**35,694.90**

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Notes forming part of standalone financial statements

Note 42 Fair Value Measurement (Including Pertaining To Discontinued Operations)

Rs. In Lacs

Particulars	Carrying Amount		Fair Value	
	31st March 2019	31st March 2018	31st March 2019	31st March 2018
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Investments	1,240.13	1,239.13	1,240.13	1,239.13
Trade Receivables	17,007.86	16,772.61	17,007.86	16,772.61
Cash and Cash Equivalents	107.68	372.39	107.68	372.39
Bank balances other than (iii) above	23.70	22.37	23.70	22.37
Other Financial Assets	1,574.57	1,941.99	1,574.57	1,941.99
Financial assets measured at fair value through Statement of Profit and Loss				
Investments	2,341.05	2,303.04	2,341.05	2,303.04
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Borrowings	25,287.98	23,379.84	25,287.98	23,379.84
Trade Payables	-	-	-	-
Other Financial Liabilities	3,477.15	2,786.26	3,477.15	2,786.26

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short - term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
The Company determines fair values of !nancial assets and financial liabilities by discounting the contractual cash inflows/outflows using prevailing interest rates of !nancial instruments with similar terms. The initial measurement of financial assets and financial liabilities is at fair value. The fair value of investment is determined using quoted / unquoted net assets value from the fund. Further, the subsequent measurement of all financial assets and liabilities (other than investment in mutual funds) is at amortised cost using the effective interest method

Discount rates used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of the borrower which in case of financial liabilities is the weighted average cost of borrowing of the Company and in case of financial assets is the average market rate of similar credit rated instrument.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments. Fair value of financial assets and liabilities is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The following methods and assumptions were used to estimate fair value:

(a) Fair value of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short term maturities of these instruments.

(b) Fair value of quoted mutual funds is based on the net assets value at the reporting date. The fair value of other financial liabilities as well as other non current financial liabilities is estimated by discounting future cash flow using rate currently applicable for debt on similar terms, credit risk and remaining maturities.

(c) The fair value of the Company's interest bearing borrowing received are determined using discount rate that reflects the entity's borrowing rate as at the end of the reporting period. The own non performance risk as at the reporting was assessed to be insignificant.

Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement a
Level 1: quoted (unadjusted) price is active market for identical assets or liabilities
Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly
Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data

The following table presents our assets and liabilities measured at fair value on recurring basis at March 31, 2019 and March 31, 2018

Rs. in Lacs

Particulars	Level 1	Level 2	Level 3
31st March 2019			
Investment in mutual funds	301.80	-	-
Investments in other equity investments	-	-	2,039.25
31st March 2018			
Investment in mutual funds	263.79	-	-
Investments in other equity investments	-	-	2,039.25

During the year ended 31st March, 2019, there were no transfers between Level 1 and Level 2 fair value measurement and no transfer into and out of Level 3 fair value measurement.

ABIS Exports (India) Private Limited

Notes forming part of standalone financial statements

Note 43 - Corporate Social Responsibility

Rs in Lacs

Particulars	31st March 2019	31st March 2018
a. Gross amount required to be spent by the company during the year	169.00	104.69
b.Amount spent during the year on; Promoting education through various educational programs basically for disadvantaged sections of society.	169.01	126.20

ABIS Exports (India) Private Limited
For and on behalf of Board of Directors

Bahadur Ali
Managing Director

Sultan Ali
Director

Abhishek Jhunjhunwala
Company Secretary

Date : 16 August 2019
Place : Rajnandgaon

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Balance Sheet as at March 31, 2019

(All amounts in INR)

Particulars	Note	As at 31 March 2019
ASSETS		
Non-current assets		
Property, Plant and Equipment	3	13,49,279
		13,49,279
Current assets		
Financial assets		
Cash and Cash Equivalents	4	12,027
Other Current Assets	5	1,71,273
		1,83,300
TOTAL ASSETS		**15,32,579**
EQUITY & LIABILITIES		
EQUITY		
Equity Share Capital	6	1,00,000
Other Equity	7	-
Total Equity		**1,00,000**
LIABILITIES		
Non-Current Liabilites		
Financial Liabilities		-
		-
Current liabilities		
Financial Liabilities		
Borrowings	8	14,12,579
Other Current Liabilities	9	20,000
		14,32,579
TOTAL EQUITY AND LIABILITIES		**15,32,579**

See accompanying notes forming part of these financial statements 1- 18

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

As per our report of even date attached

For, PSAC & Associates
Chartered Accountants
FRN: 012411 C

PSAC & ASSOCIATES BHILAI Chartered Accountants

(CA. Pradeep Pal)
Partner
Membership Number: 079137

for and on behalf of the Board of Directors of
Drools Pet Food Private Limited

(Fahim Sultan Ali)
Director
DIN: 00157536

(Sultan Ali)
Director
DIN: 00157642

Bhilai, June 21, 2019

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note	Year ended 31 March 2019
Income		
Revenue from Operations		-
Other Income		-
Total Income		
Expenses		
Cost of Material Consumed		-
Purchases of Stock-in-Trade		-
Changes in Inventories of Goods		-
Employee Benefit Expense		-
Finance Costs		-
Depreciation and Amortisation		-
Other Expenses		-
Total Expenses		-
Profit Before Tax		-
Tax Expense:		
Income Tax - Current Year		
Minimum Alternate Tax Credit		-
Income Tax - Earlier year		-
Deferred Tax Charge/ (Credit)		
Profit (Loss) for the period from continuing operations		-
Other Comprehensive Income		
(i) Items that will not be reclassified to profit or loss (net of tax)		-
(ii) Items that will be reclassified to profit or loss (net of tax)		-
Total Comprehensive Income for the period and Other Comprehensive Income		-
Earning per share (equity shares, par value INR 10 each)		
Basic & Diluted		-

See accompanying notes forming part of these financial statements. 1- 18

As per our report of even date attached
For, PSAC & Associates
Chartered Accountants
FRN: 012411 C

PSAC & ASSOCIATES Chartered Accountants BHILAI

(CA. Pradeep Pal)
Partner
Membership Number: 079137

for and on behalf of the Board of Directors of
Drools Pet Food Private Limited

(Fahim Sultan Ali)	**(Sultan Ali)**
Director	Director
DIN: 00157536	DIN: 00157642

Bhilai, June 21, 2019

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Cash Flow Statement for the year ended 31st March 2019

Particulars	**Amount (INR) FY 2018-2019**
A. Cash Flows from Operating Activities:	
Net Surplus as per Income & Expenditure A/c	-
Adjustment for :	
Depreciation & Amortisation	-
Operating Profit before Working Capital Changes	-
Adjustments for :	
Increase/Decrease in Other Current Asset	(1,71,273)
Increase/Decrease in Current Liabilities & Provision	20,000
Net Cash from Operating Activities (TOTAL - A)	**(1,51,273)**
B. Cash Flow From Investing Activities :	
Purchase of Land	(13,49,279)
Net Cash from Investing Activities (TOTAL - B)	**(13,49,279)**
C. Cash Flow From Financing Activities :	
Issuance of share capital	1,00,000
Short Term Borrowings from Director	14,12,579
Net Cash from Investing Activities (TOTAL - C)	**15,12,579**
Net Increase/Decrease in Cash & Cash Equivalents (A+B+C)	**12,027**
ADD : Cash and Cash Equivalents at the Beginning of the Year - 01.04.2018	**-**
Cash and Cash Equivalents at the End of the Year - 31.03.2019	**12,027**

As per our report of even date
For PSAC & Associates
Chartered Accountants
Firm Registration Number: 012411 C

(CA. Pradeep Pal)
Partner
Membership Number: 079137

Bhilai, June 21, 2019

for and on behalf of the Board of Directors of
Drools Pet Food Private Limited

(Fahim Sultan Ali)
Director
DIN: 00157536

(Sultan Ali)
Director
DIN: 00157642

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital

(All amounts in INR)

Particulars	Number	Amount
Balance at the beginning of the period	-	-
Changes in equity share capital during the F.Y. 2018-19	10,000	1,00,000
Balance at the end of the year 31 March 2019	**10,000**	**1,00,000**

B. Other Equity

Particulars	**Reserves & Surplus**			**Total other equity**
	Securities premium reserve	**Forfeiture reserve**	**Retained Earnings**	
Balance at the beginning of the reporting period	-	-	-	-
Profit for the financial year 2018-19			-	-
Balance at the end of the reporting period 31 March 2019	-	-	-	-

See accompanying notes forming part of these financial statements 1 - 18

For, PSAC & Associates
Chartered Accountants
FRN: 012411 C

(CA. Pradeep Pal)
Partner
Membership Number: 079137

for and on behalf of the Board of Directors of
Drools Pet Food Private Limited

(Fahim Sultan Ali)
Director
DIN: 00157536

(Sultan Ali)
Director
DIN: 00157642

Bhilai, June 21, 2019

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Notes on the financial statement for the year ended 31 March 2019

3 Property, Plant & Equipment

(All amounts in INR)

Block of Assets	Gross Carrying Value (Cost/ Deemed Cost)				Depreciation				Net Carrying Value
	As on 01.04.2018	Additions	Deletions	As on 31.03.2019	As on 01.04.2018	Additions	Deletions	As on 31.03.2019	As on 31.03.2019
Freehold Land	-	13,49,279	-	13,49,279	-	-	-	-	13,49,279
Total	**-**	**13,49,279**	**-**	**13,49,279**	**-**	**-**	**-**	**-**	**13,49,279**

PSAC & ASSOCIATES
BHILAI
Chartered Accountants

Notes on the financial statement for the year ended 31 March 2019

(All amounts in INR)

4 Cash and Cash Equivalents

Particulars		As at 31.03.2019
Balances with Banks		
Axis Bank Current Account no. 918020103391960		12,027
	Total	**12,027**

5 Other Current Assets

Particulars		As at 31.03.2019
Preliminary and Pre-operative Expenses*		**1,71,273**
* Preliminary expenses and Pre-operative expenses comprise of professional fees, filing fees and registration fees for incorporation and other miscellaneous and incidental Expenses incurred for the purposes of incorporation of the Company.		
	Total	**1,71,273**

6 Equity

Particulars		As at 31.03.2019
Authorised		
1,00,000 Equity Shares of Rs. 10/- each		10,00,000
	Total	10,00,000
Issued, Subscribed and Paid-up		
10,000 Equity Shares of Rs. 10/- each fully paid up		1,00,000
	Total	**1,00,000**

Notes:

a. Reconciliation of the number of shares outstanding

Particulars	As at 31.03.2019
Number of equity shares at the beginning of the year	-
Number of equity shares issued during the year	10,000
Deletion during the year	-
Number of equity shares at the end of the Year	**10,000**

b. Terms and Rights attached to equity shares

The Equity Shareholders have the right to receive dividend at such rate as may be declared by the company on the paid up equity capital. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing general meeting. The company has only one class of equity shares having face value of Rs. 10 each and each shareholder is entitled to one vote per share.

c. Details of Shareholders

Name of Shareholders		As at 31.03.2019 No. of Shares Held
ABIS Exports (India) Private Limited (100%)		10,000
	Total	**10,000**

PSAC & ASSOCIATES ★ BHILAI ★ Chartered Accountants

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Notes on the financial statement for the year ended 31 March 2019

(All amounts in INR)

7 Other Equity

	Particulars	As at 31.03.2019
a.	**Securities premium reserve**	
	Opening	-
	Addition/(Deletion)	-
	Closing	-
b.	**Retained Earnings**	
	Surplus as per Profit and Loss account	
	As per last Balance Sheet	-
	Add: Profit / (Loss) for the year	-
	Total	-

8 Borrowings - Short Term

Particulars	As at 31.03.2019
Indian Rupee Loan from Director (Unsecured)	
Mr. Fahim Sultan Ali	14,00,000
Mr. Sultan Ali	12,579
Total	**14,12,579**

9 Other Current Liabilities

Particulars	As at 31.03.2019
Audit Fees Payable	20,000
Total	**20,000**

PSAC & ASSOCIATES
CA
BHILAI
Chartered Accountants

Drools Pet Food Private Limited
(CIN: U01409CT2018PTC008756)

Notes to Accounts for the year ended 31st March, 2019

10. Contingent Liabilities and commitments: NIL

11. The company has been incorporated on 10th September 2019 and has not started with its operations during the year under consideration. Therefore, expense incurred till date of INR 1,71,273 has been treated as Preliminary and Pre-operative Expense which will be written off from the year the Company begins with its operations.

12. Auditors' Remuneration excluding applicable taxes

Particulars	Amount (INR) (FY 2018-19)
As Audit Fees	20,000
As Professional/Consultancy Fees	1,10,000

13. EARNING PER SHARE:

Sr. No.	Particulars	FY 2018-2019
(a)	Profit / (Loss) After Taxes (INR) (Attributable to Equity Share Holders)	-
(b)	Weighted Average of the Number of Equity Shares for Basic EPS (Nos)	10,000
(c)	Nominal value of Equity Shares (INR per Share)	10
(d)	Basic Earnings per Equity Shares (INR)	-
(e)	Diluted Earnings per Equity Shares (INR)	-
Basic / Diluted Earning Per Share is calculated by dividing the net profit / (loss) attributable to the Equity Share holders by the weighted average of the Number of Equity Shares outstanding during the year.		

14. According to information and explanations provided to us and information available with the Management, the company does not have any amount due to the suppliers as covered under Micro, Small and Medium Enterprises Development Act 2006

PSAC & ASSOCIATES BHILAI Chartered Accountants

15. RELATED PARTY DISCLOSURES

(a) List of Related Parties

Related Parties	Relation
A. **Key Managerial Personnel**	
Mr. Sultan Ali	Director
Mr. Fahim Sultan Ali	Director
B. **Enterprise in which Key Managerial Personnel exercises significant influence**	
ABIS Exports (India) Private Limited	Director is a Director and shareholder in the Company
ABIS Poultry Private Ltd	Director is a Director and shareholder in the Company
ABIS Hatchery Private Ltd	Director is a Director and shareholder in the Company
Aziz Poultry Private Ltd	Director is a Director and shareholder in the Company
Halifax Merchandise Private Ltd	Director is a Director and shareholder in the Company
ABIS Organic Fertilizer Private Ltd	Director is a Director and shareholder in the Company
ABIS Broiler Private Ltd	Director is a Director and shareholder in the Company
Indian Agro and Food Industries Ltd	Director is a Director and shareholder in the Company
Fountain Head Mercantiles Private Ltd	Director is a shareholder in the Company
Yugnirman Public School Pvt Ltd	Director is a shareholder in the Company
ABIS Agrotech Private Limited	Director is a Shareholder in the Company
Aziz Memorial Charitable Trust	Director is a Trustee in the Trust
Aziz Agricultural Farm	Director is a Partner in the Firm

(b) Transactions with Related Parties

Sl. No	Transaction with enterprises in which key management personnel exercise significant influence	FY 2018-2019 Amount (INR)
1	Issue of Shares to ABIS Exports (India) Private Limited	1,00,000

Sl. No	Transaction with key management personnel	FY 2018-2019 Amount (INR)
1	Unsecured Loan Taken	14,12,579
2	Outstanding Unsecured Loan as on 31.03.2019 (Credit Balance)	14,12,579

PSAC & ASSOCIATES BHILAI Chartered Accountants

16. The Accounts are prepared for the period from 10/09/2018 (Date of Incorporation) to 31/03/2019.

17. Figures have been rounded off to the nearest rupee. Since it is the First Financial Statement of the Company, figures of the previous year cannot be shown.

18. Notes 1 to 18 are annexed to and form an integral part of the financial statements.

As per our report of even date
For, PSAC & Associates,
Chartered Accountants,
FRN : 012411C

(CA. Pradeep Pal)
Partner
M. No. 079137

For and on behalf of the Board

(Fahim Sultan Ali)
Director
DIN: 00157536

(Sultan Ali)
Director
DIN: 00157642

Bhilai, June 21, 2019

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CUTTACK BENCH, CUTTACK

TA No. 90/ CTB/2019 IN CA (CAA) No. 26/MB/2019

In the matter of the Companies Act, 2013

And

In the matter of Indian Agro and Food Industries Limited ('the First Applicant Company')

And

ABIS Exports (India) Private Limited ('the Second Applicant Company')

And

Drools Pet Food Private Limited ('the Third Applicant Company')

And

In the matter of Section 230 read with Section 232 and section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

INDIAN AGRO AND FOOD INDUSTRIES LIMITED (CIN U01100CT2009PLC021165) a company incorporated under Part IX of the Companies Act, 1956 and having its registered office at IB Corporate House Village - Indamara, Post - Pendri, Rajnandgaon, Chhattisgarh – 491 441

…First Applicant Company/ Demerged Company 1

Form no. MGT-11
FORM OF PROXY

Name of the unsecured creditor	
Registered address	
E-mail Id	

I/We, being the unsecured creditor(s) of the above named Company *viz.*, Indian Agro and Food Industries Limited, hereby appoint:

1)____of______________ having e-mail id

_____________________ or failing him;

2) _______________________________________ of ______________ having e-mail id

________________________ or failing him

3) _____________________________________ of ______________ having e-mail id

________________________ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the unsecured creditor meeting of the First Applicant Company convened on the directions of the National Company Law Tribunal, Cuttack Bench to be held on Friday, 15 November 2019 at 11:00 AM at, Village-Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441and at any adjournment thereof in respect of the proposal/resolution as indicated below:

Proposal/Resolution	**Vote for***	**Vote against***
To approve proposed Composite Scheme of Arrangement amongst Indian Agro and Food Industries Limited, ABIS Exports (India) Private Limited and Drools Pet Food Private Limited		

Signed this _____ day of _________ 2019

Signature of

____

Unsecured creditor

Affix One Rupee Revenue Stamp

____

Signature of proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the First Applicant Company not less than 48 hours before the commencement of the meeting.
2. A proxy need not be a member of the First Applicant Company.
3. Alterations, if any made in the Form of Proxy should be initialled.
4. Appointing a proxy does not prevent a creditor from attending the meeting in person if he/she so wishes.
5. In case of joint creditors, the signature of any one will be sufficient, but names of all the joint holders should be stated.
6. *This is only optional.

ATTENDANCE SLIP

MEETING OF THE UNSECURED CREDITORS OF INDIAN AGRO AND FOOD INDUSTRIES LIMITED CONVENED ON THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, CUTTACK BENCH, CUTTACK

TO BE HELD ON FRIDAY, 15 NOVEMBER 2019 AT 11:00 A.M. AT

Village-Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Amount of outstanding debt	
Name and address of the unsecured Creditor (in block letters)	
Name and address of the Proxy holder (in block letters) – *To be filled by the proxy attending instead of the Unsecured creditor*	

I/We certify that I/We am/are unsecured creditor/proxy for the unsecured creditor of the First Applicant Company.

I/ We hereby record my presence at the meeting convened pursuant to the Order dated 27 September 2019 of the National Company Law Tribunal, Cuttack Bench ("NCLT") of the unsecured creditor of Indian Agro and Food Industries Limited on Friday, the 15th day of November 2019 at 11:00 A.M. at "Village-Indamara, Post-Pendri, Rajnandgaon, Chhattisgarh – 491 441"

Unsecured creditor/ Proxy's name in **BLOCK** letters:

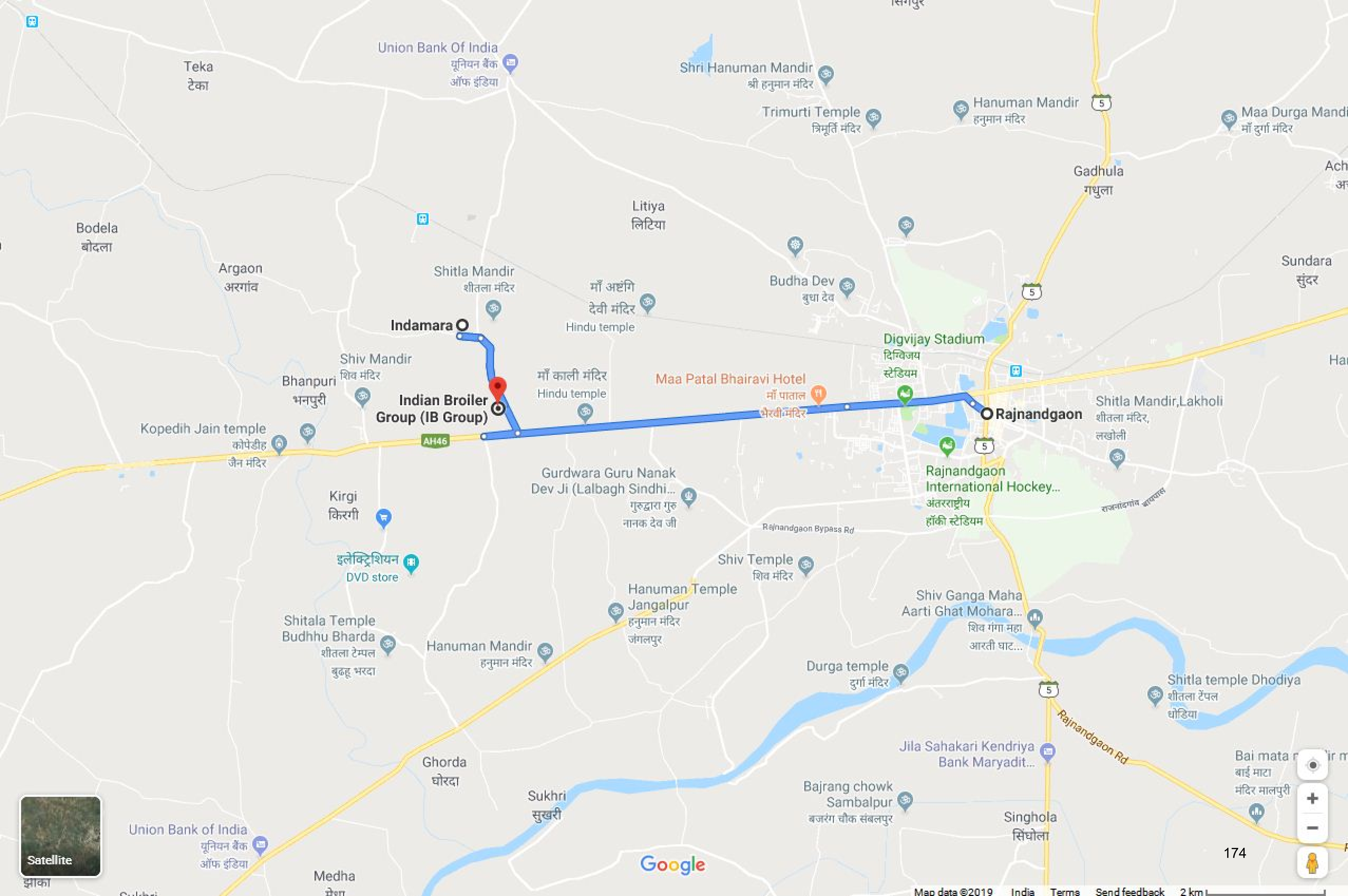
____

Signature of Unsecured creditor/Proxy

Notes:

1. Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall.

2. Joint Unsecured creditor(s) may obtain additional attendance slip at the venue of the meeting.



Union Bank Of India
यूनियन बैंक ऑफ इंडिया
Teka
टेका
Shri Hanuman Mandir
श्री हनुमान मंदिर
Trimurti Temple
त्रिमूर्ति मंदिर
Hanuman Mandir
हनुमान मंदिर
Maa Durga Mandi
माँ दुर्गा मंदिर
Gadhula
गधुला
Bodela
बोदला
Argaon
अरगांव
Litiya
लिटिया
Budha Dev
बुधा देव
Sundara
सुंदर
Shitla Mandir
शीतला मंदिर
माँ अष्टंगि देवी मंदिर
Hindu temple
Indamara
Digvijay Stadium
दिग्विजय स्टेडियम
Shiv Mandir
शिव मंदिर
Bhanpuri
भनपुरी
माँ काली मंदिर
Hindu temple
Maa Patal Bhairavi Hotel
माँ पाताल भैरवी मंदिर
Indian Broiler Group (IB Group)
Rajnandgaon
Shitla Mandir,Lakholi
शीतला मंदिर, लखोली
Kopedih Jain temple
कोपेडीह जैन मंदिर
AH46
Gurdwara Guru Nanak Dev Ji (Lalbagh Sindhi...
गुरुद्वारा गुरु नानक देव जी
Rajnandgaon International Hockey...
अंतरराष्ट्रीय हॉकी स्टेडियम
Kirgi
किरगी
Rajnandgaon Bypass Rd
इलेक्ट्रिशियन
DVD store
Shiv Temple
शिव मंदिर
Hanuman Temple Jangalpur
हनुमान मंदिर जंगलपुर
Shiv Ganga Maha Aarti Ghat Mohara...
शिव गंगा महा आरती घाट...
Shitala Temple Budhhu Bharda
शीतला टेम्पल बुढ्हू भरदा
Hanuman Mandir
हनुमान मंदिर
Durga temple
दुर्गा मंदिर
Shitla temple Dhodiya
शीतला टेंपल धोडिया
Rajnandgaon Rd
Jila Sahakari Kendriya Bank Maryadit...
Ghorda
घोरदा
Bai mata mandir
बाई माता मंदिर मालपुरी
Bajrang chowk Sambalpur
बजरंग चौक संबलपुर
Sukhri
सुखरी
Singhola
सिंघोला
Union Bank of India
यूनियन बैंक ऑफ इंडिया
Medha
Satellite
Google
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