

Sixth Annual Report**2015 – 2016****DINDIGUL FARM PRODUCT PRIVATE LIMITED**

Board of Directors	Mr. R. Rajasekaran Mr. K. Thangaraj Mrs. R. Rajadharshini
Registered Office	No. 2/52-2, Raaj Kudil Pillayarnatham, Pithalaipatty Post, Dindigul – 624 002, Tamilnadu
Auditors	Mr. R. Kannan M.Com, F.C.A., No. 9/111C, LGB Compound, Mengles Road, Dindigul, Tamil Nadu – 624001
Bankers	State Bank Of India SME Branch, Dindigul – 624 001

DINDIGUL FARM PRODUCT PRIVATE LIMITED

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NOTICE TO THE SHARE HOLDERS

Notice is hereby given that the Sixth Annual General Meeting of the Company will be held on 28th September 2016 at 11:15 A.M. at the Registered Office at No. 2/52-2, Raaj Kudil, Pillayarnatham, Pithalaipatty Post, Dindigul – 624 002 of the Company to transact the following business:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2016 and the Profit and Loss Account for the year ended as on that date and the reports of Board of Directors, and the report of the Auditors thereon.
2. To confirm the appoint of Sri. R. KANNAN, Chartered Accountant, Dindigul as Statutory Auditor of the Company from the conclusion of this Annual General Meeting and fix their remuneration.

(By order of the Board)

For DINDIGUL FARM PRODUCT PRIVATE LIMITED

/sd/
R. Rajasekaran
Chairman

Dindigul
30th August 2016

NOTES:-

- In terms of section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company and a proxy shall act on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder.*
- Instrument of proxy for use at the above meeting must be lodged at the Registered Office of the Company not less than 48 hours before the time of appointment for the Meeting.*

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the SIXTH ANNUAL REPORT together with audited statement of accounts of the Company for the year ended 31st March 2016.

FINANCIAL HIGHLIGHTS

Your company is the first of its kind in the south of India manufacturing Dairy Products namely Milk Protein Concentrate (MPC), Skimmed Milk Powder (SMP), Whey Powder (WP), and Casein etc. During the year, your Company successfully installed and commissioned the Phase – II (Casein Plant) commercial production on October 26, 2015.

Particulars	[₹ in lakhs]	
	2015-16	2014-15
Sales	1067.21	2233.31
Other Income	21.75	6.85
Total Income	1088.96	2240.16
Less: Operating Expenses	1250.43	2191.44
Profit Before Interest Depreciation and Tax (PBIDT)	(161.47)	48.71
Less: Interest	156.22	152.45
Profit Before Interest and Tax (PBDT)	(317.69)	(103.74)
Less: Depreciation	292.75	277.15
Profit Before Tax	(610.44)	(380.89)
Provision for Taxation – Current Tax	-	-
Provision for Taxation – Deferred Tax	19.12	-
Profit After Tax	(591.31)	(380.89)

REVIEW OF PERFORMANCE

During the year your company has earned a gross receipt of Rs. 1067.21 Lakhs with a net Loss of Rs. 591.31 Lakhs. The installed capacity of Milk Powder Plant is 2 Lakh Litres per day and the installed capacity Casein Plant is of 90,000 Ltrs [3 MTs] per day. In the year under review, the Powder unit has been run at an average capacity 20% and the Casein plant, which commenced commercial production in the month of October, 2015 has been run at an average capacity level of 20%. We could not run the units to their optimum capacity since the pricing of the products in the world markets have been recessive as compared with the cost of production during the year. Hence the company's manufacturing cost could not be recovered in full. However, the company is necessitated to run at this level in order absorb fixed costs and to reduce the losses. Because of this, your Company initiated the product optimization, to capture the domestic market and reduction of manufacturing cost through optimum utilization of available resources on regular basis. Besides, in this year, Conversion charge receipts have helped in reducing the losses, which will be overcome during forthcoming years.

EXTRACT OF ANNUAL RETURN:

In accordance with sec 134(3)(a), of the Companies Act, 2013, an extract of the Annual Return as provided u/s. 92(3) of the Act is appended as an Annexure 1 to this Board of Director's report

NUMBER OF MEETINGS OF THE BOARD:

During the financial year ended March 31, 2016, Ten (10) Board meetings were held as per Sec 173 of the Companies Act, 2013 which is summarized as below, the intervening gap between the meetings was within the time prescribed by the Companies Act, 2013.

Sl.No.	Date	Total no. of Directors	Attendance	% of attendance
01.	April-27-2015	3	3	100
02.	May-22-2015	3	3	100
03.	June-18-2015	3	3	100
04.	July-27-2015	3	3	100
05.	Aug-21-2015	3	3	100
06.	Sep-29-2015	3	3	100
07.	Oct-27-2015	3	3	100
08.	Nov-25-2015	3	3	100
09.	Dec-28-2016	3	3	100
10.	Jan-23-2016	3	3	100
11.	Feb-18-2016	3	3	100
12.	Mar-31-2016	3	3	100

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act 2013, the Board of Directors of your company confirms that:

- I. all the applicable Accounting Standards have been followed in the preparation of the Annual Accounts and that there are no material departures;
- II. such accounting policies have been selected and applied consistently and such judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016, and the profit of the company for the year ended on that date;

- III. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- IV. the Annual accounts have been prepared on a going concern basis;
- V. the proper systems have been implemented to ensure compliance with the provisions of all applicable laws and such that systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS:

The Provisions of section 149 pertaining to appointment of Independent of Directors do not apply to our Company.

NOMINATION AND REMUNERATION COMMITTEE:

The Provisions of section 178 (1) pertaining to policy on Directors' appointment and remuneration including criteria for determining qualification, positive attributes, independence of a Director and other matters provided under sub section (3) of section 278 will not applicable to our Company.

AUDITORS AND COMMENTS ON AUDIT REPORT:

The Statutory Auditor, Mr. R. Kannan, Chartered Accountant, Dindigul, holding office up to the conclusion of the ensuing Annual General Meeting of the Company and being eligible offer themselves for re-appointment. A certificate has been received from the Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under Section of the Companies Act, 2013.

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provision relating to submission of Secretarial Audit Report is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S. 186

The Company has not made any loan, guarantee or investment as per section 186 of the Companies Act, 2013 during the financial year 2015-16.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES U/S. 188(1)

Particulars of contracts or arrangement with related parties referred to in section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure 2 to the directors report.

AMOUNT TRANSFER TO RESERVES

Our Company has not transferred any balance to Reserve Fund due to the accumulated losses for the year under review and the closing balance under the Reserve and Surplus is Rs. (9,72,95,217.89)/-.

DIVIDEND

The Directors regret their inability to recommend Dividend for the current financial year due to commencement of commercial production and accumulated losses.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report

INFORMATION REGARDING CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Additional information regarding conservation of energy, technology, absorption foreign exchange earnings and outgo in accordance with Section 134 (3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014 is furnished in Annexure 3 and is attached to this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Your directors are in the process of development and implementation of a risk management policy for the company including identification therein of elements of risk.

CORPORATE SOCIAL RESPOSIBILITY:

The Company does not meet the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is requirement to constitute Corporate Social Responsibility Committee.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The provisions of Section 177 of the Companies Act, 2013 read with Rules 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

PUBLIC DEPOSITS

Your company has not accepted any public deposits or its employees within the meaning of Section 73 A of the Companies Act, 2013 during the year under review.

ACKNOWLEDGEMENT:

Your Directors record their appreciation of the co-operation and contribution of persons who help in all levels towards the progress of the company.

On behalf of the Board

/sd/
Chairman

Place : Dindigul

Date : 29th August, 2016

Annexure 1**Form No MGT 7****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2016

[Pursuant to section 92(1) of the Companies Act, 2013 and rule 11(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	U15200TZ2010PTC016407
ii	Registration Date	29/09/2010
iii	Name of the Company	DINDIGUL FARM PRODUCT PRIVATE LIMITED
iv	PAN	AADCD6589M
v	Category/ Sub Category of the Company	Private Company (Limited by Shares)
vi	Address of the Registered office and contact details	Reg Off: No. 2/52-2, Raaj Kudil, Pillayarnatham, Pithalaipatty Post, Dindigul - 624 002. Factory: S.F.No.767-769, Karuthanaickenpatty Road, Sendurai Village, Natham Taluk, Dindigul 624 403 Phone: 0451-2449000 e-mail: info@raajfarm.com
vii	Whether listed Company	No
viii	Name, Address and Contact details of Registrar and Transfer Agent	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1	Milk Products		100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
			NIL		

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) EQUITY SHARE CAPITAL**

Particulars	Authorized Capital	Issued Capital	Subscribed Capital	Paid up Capital
Number of equity shares	750,000	711,200	711,200	711,200
Nominal Value per Share (in Rupees)	100	100	100	100
Total amount of equity shares (in rupees)	75,000,000	71,120,000	71,120,000	71,120,000
Particulars	Shares	Amount	Up amount	Premium
At the beginning of the Year	711,200	71,120,000		
Increase during the Year	-	-		
Decrease during the year	-	-		
At the end of the Year	711,200	71,120,000		

V. TURNOVER AND NET WORTH OF THE COMPANY (AS DEFINED IN THE COMPANIES ACT, 2013)

Particulars	Amount in Lakhs
Turnover of the company	1,067.21
Net worth of the company	(261.75)

VI. SHAREHOLDING PATTERN

Details	No of Shares	Shares in amount	% of Share capital
Promoters	112,700	11,270,000	15.85
Members (other than Promoters)	598,500	59,850,000	84.15

VII. NUMBER OF PROMOTERS, MEMBERS, DEBENTURE HOLDERS

Details	At the Beginning of the Year	At the end of the Year
Promoters	2	2
Members (other than Promoters)	16	16

VIII. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**(A) Composition of Board of Directors**

Category	No of Directors at the beginning of the Year		No of Directors at the end of the Year		% of shares held by directors as at the end of the year	
	Executive	Non Executive	Executive	Non Executive	Executive	Non Executive
I. Promoter	2	-	2	-	15.85	-
II. Non Promoter						
i. Non Independent	-	1	-	1	-	19.43
ii. Independent	-	-	-	-	-	-
III. Nominee Directors	-	-	-	-	-	-
Total	2	1	2	1	15.85	19.43

(B) (i) Details of directors and Key managerial personnel as on the closure of financial year

Name	DIN/PAN	Designation	No of equity Shares held	Date of Cessation (after the closure of the financial year if any)
Kalimuthu Thangaraj	03161655	Director	18,500	
Rajasekaran Rajadharshini	03161629	Director	94,200	
Raju Rajasekaran	01789110	Additional Director	138,200	

(ii) Particulars of change in director(s) and Key managerial personnel during the year

Name	DIN/PAN	Designation at the beginning / during the financial year	Date of appointment / change in designation / cessation	Name of Change (Appointment / Change in designation / cessation)
NIL				

IX. MEETINGS OF MEMBERS/CLASS OF MEMEBERS/BOARD/COMMITTEE OF THE BOARD OF DIRECTORS

A. MEMBERS/CLASS /REQUISITIONED/CLB/NCLT/COURT CONVENED MEETINGS

Type of meeting	Date of meeting	Total Number of Members entitled to attend meeting
AGM	30/09/2015	16

B. BOARD MEETINGS

S. No.	Date of meeting	Total Number of directors as on the date of meeting
01.	April-27-2015	3
02.	May-22-2015	3
03.	June-18-2015	3
04.	July-27-2015	3
05.	Aug-21-2015	3
06.	Sep-29-2015	3
07.	Oct-27-2015	3
08.	Nov-25-2015	3
09.	Dec-28-2016	3
10.	Jan-23-2016	3
11.	Feb-18-2016	3
12.	Mar-31-2016	3

C. COMMITTEE MEETINGS

S. No.	Type of meeting	Date of meeting	Total Number of Members as on the date of the meeting
NIL			

X. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration of Managing Director, Whole-time Directors and/or Manager**

S. No.	Name	Designation	Gross salary	Commission	Stock Option / Sweat equity	Others	Total Amount	Total
NIL								

B. Remuneration of CEO, CFO and Company secretary

S. No.	Name	Designation	Gross salary	Commission	Stock Option / Sweat equity	Others	Total Amount	Total
NIL								

C. Remuneration of Other Directors

S. No.	Name	Designation	Gross salary	Commission	Stock Option / Sweat equity	Others	Total Amount	Total
NIL								

XI. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

The Company has made compliances and disclosures in respect of applicable provisions of the Companies Act 2013 during the year.

XII. PENALTY AND PUNISHMENT - DETAILS THEREOF**(A) DETAILS OF PENALTIES / PUNISHMENT IMPOSED ON COMPANY / DIRECTORS / OFFICERS**

Name of the company / directors / officers	Name of the court / concerned Authority	Date of Order	Name of the act and section under which penalized / punished	Details of penalty / punishment	Details of appeal (if any) including present status
NIL					

(B) DETAILS OF COMPOUNDING OF OFFENCES

Name of the company / directors / officers	Name of the court / concerned Authority	Date of Order	Name of the act and section under which offence committed	Particulars of offence	Amount of Compounding (in Rupees)
NIL					

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	
a) Name(s) of the related party and nature of relationship	
b) Nature of contracts/arrangements/transactions	
c) Duration of the contracts / arrangements / transactions	
d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
e) Justification for entering into such contracts or arrangements or transactions	
f) date(s) of approval by the Board	
g) Amount paid as advances, if any:	
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis	
a) Name(s) of the related party and nature of relationship	A.R. Dairy Food Private Limited in which Directors' and relations are interested
b) Nature of contracts/arrangements/transactions	Purchase and Sale of Milk and Milk Products
c) Duration of the contracts / arrangements / transactions	April 2014 onwards
d) Salient terms of the contracts or arrangements or transactions including the value, if any	
e) date(s) of approval by the Board	April 9, 2014
f) Amount paid as advances, if any:	Nil

Place : Dindigul
Date : 29.08.2016

By order or the Board

/sd/
Directors

Annexure 3

Particulars under section 134 (3)(m) of the Companies Act 2013 read with Rule 8(3) of the Companies (Accounts) Rules 2014

A. CONSERVATION OF ENERGY:

- | | |
|---|--|
| i. Energy Conservation steps taken | The Company has installed Automatic Power factor controller, Harmonic filters, variable frequency drivers for energy saving.

The Company installed water management system which ensured that, the water separated from milk and milk by products is reused in the plant by Effluent treatment plant and RO system. |
| ii. Steps taken by the Company for utilizing alternate source of energy | The Company adopting steam recovery system in CIP system, which will reduce 15% of consumption of Fuel. |
| iii. Capital investment on energy conservation equipment | Automation PLC's & Controls – ₹ 281.73 Lakhs
Steam Recovery System – ₹ 13.62 Lakhs
ETP Machinery – ₹ 83.20 Lakhs |

B. TECHNOLOGY ABSORPTION:

- | | |
|---|---|
| i. Efforts made in technology absorption | The Company used unique in technology, and evaporators and driers installed are suitable multi product processing.

Automated Casein plant with international standard is under work in progress, which will commence the production in forthcoming year. |
| ii. Benefits derived like product improvement cost reduction, product development, or import substitution | We are with the filtration system which gives higher output efficiency. |

- iii. In case of imported technology
(import during the last three
years reckoned from the
beginning of the financial year)
- a. The details of technology
imported NIL
 - b. The year of import
 - c. Whether the technology
been fully absorbed
 - d. If not fully absorbed,
areas where absorption
has not taken place, and
the reasons thereof;
- iv. The expenditure incurred on
research and development NIL

C. FOREIGN EXCHANGE EARNINGS AND OUT GO:

Total Foreign Exchange used	Rs. 70.29 Lakhs (Purchase of Machinery)
Total Foreign Exchange earned	Rs. 5.93 Lakhs (FE Gain)

Place : Dindigul
Date : 29.08.2016

By order or the Board

/sd/
Directors

DINDIGUL FARM PRODUCT PRIVATE LIMITED

COMPANY'S GENERAL BUSINESS PROFILE:

I. Registration Details

Registration Number	U15200TZ2010PTC016407
State Code	08
Balance Sheet Date	31.03.2016

II Capital raised during the year (Rs. in Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III Position of mobilization and deployment of funds (Rs. in Thousands)

Total Liabilities	231,626	Total Assets	231,626
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Sources of Funds (Rs. in Thousands)

Paid up Capital	71,120	Secured Loans	123,643
Reserves and Surplus	(97,295)	Unsecured Loans	60,356
Deferred Tax Liability	0		

Application of Funds (Rs. in Thousands)

Net Fixed Assets	177,538	Investments	4,590
Net Current Assets	(26,785)	Non Current Assets	569
Deferred Tax Asset	1,912		

IV Performance of the Company (Rs. in Thousands)

Turnover / Income	108,896	Total Expenditure	169,940
Profit before Tax	(61,044)	Profit after Tax	(59,131)
Earning Per Share	0	Dividend %	0

V Generic Name of Principal Products /Services of Company Manufacturing of Dairy Products

INDEPENDENT AUDITORS REPORT TO SHARE HOLDERS

Report on the Financial Statements

I have audited the accompanying financial statements of **DINDIGUL FARM PRODUCT PRIVATE LIMITED** (“the Company”) which comprise of the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with rules 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the Company; and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

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

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and the standards on auditing specified under section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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

OPINION:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a in the case of the Balance Sheet of the State of affairs of the Company as at 31st March, 2016
- b in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date and
- c in the case of the Cash Flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, as required by section 143 (3) of the act, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Balance Sheet and the statement of Profit and Loss account comply with the accounting standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and
- e) On the basis of the written representations received from the Directors as on 31st March 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a Director in terms of Section 164 (2) of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. From verification of books and records and from information and explanation provided to us, there was no pending litigations on its financial position in its financial statements [refer item (xvii) to the Statement of significant account policies];

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. From verification of books and records and from information and explanation provided to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rule made there under

Place: Dindigul
Date: August 29, 2016

/sd/
R Kannan
Chartered Accountant
Membership No: 213229

ANNEXURE TO THE AUDITORS REPORT

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements)

As required by the Companies (Auditor's Report) Order, 2016, we make this statement on the matters specified in paragraphs 3 and 4 of the said Order.

- I.
 - a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified during the year by the Management and there is no Material discrepancies noticed on such physical verification.
 - c) The title of immovable properties are held in the name of the company.
- II.
 - a) In my opinion and according to the information given to me, the Company has conducted physical verification of Inventories at reasonable intervals during the year.
 - b) In my opinion and according to the information given to me, the Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification as compared to the book records.
- III. The Company has not granted loans secured or unsecured to Companies, Firms or other Parties listed in the register maintained Under Section 189 of the Companies Act.
- IV. In my opinion and according to the information given to me, in respect of loans, investments, guarantees and security, the company has complied with provisions of Section 185 and 186 of the Companies Act, 2013.
- V. The Company has not accepted any deposit from the public and therefore the provisions of Section 73 to 76 of the Companies Act, 2013 and rules thereon are not applicable to the Company. However the Company has taken unsecured loans / deposits from Share holders and Directors.
- VI. On the basis of the records produced, we are of the opinion that prima facie, the cost records and related accounts prescribed by the Central Government under sub-section 1 of section 148 of the Act have been made and maintained by the Company. However, we are not required to carry out and have not carried out any detailed examination of such records and accounts. As per information and explanation provided to us, maintenance of cost records has not been specified for this Company u/s. 148(1) of the Companies Act, 2013.
- VII.
 - a) According to the information given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, Income tax, Sales tax, Service Tax, Customs duty, Excise duty, Value Added Tax, Cess and other statutory dues to the appropriate authorities and there are no undisputed statutory dues outstanding as at 31.03.2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of Sales tax, Income Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, which have not been deposited on account of any dispute.

- VIII. In my opinion and according to the information given to me, the Company has not defaulted in repayment of dues to Financial Institutions or Banks. The Company is not having any debenture Holders.
- IX. In my opinion and according to the information given to me, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans.
- X. In my opinion and according to the information given to me, any fraud by the company or any fraud on the Company by its officers or employees has not been noticed or reported during the year.
- XI. In my opinion and according to the information given to me, the company has not paid any managerial remuneration.
- XII. The Company is not a Nidhi Company, hence Nidhi Rules, 2014 are not applicable.
- XIII. In my opinion and according to the information given to me, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- XIV. In my opinion and according to the information given to me, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review
- XV. In my opinion and according to the information given to me, the company has entered into non-cash transactions with directors or persons connected with him in accordance with the provisions of section 192 of Companies Act, 2013.
- XVI. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Dindigul
Date: August 29, 2016

/sd/
R Kannan
Chartered Accountant
Membership No: 213229

DINDIGUL FARM PRODUCT PRIVATE LIMITED
BALANCE SHEET AS ON MARCH 31, 2016

	Particulars	Note No.	As at 31st March 2016		As at 31st March 2015	
			Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES						
	(1) Shareholders' Funds					
	(a) Share Capital	2	71,120,000		71,120,000	
	(b) Reserves and Surplus	3	(97,295,218)		(38,163,743)	
	(c) Money received against share warrants		0		0	
				(26,175,218)		32,956,257
	(2) Share application money pending allotment			-		-
	(3) Non - current liabilities					
	(a) Long term borrowings	4	183,998,959		179,519,665	
	(b) Deferred tax liabilities (Net)		0		0	
	(c) Other long term liabilities		0		0	
	(d) Long term provisions		0		0	
				183,998,959		179,519,665
	(4) Current Liabilities					
	(a) Short term borrowings		0		0	
	(b) Trade payables	5	72,214,987		37,285,264	
	(c) Other current liabilities		-		0	
	(d) Short term provisions	6	1,587,384		1,203,363	
				73,802,371		38,488,627
	TOTAL			231,626,112		250,964,549
II. ASSETS						
	(1) Non - current assets					
	(a) Fixed Assets					
	(i) Tangible assets	7	177,537,797		140,676,867	
	(ii) Intangible assets		-		-	
	(iii) Capital work in progress	8	-		46,987,394	
	(iv) Intangible assets under development		-		-	
			177,537,797		187,664,261	
	(b) Non - current investments	9	4,590,000		-	
	(c) Deferred tax assets (Net)		1,912,182		-	
	(d) Long term loans and advances		-		-	
	(e) Other non current assets	10	569,398		196,400	
				184,609,377		187,860,662
	(2) Current Assets					
	(a) Current Investments		0		0	
	(b) Inventories	11	16,024,775		16,172,344	
	(c) Trade receivables	12	3,614,977		1,454,270	
	(d) Cash and cash equivalents	13	645,554		221,956	
	(e) Short term loans and advances	14	25,666,389		43,117,756	
	(f) Other current assets	15	1,065,040		2,137,562	
				47,016,735		63,103,887
	TOTAL			231,626,112		250,964,549

The notes attached form an integral part of the Balance Sheet

In Accordance with our Report attached

For and on behalf of the Board

/sd/
R. KANNAN, M.Com., FCA,
Chartered Accountant
M.No: 213229
Dindigul
September 29, 2016

/sd/
R. Rajasekaran
Director

/sd/
K. Thangaraj
Director

/sd/
R. Rajadharshini
Director

DINDIGUL FARM PRODUCT PRIVATE LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Note No.	As at 31st March 2016		As at 31st March 2015	
		Rs.	Rs.	Rs.	Rs.
I Revenue from Operations	16		106,720,831		223,331,219
II Other Income	17		2,175,062		684,712
III Total revenue (I + II)			108,895,893		224,015,931
IV Expenses					
Cost of materials consumed	18	94,481,373		218,122,769	
Purchases of stock in trade					
Changes in inventories of finished goods, work in progress and stock in trade	19	1,896,233		(13,309,413)	
Employee benefits expense	20		96,377,606		204,813,356
Finance costs	21		7,727,096		3,071,122
Depreciation and amortization expense	22		15,621,831		15,245,142
Other expenses	23		29,275,081		27,715,080
			20,937,936		11,259,975
Total Expenses			169,939,550		262,104,675
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)			(61,043,657)		(38,088,744)
VI Exceptional Items					
Profit/(Loss) before extraordinary items and tax (V-VI)			(61,043,657)		(38,088,744)
VII Extraordinary Items					
IX Profit before tax (VII-VIII)			(61,043,657)		(38,088,744)
X Tax expense:					
(1) Current tax					
(2) Deferred tax			(1,912,182)		
XI Profit/(Loss) for the period from continuing operations (VII-VIII)			(59,131,475)		(38,088,744)
Profit/(loss) from discontinuing operations			0		0
XII operations					
XIII Tax expense of discontinuing operations			0		0
XIV Profit/(loss) from discontinuing operations (after tax) (XII-XIII)			0		0
XV Profit/(Loss) for the period (XI + XIV)			(59,131,475)		(38,088,744)
XVI Earning per equity share:					
(1) Basic			0		0
(2) Diluted			0		0

The notes attached form an integral part of the Statement of Profit and Loss

In Accordance with our Report attached

For and on behalf of the Board

/sd/
R. KANNAN, M.Com., FCA,
Chartered Accountant
M.No: 213229
Dindigul
September 29, 2016

/sd/
R. Rajasekaran
Director

/sd/
K. Thangaraj
Director

/sd/
R. Rajadharshini
Director

DINDIGUL FARM PRODUCT PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD 31.03.2016	FIGURES FOR THE CURRENT REPORTING PERIOD 31.03.2015
A. Cash Flow from operating activities		
Profit before Tax	(61,043,657)	(38,088,742)
Add: Depreciation and Amortisation	29,275,081	27,665,980
Financial Charges	15,621,831	14,886,691
Other Income	(2,175,062)	(684,712)
Operating Profit before working capital Change	<u>(18,321,807)</u>	<u>3,779,217</u>
Working Capital		
Increase (-) / Decrease in Inventories	147,569	(16,172,344)
Increase (-) / Decrease in Trade Receivables	(2,160,707)	(1,454,270)
Increase (-) / Decrease in Other Current Assets	1,072,522	1,052,573
Increase / Decrease in Trade & Other payable (-)	35,313,744	41,495,770
Net Cash from operating activities	<u>16,051,320</u>	<u>28,700,946</u>
B. Cash Flow from Investing activities		
Purchase of fixed assets	(65,981,386)	(157,777,889)
Increase / Decrease in Advances for Capital Expenditure	56,502,145	120,496,882
Investment in Shares	(4,590,000)	-
Fixed Deposit & Sundry Deposits	7,408,994	(13,452,800)
Interest Income	2,175,062	684,712
Other Income	-	-
Net Cash from investing activities	<u>(4,485,185)</u>	<u>(50,049,096)</u>
C. Cash Flow from Financing activities		
Long Term Borrowings	-	41,966,520
Increase in Share Capital	-	19,220,000
Repayment of Term Loans	(17,247,749)	(9,376,949)
Repayment of O/D	(8,957)	-
Interest Paid	(15,621,831)	(17,286,551)
Repayment of unsecured Loans	21,736,000	(13,280,000)
Net Cash from investing activities	<u>(11,142,537)</u>	<u>21,243,020</u>
Consolidated Cash flow		
Net increase / (decrease) in Cash and Cash Equivalents		
A. Cash Flow from operating activities	16,051,320	28,700,946
B. Cash Flow from Investing activities	(4,485,185)	(50,049,096)
C. Cash Flow from Financing activities	(11,142,537)	21,243,020
Net increase / (decrease) in Cash and Cash Equivalents	<u>423,598</u>	<u>(105,129)</u>
Cash & Cash Equivalents at the beginning	221,956	327,086
Cash & Cash Equivalents at the year end	645,554	221,956

SCHEDULE 1

NOTES TO PROFIT AND LOSS ACCOUNT AND BALANCE SHEET AT 31ST MARCH 2016.

1. Significant Accounting Policies:

I. General:

The Financial Statements have been prepared on the historical cost convention based on the accrual concept and in accordance with generally accepted Accounting Principles and complying with the applicable Accounting Standards referred under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act.

II. Inventory Valuation:

	Items	Valued under FIFO method at
a)	Raw material	Cost
b)	Finished Goods	Cost or Net Realizable Value
c)	Stores and Spares	Cost

III. Cash flow Statement:

Cash flow statement is prepared using indirect method whereby Profit before tax is adjusted for effects of transactions of non-cash nature, any deferrals, and accruals of past or future operating cash flow. The above is adjusted with cash flow from investing and financing activities. Cash flow from Operating, investing and financing activities are segregated and disclosed.

IV. Depreciation:

Depreciation on tangible assets has been provided over the useful life of assets in accordance with Schedule II of the Companies Act, 2013. Depreciation on assets purchased or sold during the year is proportionately charged.

The depreciable amount of an asset is the cost of an asset or other amount substituted for cost, less its estimated residual value.

The useful life of an asset is the period over which an asset is expected to be available for use by an entity.

V. Recognition of Income:

Revenue is primarily derived from sale of milk products and milk processing charges. Sales are recognized net of discounts, on transfer of title over goods with significant risks and rewards, for a price and where no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales have been recognized net of sales tax, cess.

VI. Fixed Assets:

Fixed assets are stated at cost of acquisition excluding vat, inclusive of freight, taxes and incidental expenses relating to the acquisition and finance cost on borrowings utilized for acquisition of qualifying asset

VI. Foreign Currency Transactions:

- a) Foreign currency transactions are translated into Indian rupees at the exchange rate prevailing on the date of transaction.
- b) Monetary foreign currency assets and liabilities outstanding at the end of the year are restated at the exchange rates prevailing on the report date, there is an foreign exchange gain amount to ` 5.93 lakhs during the year.

VII. Government Grants:

The Government grants which has been received should be deposited as per the terms of grant.

VIII. Borrowing Cost:

Borrowing costs that are attributable to the acquisition of or construction of a qualifying asset are capitalised as part of cost of such asset till such time as the asset is ready for its intended use. Other borrowing costs are recognized as expenses for the period. In relation to fixed assets which necessarily take a substantial period of time to get ready for their intended use, Borrowing costs, relating to the acquisition of the assets, up to the date of putting them into commercial production have been added to the value of the respective assets. During the year, finance cost amounted to ` 49.32 lakhs has been capitalized.

IX. Segmental Reporting:

Segmental reports are attached as an annexure.

X. Related Party Disclosure:

Transactions	Associates
Purchase of Milk	
A.R. Dairy Food Private Limited	` 360.06 lakhs
Sale of Milk and Milk Products	
A.R. Dairy Food Private Limited	` 199.21 lakhs

XI. Income Tax:

Since the company incurred loss during the year there is no current tax liability for the company.

2. Earning in Foreign Exchange Rs. 593,250/-

3. Directors Remuneration Rs. -NIL-

4. Details of Audit Fees and Expenses

Audit Fee	Rs. 30,000/-
Fee for Tax Representation	Rs. 30,000/-
Other Fees and Expenses	Rs. 40,000/-

5. As per the information available with the company there are no Micro, Small, and Medium industries in respect of whom the company's dues are outstanding for more than 45 days as at the Balance sheet date

6. There is no Contingent Liability existed as the date of Balance Sheet Date.

7. Deferred Taxes 2015-16

Deferred Tax Assets (net)

Rs. 19.12 Lakhs

8. Estimated amount of Contracts to be executed on account of capital Expenditure is Rs. NIL

The points 1 to 8 referred to above for integral part of profit and loss account and balance sheet as at 31.03.2016.

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

2 Share Capital:

Particulars	As at 31st March 2016		As at 31st March 2015	
	Number	Amount in (Rs.)	Number	Amount in (Rs.)
Authorized:				
Equity shares of Rs. 100/- each	750,000	75,000,000	750,000	75,000,000
	750,000	75,000,000	750,000	75,000,000
Issued, subscribed and fully paid up:				
<i>Equity shares of Rs. 100/- each</i>				
At the beginning of the reporting period	711,200	71,120,000	519,000	51,900,000
Issued during the reporting period	-	-	192,200	19,220,000
Bought back during the reporting period	-	-	-	-
At the close of the reporting period	711,200	71,120,000	711,200	71,120,000
Issued, subscribed but not fully paid up:				
<i>Equity shares of Rs. 100/- each</i>				
At the close of the reporting period	0	0	0	0
Less Calls in arrears				
By directors and officers		0		0
By others		0		0
		71120000		71120000
Add: Amount originally paid up on forfeited shares		0		0
Total		71120000		71120000
Other Information:				
I Particulars of equity share holders holding more than 5% of the total number of equity share				
a. AR Dairy Food Private Limited	170,000	17,000,000	170,000.00	17,000,000
b. R. Rajadharshini	94,200	9,420,000	94,200	9,420,000
c. R. Radhabai	92,100	9,210,000	92,100	9,210,000
d. S. Nagaraj	62,400	6,240,000	62,400	6,240,000
e. R. Suryaprabha	54,000	5,400,000	54,000	5,400,000
f. V. Subburaj	50,000	5,000,000	50,000	5,000,000
g. R. Rajasekaran	46,100	4,610,000	46,100	4,610,000
h R. Sarayu	37,000	3,700,000	37,000	3,700,000

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

3 Reserves and Surplus:

Particulars	Capital Reserve	Capital redemption reserve	Securities Premium Reserve	Debenture Redemption Reserve	Revaluation Reserve	Share option outstanding	Other reserves	Surplus i.e. balance in Statement of Profit & Loss	Total
As on April 1, 2015	0	0	0	0	0	0	0	(38,163,743)	(38,163,743)
Transferred from/to Profit & Loss Account	0	0	0	0	0	0	0	(59,131,475)	(59,131,475)
Allocation towards allotment of bonus shares	0	0	0	0	0	0	0	0	0
Proposed Dividends	0	0	0	0	0	0	0	0	0
Provision towards dividend distribution tax	0	0	0	0	0	0	0	0	0
As on March 31, 2016	0	0	0	0	0	0	0	(97,295,218)	(97,295,218)
As on March 31, 2015	0	0	0	0	0	0	0	(38,163,743)	0

Debit balance in Profit and Loss Account shall be shown as a negative figure under the head ' Surplus'

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

4 Long term Borrowings

Particulars	As at 31st March 2016	As at 31st March 2015
1) Secured Loans:		
a. Term Loans		
- from Banks	110,731,279	127,979,028
b. Overdraft / CC - from Banks	12,912,025	12,920,982
	<u>123,643,304</u>	<u>140,900,010</u>
2) Unsecured Loans:		
Loan from Shareholders	60,355,655	38,619,655
	<u>60,355,655</u>	<u>38,619,655</u>
3) Total long term borrowings (1+2)	183,998,959	179,519,665

Additional Information:

- a Details of security for secured loans
- i Land & Building with an area of 11.07 Acres at S. No. 767 to 769, Sendurai Village, Natham TK
 - ii Land & Farm House with an area of 8.23 Acres @ Pillayarnatham Village, Athoor Taluk, Agricultural Land of 1.2 Acres at Alamarathupatty Village, Athoor TK and Vacant Site of 1.69 Acres at A. Vellodu Village, Dindigul Taluk in the name of Mr. R. Rajasekaran
 - iii Factory Land and Building of S.R. Carbides and Chemicals of 2.27 Acres with a building of 6610 sq.ft at Madurai Road, A. Vellodu Village, Dindigul Taluk.
 - iv Factory Land of 200 cents of AR Dairy Foods P. Ltd @ Madurai Road, A. Vellodu, Dindigul Taluk
 - v Vacant Site of Mrs. Suryaprabha Rajasekaran of 3.90 Acres @ Alamarathupatty, Athoor Taluk
- b Loans have been guaranteed by directors or others
- Term Loans
- from Banks
- 110,731,279 127,979,028
- c Terms of repayment of term loans and others
- repayable within 72 monthly instalments
with a moratorium period of 15 months

5 Trade Payables

i) To Micro, Small and Medium Enterprises	-	-
ii) Others	72,214,986.92	37,285,264.00
	<u>72,214,986.92</u>	<u>37,285,264.00</u>

6 Short term provisions:

a) Provision for employee benefits	81,510.00	10,297.00
b) Tax Deducted at Source	37,787.00	6,864.00
c) Provision for expenses	1,468,087.00	1,186,202.00
	<u>1,587,384.00</u>	<u>1,203,363.00</u>

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

7 Fixed Assets:

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As at 1st April 2015	Additions for the year	Deductions during the year	As at 31st March 2016	For the year	Deductions	As at 31st March 2016	As at 31st March 2015
Tangible Assets								
Own assets								
Land	2,124,343	-	-	2,124,343	-	-	2,124,343	2,124,343
Buildings	36,113,604	2,088,349	-	38,201,952	3,332,469	-	31,362,112	32,606,233
Plant & Machinery	47,122,293	63,056,140	-	110,178,434	12,385,182	-	89,589,618	38,918,659
Furniture & Fixtures	288,014	79,078	-	367,092	57,649	-	237,747	216,317
Vehicles	1,110,190	-	-	1,110,190	243,923	-	532,805	776,729
Electrical Installation	16,263,592	288,045	-	16,551,637	3,218,905	-	9,284,132	12,214,992
ETP Machinery	8,320,385	-	-	8,320,385	1,247,451	-	5,624,418	6,871,869
Preparatory Machinery	56,117,100	145,467	-	56,262,567	8,431,724	-	38,061,282	46,347,539
Tools and equipment	584,765	310,059	-	894,824	125,853	-	227,656	482,962
Computer & Accessories	298,562	-	-	298,562	75,391	-	256,728	41,834
Office Equipments	-	14,249	-	14,249	1,910	-	12,339	-
	168,342,847	65,981,386	-	234,324,234	29,120,457	-	177,537,797	140,676,867
TOTAL	168,342,847	65,981,386	-	234,324,234	29,120,457	-	177,537,797	140,676,867

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

	Particulars	As at 31st March 2016	As at 31st March 2015
8	Capital work in progress:		
	i) Plant and Machinery	-	43,507,765
	ii) Building under Construction	-	903,872
	iii) Interest on Term Loan	-	2,318,680
	iv) Loan Processing Fee	-	81,180
	v) Freight Charges	-	175,897
		-	46,987,394
	Less:		
	Provision for impairment	-	-
		-	46,987,394
9	Non current investments		
	i) Investment in AR Dairy Foods P Ltd	4,590,000	-
		4,590,000	-
10	Other non current assets		
	i) Long term trade receivables	-	-
	ii) Preliminary & Preoperative Expenses	147,300	196,400
	iii) TNEB Deferred Payments	422,098	-
		569,398	196,400
11	Inventories		
	i) Raw Material		
	Milk	452,082	-
	ii) Finished Goods		
	Lactose	30,000	30,000
	Milk-Whey Powder	110,400	159,537
	Skimmed Milk Powder	6,416,960	10,885,710
	Whey Protein	79,200	21,000
	Unbranded Butter	360,870	2,213,165
	Dairy Whitner	235,000	-
	Low Protein Powder	1,867,500	-
	Milk Protein Concentrate Powder(70%)	1,623,250	-
	Whey Powder (17% Protein)	690,000	-
	v) Stores and Spares		
	Fire Wood	50,139	186,296
	Packing Materials	741,163	207,556
	Stores and Consumables	3,368,211	2,469,080
		16,024,775	16,172,344
	the goods mentioned above are valued on the basis of cost or net realisable value whichever is lower		

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March 2016	As at 31st March 2015
12 Trade Receivables		
i) Trade receivables exceeding six months	-	-
Less: Provision for doubtful debts	-	-
	-	-
ii) Trade receivables not exceeding six months	3,614,977	1,454,270
Less: Provision for doubtful debts	-	-
	3,614,977	1,454,270
	3,614,977	1,454,270
Additional information:		
1) Breakup of above:		
i) Secured, considered good	3,614,977	1,454,270
ii) Unsecured, considered good	-	-
iii) Doubtful	-	-
Total	3,614,977	1,454,270
Less: Provision for doubtful debts	-	-
	3,614,977	1,454,270
2) a) Debts due by directors or other officers of the company		
b) Debts due by firm or private company in which any director is a partner or a director		
13 Cash and cash equivalents:		
i) Balances with banks		
- in unpaid dividend accounts	-	-
- in margin money, security for borrowings, guarantees and other commitments	-	-
- in deposit accounts exceeding 12 months maturity	-	-
- in other accounts	588,458	9,992
ii) Cheques, drafts on hand	-	-
iii) Cash on hand	57,096	211,964
iv) Others (Specify nature)	-	-
	645,554	221,956
14 Short term loans and advances:		
i) Advances paid to Suppliers	16,081,150	26,070,375
ii) House Advance	2,000	2,000
iii) Electricity Deposit	1,371,978	980,972

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March 2016	As at 31st March 2015
iv) Salary Advance	42,857	96,004
v) Short Term Deposit	8,150,000	15,950,000
vi) Telephone Deposit	18,404	18,404
	25,666,389	43,117,756
Less: Provision for doubtful advances	-	-
	25,666,389	43,117,756
Additional information:		
1) Breakup of above:		
i) Secured, considered good	-	-
ii) Unsecured, considered good	25,666,389	43,117,756
iii) Doubtful	-	-
Total	25,666,389	43,117,756
Less:		
Provision for doubtful amounts	-	-
	25,666,389	43,117,756
2) a) Debts due by directors or other officers of the company	-	-
b) Debts due by firm or private company in which any director is a partner or a director	-	-
15 Other Current Assets		
(i) VAT Input Credit	103,230	1,702,632
(ii) TDS Receivables	292,084	57,165
(iii) Interest on Term Deposit Accrued	-	349,695
(iv) Prepaid Insurance	28,115	28,070
(v) Accrued Interest	641,610	-
	1,065,040	2,137,562

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March 2016	As at 31st March 2015
16 Revenue from Operations		
i) Sale of Finished Goods		
Milk	8,057,977.00	74,224,030.00
Milk-Whey Powder	1,741,200.00	1,312,500.00
Skimmed Milk Powder	54,463,450.00	70,528,500.00
Milk Protein Concentrate Powder	10,544,750.00	-
Spray Dried Whole Milk Powder	375,000.00	-
Casein	1,877,400.00	-
Dairy Whitner	308,125.00	-
Low Protein Powder	1,427,500.00	-
Scrab Material	68,785.00	-
Unbranded Butter	14,775,558.00	47,656,036.00
Unbranded Ghee	-	28,611,751.00
Whey Protein	3,250.00	-
	93,642,995.00	222,332,817.00
ii) SMP Packing Charges	750,996.00	60,230.00
iii) SMP Conversion Charges	12,232,199.00	938,172.00
iv) Processing Charges	94,641.00	-
	13,077,836.00	998,402.00
17 Other Income		
i) Discount Received from customers	900.00	4,614.00
ii) Bank charges from customers	4,207.00	3,771.00
iii) Fixed Deposit Interest from Banks	1,576,705.00	676,327.00
iv) Foreign Exchange Gain	593,250.00	-
	2,175,062.00	684,712.00
18 Cost of materials consumed		
i) Raw Material		
Opening Stock	-	-
Add: Purchases	86,374,684.00	213,318,527.00
Less: Closing Stock	452,082.00	-
	A	213,318,527.00
ii) Consumables		
Opening Stock	2,862,931.00	-
Add: Purchases	9,855,353.00	7,667,173.00
Less: Closing Stock	4,159,513.00	2,862,931.00
	B	4,804,242.00
	A+B	218,122,769.00

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March 2016	As at 31st March 2015
19 Changes in inventories of finished goods, work in progress and stock in trade		
Opening Stock Finished Goods	13,309,413.00	-
Less: Closing Stock Finished Goods	(11,413,180.11)	(13,309,413.00)
Increase / (-) Decrease in Stock	1,896,232.89	(13,309,413.00)
20 Employee benefits expense		
i) Wages, Salaries and Bonus paid	7,039,941.00	2,790,413.00
ii) Employee Provident Fund Contributions	418,355.00	93,806.00
iii) Staff/Labour welfare expenses	268,800.00	186,903.00
	7,727,096.00	3,071,122.00
21 Finance costs		
i) Interest Paid on Current Account	1,632,122.00	1,459,215.00
ii) Interest Paid on Term Loan	13,794,924.00	13,337,596.00
iii) Interest Paid on Vehicle Loan	83,311.00	89,880.00
iv) Bank Charges	111,474.00	358,451.00
	15,621,831.00	15,245,142.00
22 Depreciation and amortization expense		
i) Depreciation	29,120,457.00	27,665,980.00
ii) Amortization of intangible assets	154,624.00	49,100.00
iii) Others	-	-
	29,275,081.00	27,715,080.00

DINDIGUL FARM PRODUCT PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31st March 2016	As at 31st March 2015
23 Other expenses:		
I Operating Expenses		
i) Power and Fuel	16,306,992.00	8,138,784.00
ii) Frieght Charges	100,407.00	42,931.00
iii) Transportation Charges	456,320.00	1,298,850.00
	16,863,719.00	9,480,565.00
II Non Operating Expenses		
i) Insurance Premium Paid		
Fire Insurance Policy	113,170.00	113,348.00
Vehicle Insurance	15,252.00	22,830.00
ii) License and Fees paid	698,131.00	104,223.00
iii) Office Administrative Expenses	56,172.00	19,480.00
iv) Payment to the auditors		
- as auditor	60,000.00	60,000.00
- for taxation matters	15,000.00	15,000.00
- for company law matters	25,000.00	23,600.00
Annual Fee and Professional Fee	10,000.00	20,000.00
v) Printing & Stationery	63,155.00	81,551.00
vi) Repairs and Maintenance		
Electrical Maintenance	40,780.00	71,917.00
ETP Maintenance	1,116,818.00	511,238.00
Factory Maintenance	1,473,386.00	349,743.00
Generator Maintenance	2,350.00	102,510.00
Vehicle Maintenance	-	5,508.00
vii) Telephone Expenses	170,551.00	103,611.00
viii) Travelling Expenses	107,652.00	174,851.00
ix) Sales Promotion Expenses	106,800.00	-
	4,074,217.00	1,779,410.00