

Independent Auditors' Report

To
The Members
Sresta Natural Bioproducts Private Limited
Hyderabad

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s **Sresta Natural Bioproducts Private Limited** which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Statement of Cash Flows for the year ended on that date, and Notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2019, and its loss and Cash Flows for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 is not applicable to the Company as it is an unlisted company.



Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management responsibility

The Company's Board of Directors is responsible for the matters in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the 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. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of the financial statements

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

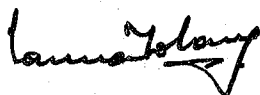
Opinion

According to the information and explanation given to us and the audit tests performed, in our opinion the Company has adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at year end, based on the internal control over financial reporting criteria established by the Company in meeting the essential components of internal controls commensurate to the nature and size of the business of the company.

Other Matters

The entity has maintained limited documentation for the internal control framework and the management review of its operating effectiveness. This was considered in determining the nature, timing, and extent of audit tests applied while assessing the adequacy and operating effectiveness of the internal controls over financial reporting and for our audit of the standalone financial statements of the Company.

Gandhi & Gandhi
Chartered Accountants
Firm Reg No: 000849S



Rama Mohan Giri
Partner
Mem No 029478
August 20, 2019



Annexure A

referred to in paragraph 1 under 'Report on other legal and regulatory requirements'
M/s Sresta Natural Bioproducts Private Limited
FY 2018-19

We further report that:

- (i) (a) The company has maintained records showing particulars including quantitative details and situation of fixed assets as required by the Companies Act, 2013.
(b) The fixed assets have been physically verified by the management in accordance with the policy adopted. No material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the company.
- (ii) According to the information and explanation provided to us, inventory verification has been conducted at reasonable intervals by the management and as explained to us, no material discrepancies were noticed on physical verification.
- (iii) The company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under section 189 of the of the Companies Act. Hence the sub-clauses (a), (b) and (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits.
- (vi) We have reviewed the books of account relating to material, labour and other items of cost maintained by the company pursuant to the Rules made the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) (a) The Company has been regular in depositing the undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, goods and service tax, Customs Duty, Excise Duty cess and other statutory dues with the appropriate authorities.
(b) According to the information and explanation given to us, there were no disputed amounts payable in respect of Income Tax, Sales Tax, goods and service tax Customs Duty, Excise Duty and cess.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank. The company has not borrowed any funds by issue of debentures.
- (ix) The company has not made any public offer of its shares. Further, in our opinion and according to the information and explanations given to us, the terms loans obtained during the year under audit and in earlier years have been applied for the purpose for which they have been borrowed.
- (x) According to the information and explanations given to us, no fraud by or on the company by its officers has been noticed or reported during the year.
- (xi) The provisions of Section 197 are not applicable to the company.
- (xii) As the company is not a Nidhi company, the provisions of Nidhi Rules, 2014 are not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements.

GANDHI & GANDHI
CHARTERED ACCOUNTANTS

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- (xiv) 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) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Gandhi & Gandhi
Chartered Accountants
Firm Reg No: 000849S

Rama Mohan Giri

Rama Mohan Giri
Partner
Mem No 29478
August 20, 2019



Annexure B to the Independent Auditor's Report
Referred to in paragraph 2(f) under 'Report on other legal and regulatory requirements'
Sresta Natural Bioproducts Private Limited

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

We have audited the internal financial controls over financial reporting of Sresta Natural Bioproducts Private Limited ("the Company") as at 31st March 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

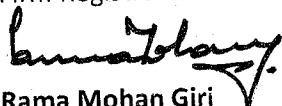
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet and 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses Unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (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 our best of our information and according to the explanations given to us;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

UDIN : 19029478 AAAACB1370

Gandhi & Gandhi

Chartered Accountants

Firm Registration No: 000849S



Rama Mohan Giri

Partner

Mem No 29478

August 20, 2019



Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Balance sheet as on 31st March 2019

Particulars	Note	31.03.2019	31.03.2018
I. Equity and Liabilities			
Shareholder's Fund			
(a) Share Capital	1	18,24,83,800	18,80,74,740
(b) Reserves & Surplus	2	70,80,66,749	71,44,72,833
Share Application Money Pending Allotment		-	25,000
Non-Current Liabilities			
(a) Long-term borrowings	3.1	2,33,85,058	4,90,49,884
(b) Long-term provisions	3.2	69,41,991	51,24,141
Current Liabilities			
(a) Short-term borrowings	4.1	29,18,82,977	20,95,00,736
(b) Trade payables	4.2	28,68,15,620	27,15,19,737
(c) Other current liabilities	4.3	13,20,09,348	12,06,71,622
(d) Short-term provisions	4.4	33,55,834	22,04,938
		<u>1,63,49,41,376</u>	<u>1,56,06,43,631</u>
II. Assets			
Non-Current Assets			
(a) Property, Plant and Equipment	5.1	16,38,66,500	17,29,85,526
(b) Non-current investments	5.2	5,19,51,037	5,19,51,037
(c) Deferred tax asset (net)		5,61,64,513	5,30,41,910
(d) Long-term loans and advances	5.3	91,10,815	91,58,767
(e) Other non-current assets	5.4	18,15,29,136	20,89,85,238
Current Assets			
(a) Inventories	6.1	43,39,67,835	33,88,34,768
(b) Trade Receivables	6.2	48,79,86,338	52,41,26,014
(c) Cash and cash equivalents	6.3	7,18,47,729	5,86,01,645
(d) Short-term loans and advances	6.4	85,924	3,24,150
(e) Other current assets	6.5	17,84,31,549	14,26,34,577
		<u>1,63,49,41,376</u>	<u>1,56,06,43,631</u>
Accounting Policies	10		
Additional Notes to Accounts	11		

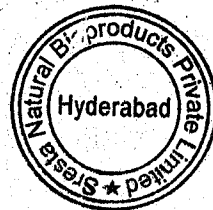
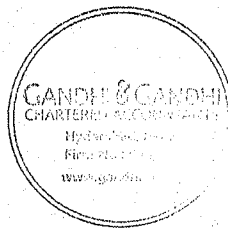
Notes referred above forms integral part of accounts.

Subject to our report of even date.

Gandhi & Gandhi
Chartered Accountants

Rama Mohan Giri

Rama Mohan Giri
Partner
Mem No. 029478
Firm Reg No : 000849S
August 20, 2019



S.R. Reddy
Managing Director

K. S. Reddy
CFO

R. S. Reddy
Director

Ashwin
Company Secretary

Sresta Natural Bioproducts Private Limited

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Statement of Profit & Loss for the year ended 31st March 2019

Particulars	Note	31.03.2019	31.03.2018
I. Revenue from Operations	7	1,75,77,92,254	1,68,64,00,163
II. Other Incomes	8	2,71,70,378	1,54,25,078
III. Total Revenue (I+II)		<u>1,78,49,62,632</u>	<u>1,70,18,25,240</u>
IV. Expenses			
Cost of materials consumed	9.1	90,02,62,210	87,61,63,571
Changes in inventories of finished goods, work-in-progress and Stock-in-trade	9.2	(2,46,35,875)	4,46,69,655
Employee benefit expenses	9.3	10,08,94,897	9,95,62,990
Finance Cost	9.4	4,67,28,106	5,25,83,569
Depreciation and amortization of expenses	5.1	14,72,90,302	12,89,07,977
Operating & Other Expenses	9.5	62,99,11,140	57,70,46,056
		<u>1,80,04,50,780</u>	<u>1,77,89,33,818</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		(1,54,88,148)	(7,71,08,578)
VI. Tax expense			
(1) Earlier year tax		2,50,800	-
(2) Current Tax		-	-
(3) Deferred tax		(31,22,604)	(70,84,612)
(4) MAT Credit Utilised / (Entitlement)		-	-
		<u>(28,71,804)</u>	<u>(70,84,612)</u>
VII. Profit / (Loss) for the period (V-VI)		(1,26,16,344)	(7,00,23,966)
VIII. Earning per equity share			
(1) Basic		(0.70)	(4.01)
(2) Diluted		(0.70)	(4.01)

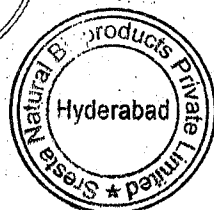
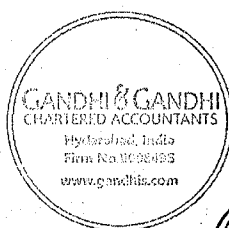
Notes referred above forms integral part of accounts.

Subject to our report of even date.

Gandhi & Gandhi
Chartered Accountants

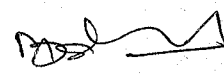


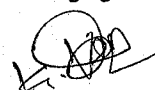
Rama Mohan Giri
Partner
Mem No. 029478
Firm Reg No : 000849S
August 20, 2019



Sresta Natural Bioproducts Private Limited


S.R. Reddy
Managing Director


Director


CFO


Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Cash Flow Statement for the year ending 31st March 2019

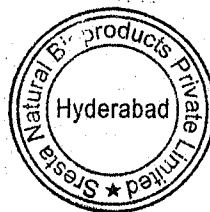
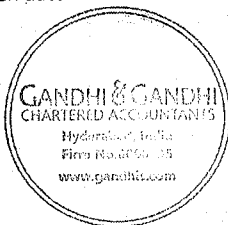
Sl	Particulars	Amount	Amount	Amount	Amount
A)	Cash Flow from operating Activities				
	Net Profit (loss) after Tax	(1,26,16,344)			
	Add : Depreciation	1,40,71,303			
	Interest on Loans	4,39,72,096			
	Loan Processing Fees	17,34,300			
	Bank Charges	1,66,330			
	Bank Commission	8,55,379			
	Esop Salaries	3,59,320			
	Provision for Gratuity	36,32,303			
	Loss on sale of asset and Assets written off	11,64,841			
	Deferred Revenue Expenditure written off	13,32,18,999			
	Deferred Tax	<u>(31,22,604)</u>			
		18,34,35,924			
	Less : Deferred Revenue Expenditure	(12,10,59,868)			
	Gratuity paid	<u>(6,63,557)</u>			
			6,17,12,499		
	Less : Income Tax paid				
	Add/Less : Changes in Working Capital				
	Decrease/(Increase) in Inventories	(9,51,33,067)			
	Decrease/(Increase) in Trade Receivables	3,61,39,676			
	Decrease/(Increase) in Loans and advances	2,86,178			
	Decrease/(Increase) in Other Assets	(2,05,00,002)			
	Increase/(Decrease) in Trade Payables	1,52,95,883			
	Increase/(Decrease) in Other Current Liabilities	1,13,37,726			
			<u>(5,25,73,606)</u>		
	Net Cash flow from operating activities			91,38,893	
B)	Cash flow from Investing activities				
	Purchase of Property, Plant and Equipment		(62,31,318)		
	Sale of Property, Plant and Equipment		1,14,200		
				(61,17,118)	
C)	Cash flow from Financing activities				
	Issue of Equity Shares		2,35,000		
	Loans Borrowed - Net		5,67,17,415		
	Interest on Loans		(4,39,72,096)		
	Loan Processing Fees		(17,34,300)		
	Bank Charges		(1,66,330)		
	Bank Commission		(8,55,379)		
				<u>1,02,24,309</u>	
	Net increase in cash & cash equivalents				1,32,46,084
	Cash and Cash Equivalent at beginning of period				5,86,01,645
	Cash and Cash Equivalent at the end of the period				<u><u>7,18,47,729</u></u>

Subject to our report of even date.

Gandhi & Gandhi
Chartered Accountants

Rama Mohan Giri
Rama Mohan Giri
Partner

Mem No. 029478
Firm Reg No. 008495
August 20, 2019



Sresta Natural Bioproducts Private Limited

S.K. Reddy
S.K. Reddy
Managing Director

K. Aditya
K. Aditya
CFO

Abhinav
Abhinav
Director

Abhinav
Abhinav
Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Note 1: Share Capital of the company comprises of the following:

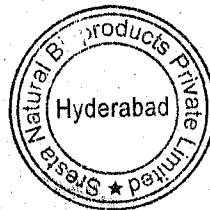
Particulars	31.03.2019	31.03.2018
Authorised Share Capital :		
Equity Share Capital :		
2,20,00,000(2,20,00,000) shares @ Rs. 10 each	22,00,00,000	22,00,00,000
Preference Share Capital :		
42,00,000 (42,00,000) shares @ Rs. 10 each	<u>4,20,00,000</u>	<u>4,20,00,000</u>
Issued Share Capital :		
Equity Share Capital :		
1,82,48,380 (1,74,87,474) shares @ Rs. 10 each	18,24,83,800	17,48,74,740
Preference Share Capital :		
Nil (13,20,000) shares @ Rs. 10 each	-	1,32,00,000
Subscribed and fully Paid up		
Equity Share Capital :		
1,82,48,380 (1,74,87,474) shares @ Rs. 10 each	18,24,83,800	17,48,74,740
Preference Share Capital :		
Nil (13,20,000) shares @ Rs. 10 each	-	1,32,00,000
	<u>18,24,83,800</u>	<u>18,80,74,740</u>

Note 2: Reserves & Surplus of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Securities Premium		
Opening Balance	96,81,82,305	96,75,95,555
Add: Premium on issue of shares during the year	62,10,260	5,86,750
Less: Amount utilized	-	-
Closing Balance	97,43,92,565	96,81,82,305
Surplus / (deficit) balance in the Statement of Profit & Loss		
Opening Balance	(25,37,09,472)	(18,36,85,506)
Add: Profit / (loss) for the year	(1,26,16,344)	(7,00,23,966)
Closing Balance	(26,63,25,816)	(25,37,09,472)
Summary:		
Securities Premium	97,43,92,565	96,81,82,305
Surplus / (deficit) balance in the Statement of Profit & Loss	<u>(26,63,25,816)</u>	<u>(25,37,09,472)</u>
	<u>70,80,66,749</u>	<u>71,44,72,833</u>

Note 3.1: Long-term borrowings of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Secured:		
Vehicle Loans		
From banks	-	1,18,755
Working Capital Loans		
From Financial Institutions	18,85,061	88,02,341
Unsecured:		
Working Capital Loans		
From Financial Institutions	2,14,99,997	4,01,28,788
	<u>2,33,85,058</u>	<u>4,90,49,884</u>



Sresta Natural Bioproducts Private Limited



S.R. Reddy

Managing Director

[Signature]

Director

[Signature]

CFO

[Signature]

Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Note 3.2: Long-term Provisions of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Provision for employee benefits - Gratuity	69,41,991	51,24,141
	<u>69,41,991</u>	<u>51,24,141</u>

Note 4.1: Short-term borrowings of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Secured:		
Working Capital Loans		
From banks	29,18,82,977	20,95,00,736
	<u>29,18,82,977</u>	<u>20,95,00,736</u>

Note 4.2: Trade Payables of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Trade Payables	28,68,15,620	27,15,19,737
	<u>28,68,15,620</u>	<u>27,15,19,737</u>

Note 4.3: Other Current Liabilities of the company comprises of the following:

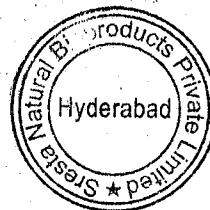
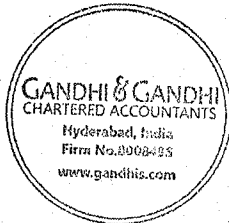
Particulars	31.03.2019	31.03.2018
Advance received from customers	1,01,97,187	68,66,689
Creditors for Property, Plant and Equipment	-	13,63,944
Current maturities of long term debts	7,34,14,795	6,57,47,049
Deposits Received	2,00,000	2,00,000
Employee Benefits Payable	45,67,562	36,01,866
Expenses Payable to Staff	23,74,387	32,76,897
Interest accrued on loans	6,33,192	26,816
Other Expenses Payable	3,04,51,542	3,33,73,610
Statutory Dues Payable	1,01,70,684	62,14,751
	<u>13,20,09,348</u>	<u>12,06,71,622</u>

Note 4.4: Short Term Provisions of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Provision for employee benefits - Gratuity	33,55,834	22,04,938
	<u>33,55,834</u>	<u>22,04,938</u>

Note 5.2: Non-current investments of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Investments in Unlisted Equity Instruments		
Investments in Foreign Subsidiaries	5,19,51,037	5,19,51,037
Investments in Associate Company	-	-
Investments in Unlisted Preference Shares		
Investments in Associate Company	-	-
	<u>5,19,51,037</u>	<u>5,19,51,037</u>



Sresta Natural Bioproducts Private Limited

S.R. Reddy

Managing Director

[Signature]

Director

[Signature]

CFO

[Signature]

Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Note 5.3: Long-term Loans & advances of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Security Deposits		
Unsecured & considered good	91,10,815	91,58,767
	<u>91,10,815</u>	<u>91,58,767</u>

Note 5.4: Other non-current assets of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Loans to Employees	61,282	1,77,762
Miscellaneous Expenditure to the extent not written off	18,14,67,854	20,88,07,476
	<u>18,15,29,136</u>	<u>20,89,85,238</u>

Note 6.1: Inventories of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Raw Material	16,77,53,360	7,51,77,361
Finished goods	21,96,93,824	19,50,57,949
Stock in Transit	-	19,53,047
Packing Material	3,52,88,707	3,11,08,272
	<u>42,27,35,891</u>	<u>30,32,96,629</u>
Add: Inventory valuation adjustment on closing stock	1,12,31,944	3,55,38,139
	<u>43,39,67,835</u>	<u>33,88,34,768</u>

Note 6.2: Trade Receivables of the company comprises of the following:

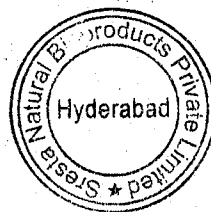
Particulars	31.03.2019	31.03.2018
Due for more than 6 months from its due date		
Unsecured & considered good	10,60,06,870	10,20,84,645
Unsecured & considered doubtful	2,43,26,442	2,12,53,121
Less : Provision for doubtful debts	<u>(2,00,00,000)</u>	<u>(1,35,23,222)</u>
	11,03,33,312	10,98,14,545
Due for less than 6 months from its due date		
Unsecured & considered good	37,76,53,026	41,43,11,470
	<u>48,79,86,338</u>	<u>52,41,26,014</u>

Note 6.3: Cash and cash equivalents of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Balances with Banks - Current Accounts	1,25,19,603	17,84,882
Other Bank Balances - Fixed Deposits	5,88,63,397	5,64,46,263
Cash on hand	4,64,728	3,70,500
	<u>7,18,47,729</u>	<u>5,86,01,645</u>

Note 6.4: Short-term Loans and Advances of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Loans to employees	85,924	3,24,150
	<u>85,924</u>	<u>3,24,150</u>



Sresta Natural Bioproducts Private Limited

S.R. Reddy

Managing Director

[Signature]

Director

[Signature]

CFO

[Signature]

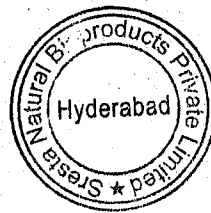
Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Note 6.5: Other Current Assets of the company comprises of the following:

Particulars	31.03.2019	31.03.2018
Accrued Interest	39,02,583	26,91,276
Advance paid to vendors	1,02,49,498	93,45,956
Advance for Capital Assets	-	2,57,433
Customs Duty Credit Entitlement Receivable	46,61,447	1,17,94,979
Employee advances for expenses	7,37,763	7,12,179
GST Input Credit	3,67,85,333	2,50,74,106
GST Electronic Cash Ledger	-	3,12,035
IGST Receivable	1,47,34,730	-
ITC on RCM	1,70,056	-
MAT Credit Entitlement	18,11,195	18,11,195
Miscellaneous Expenditure to the extent not written off	10,14,01,975	8,62,21,485
Prepaid Expenses	8,01,733	9,39,697
Refund from statutory authorities	31,75,236	34,74,237
	<u>17,84,31,549</u>	<u>14,26,34,577</u>



Sresta Natural Bioproducts Private Limited

S.R. Reddy

Managing Director

[Signature]

Director

[Signature]

CFO

Akhari

Company Secretary

Sresta Natural Bioproducts Private Limited

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Note 7: Revenue from Operations

Particulars	31.03.2019	31.03.2018
Revenue from		
Sale of products		
Domestic	1,19,28,21,609	1,16,47,95,523
Exports	55,12,83,858	50,80,35,193
Service Income	1,36,86,787	1,35,69,447
	<u>1,75,77,92,254</u>	<u>1,68,64,00,163</u>

Note 8: Other Incomes

Particulars	31.03.2019	31.03.2018
Customs Duty Credit Entitlement	2,17,084	15,708
Duty Drawback Claim	9,10,516	2,98,924
Foreign Exchange Fluctuation Gains	1,89,33,875	37,69,327
Interest on Deposits	41,21,650	37,42,206
Misc Income	8,94,544	18,10,190
GST Input on Opening Stock	1,66,741	18,14,221
Miscellaneous write offs	19,25,968	31,81,205
Service Tax Refund	-	7,93,296
	<u>2,71,70,378</u>	<u>1,54,25,078</u>

Note 9.1: Cost of materials consumed

Particulars	31.03.2019	31.03.2018
Opening stock of raw material	10,82,38,680	12,50,77,318
Add: Purchases	99,50,65,597	85,93,24,933
	1,10,33,04,277	98,44,02,251
Less: Closing Stock of raw material	20,30,42,067	10,82,38,680
	<u>90,02,62,210</u>	<u>87,61,63,571</u>

Note 9.2: Changes in inventories of finished goods, work-in-progress and Stock-in-trade

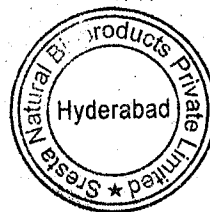
Particulars	31.03.2019	31.03.2018
Opening Stock of Finished goods	19,50,57,949	23,97,27,604
Less: Closing Stock of Finished Goods	21,96,93,824	19,50,57,949
Increase / (decrease) in inventory	<u>(2,46,35,875)</u>	<u>4,46,69,655</u>

Note 9.3: Employee Benefit Expenses

Particulars	31.03.2019	31.03.2018
Salary	9,49,22,465	9,53,10,794
Bonus	23,40,129	23,70,860
Gratuity	36,32,303	18,81,336
	<u>10,08,94,897</u>	<u>9,95,62,990</u>

Note 9.4: Finance Cost

Particulars	31.03.2019	31.03.2018
Interest on Loans	4,39,72,096	5,00,51,433
Processing Fees	17,34,300	12,90,850
Bank Charges	1,66,330	2,42,687
Bank Commission	8,55,379	9,98,599
	<u>4,67,28,106</u>	<u>5,25,83,569</u>



Sresta Natural Bioproducts Private Limited

S.R. Reddy
Managing Director

[Signature]
Director

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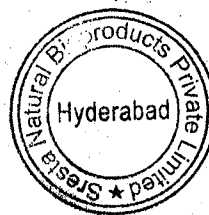
Akhari
Company Secretary

Sresta Natural Bioproducts Private Limited

CIN: U01122TG2004PTC042837

Note 9.5: Operating & Other Expenses

Particulars	31.03.2019	31.03.2018
Operating Expenses:		
Certification Fee	40,32,805	38,67,294
Fuel & Power	56,20,156	37,98,970
Warehouse and Factory Rentals	1,70,42,385	1,74,17,023
Inward Freight and transportation	5,81,91,560	5,60,55,263
Labour and Hamali	69,31,008	99,99,053
Processing Charges	8,58,05,757	9,79,43,011
Stock Adjustment	2,54,90,912	1,40,49,793
Rent Cold Storage	61,03,327	1,41,62,466
Residuary operation expenses	1,40,67,879	1,31,19,274
Others Expenses:		
Advertisement Charges	76,31,212	1,03,01,413
Bad debts	1,35,23,223	-
Provision for doubtful debts	64,76,777	1,35,23,223
Business Promotion Expenses	76,13,458	79,16,211
C & F charges	4,69,71,652	4,77,96,819
Consultancy Charges	80,86,481	86,10,162
Discount allowed	8,07,48,277	6,91,08,290
Diminution in value of Investments	-	29,17,690
Freight outwards - Domestic	7,50,61,170	7,12,71,225
GST Expense	1,35,63,170	8,77,579
Sales Promotion	8,95,59,931	5,91,11,815
Travel Expenses - Domestic	94,07,816	1,08,40,833
Residuary other expenses	4,79,82,186	4,43,58,650
	<u>62,99,11,140</u>	<u>57,70,46,056</u>



Sresta Natural Bioproducts Private Limited

S.R. Reddy

Managing Director

[Signature]

Director

[Signature]

CFO

[Signature]

Company Secretary

Sresta Natural Bioproducts Private Limited

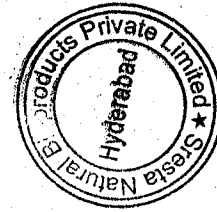
FY 2018-19

CIN: U01122TG2004PTC042837

Note 5.1: Property, Plant and Equipment

Particulars	Gross Block				Depreciation			Net Block			
	01.04.2018	Additions	Deductions	31.03.2019	Accumulated	For the year	Adjustment for sale	Adjustment for Written Off	Total		
Vehicles	43,28,510	-	-	43,28,510	21,90,418	4,67,896	-	-	26,58,314	16,70,196	21,38,092
Computer	64,69,170	6,04,513	5,97,152	64,76,531	55,80,534	3,87,487	2,498	5,42,291	54,23,232	10,53,299	8,88,636
Computer Software	70,35,092	7,43,900	-	77,78,992	62,12,710	3,13,597	-	-	65,26,307	12,52,685	8,22,382
Equipment	50,94,373	2,18,056	8,17,074	44,95,355	31,37,427	5,28,550	-	6,75,611	29,90,366	15,04,990	19,56,946
Furniture & Fixture	1,79,71,065	4,22,534	27,08,483	1,56,85,116	72,42,375	14,67,937	-	25,60,296	61,50,017	95,35,099	1,07,28,690
Furniture & Fixture at HITA	15,82,913	-	-	15,82,913	2,73,962	1,50,377	-	-	4,24,340	11,58,573	13,08,951
Plant & Machinery	11,61,64,543	34,23,105	14,94,455	11,80,93,192	2,46,02,850	77,78,057	79,275	5,48,339	3,17,53,294	8,63,39,898	9,15,61,693
Electrical Equipment	1,06,92,924	70,215	2,10,100	1,05,53,039	26,42,158	10,17,727	-	1,39,915	35,19,970	70,33,069	80,50,766
Lease Hold Improvements											
Banjara Hills	1,86,740	3,894	-	1,90,634	89,372	21,256	-	-	1,10,628	80,006	97,368
Medchal Factory	67,89,654	1,09,822	-	68,99,476	13,39,659	2,75,531	-	-	16,15,190	52,84,286	54,49,995
Bidar	8,01,809	-	-	8,01,809	2,85,449	76,172	-	-	3,61,621	4,40,188	5,16,360
Shamirpet Factory	1,64,60,642	6,35,279	-	1,70,95,920	34,57,489	15,86,716	-	-	50,44,205	1,20,51,715	1,30,03,153
Land	3,64,62,496	-	-	3,64,62,496	-	-	-	-	-	3,64,62,496	3,64,62,496
	23,00,39,930	62,31,318	58,27,264	23,04,43,983	5,70,54,404	1,40,71,303	81,773	44,66,452	6,65,77,483	16,38,66,500	17,29,85,526

Sresta Natural Bioproducts Private Limited



S.L. Reddy
Managing Director

[Signature]
Director

[Signature]
CFO

[Signature]
Company Secretary

Sresta Natural Bioproducts Pvt Ltd

FY 2018-19

Note 10: Significant Accounting Policies

1. Basis of preparation:

The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles in India, Provisions of Companies Act, 2013 and applicable mandatory Accounting Standards.

2. Revenue Recognition:

Revenue is recognized to the extent that it can be reliably measured & is probable that the economic benefits will flow to the company.

Sale of goods:

Revenue from sale of goods is recognized when significant risks and rewards of ownership of the goods are transferred to the customer.

3. Income from Commodities Trading:

The realized gain or loss in respect of commodity hedging contracts which have been settled during the year, have been charged to profit and loss a/c.

4. Incomes & Expenditure:

The company maintains its accounts on accrual basis, except for the following that are recorded as soon as it is ascertained:

- Telephone, water, electricity expenses are accounted as soon as they are ascertainable.
- Insurance claims are accounted for as and when received from the appropriate authorities.
- Service Tax refund is recognized as and when the claim is being filed

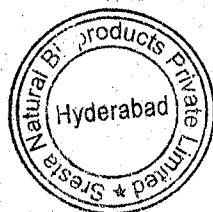
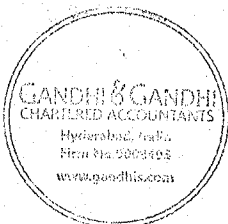
5. Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

6. Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost less accumulated depreciation.

The cost of an asset comprises of its purchase price & directly attributable costs of bringing the asset to working condition for its intended use reduced by CENVAT credit/GST Input availed. Own manufactured assets are capitalized at factory cost.



Sresta Natural Bioproducts Private Limited

S.R. Reddy
Managing Director

[Signature]
Director
CFO

[Signature]
Company Secretary

Sresta Natural Bioproducts Pvt Ltd

FY 2018-19

7. Depreciation on Property, Plant and Equipment:

The Company charges depreciation on Straight Line Method using useful life of the assets prescribed in the Schedule II of the Companies Act, 2013. Depreciation to addition to assets is provided on pro rata basis.

Depreciation on assets acquired/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

8. Investments:

Current investments are stated at lower of cost or fair market value. Long term investments are stated at cost after providing for diminution in value. Provision for diminution in value is made only when the decline is other than temporary in the opinion of the management.

9. Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. Cost comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. 'First-in-First-out' method is followed for determination of cost. The items of inventory which are sold at MRP are valued at MRP less appropriate percentage of gross margin.

10. Sundry Debtors and Loans & Advances:

Sundry Debtors and Loans & Advances are stated at their realisable value after providing for the bad debts, as considered necessary by the management.

11. Provision for Income Tax - Current and Deferred Tax:

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments / appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the period and quantified using the tax rates and laws enacted or substantially enacted on the balance sheet date.

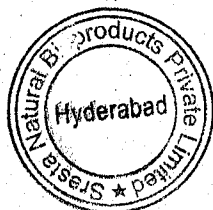
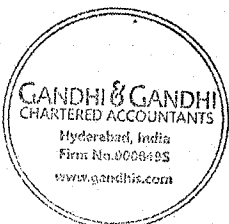
12. Employee Benefits:

The Company's contributions to Provident Fund are charged to Profit & Loss Account. Provision for Gratuity is made on the basis of actuarial valuation and charged to Profit & Loss Account.

Employee compensation expense on account of allotment of ESOP to employees is recognized in the year in which the option to purchase the share is exercised by the employee.

13. Borrowing Cost:

No borrowing costs have been capitalized during the year.



Sresta Natural Bioproducts Private Limited

S.R. Reddy
Managing Director

[Signature]
Director

[Signature]
CFO

[Signature]
Company Secretary

Sresta Natural Bioproducts Pvt Ltd

FY 2018-19

14. Effects of changes in Foreign Exchange Rates:

The reporting currency of the company is Indian Rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency using the exchange rates at the date of the transaction. Year-end balance in current assets / liabilities is accounted at rate prevailing on the reporting date.

15. Miscellaneous Expenditure:

Expenditure incurred on uncertified farmlands till such lands are certified as Organic Farm Lands is treated as Deferred Revenue Expenditure.

Expenses incurred during the current year for which the benefits are expected to be derived in future years are treated as Deferred Revenue Expenditure.

16. Amortization of Deferred Revenue Expenditure:

Expenditure incurred on uncertified farms and considered as Deferred Revenue Expenditure is amortized over a period of 5 years and charged to Profit & Loss Account from the year of certification.

Other Deferred Revenue Expenditure is charged off to Profit & Loss Account over the period during which benefits are expected.

17. Segment reporting:

The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue and segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue & expenses which relate to the company as a whole and are not allocable to segments on reasonable basis, have been included under "Unallocated Income / Expenses".

18. Research and Development:

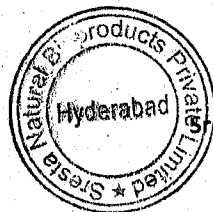
Expenditure on Research and Development is charged to profit and loss account in the year of incurrence except in case of development of new product is undertaken where the same are deferred and expensed out over a reasonable period for which the benefit is received after commercial development of the products.

Research and development expenditure of revenue nature are charged to profit and loss account

Expenses in respect of major product development are, however treated as deferred revenue expenditure for amortization over a period of five years.

19. Contingencies & Events occurring after Balance Sheet date:

Contingencies that can be reasonably ascertained are provided for, if in the opinion of the company there is a probability that the future outcome may be materially detrimental to the company.



S.R. Reddy
Managing Director

Director

CFO

Company Secretary

Sresta Natural Bioproducts Private Limited

Sresta Natural Bioproducts Pvt Ltd

FY 2018-19

Note 11: Additional Notes to Accounts

1. Auditor's remuneration:

Particulars			Current Year	Previous Year
(a)	Statutory Audit	₹	7,00,000	6,50,000
(b)	Tax Audit	₹	3,50,000	3,00,000
(c)	Audit u/s 115JB-MAT	₹	40,000	30,000
(d)	Audit u/s 92E	₹	1,00,000	1,00,000
(c)	Consultancy	₹	3,10,000	1,20,000

2. Directors remuneration:

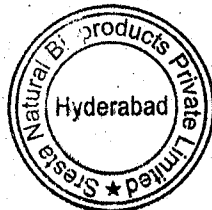
Name of the Director	Current year	Previous year
	Amount (₹)	Amount (₹)
S Rajashekar Reddy	66,21,996	60,70,161
N. Balasubramanian	1,02,42,612	86,07,154

3. In the opinion of Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realized in ordinary course of business.

4. Deferred Tax:

	Current year	Previous year
Deferred Tax Asset		
i) On account of carry forward of loss.	13,21,00,828	13,55,66,584
ii) On disallowance of expenses	66,92,592	34,16,642
Deferred Tax Liability		
i) On excess depreciation claimed as per income tax act	90,82,750	92,33,786
ii) On account of Deferred Revenue Expenditure	7,35,46,156	7,67,07,530
Net Deferred Tax Asset	5,61,64,514	5,30,41,910

5. As per the provisions of Companies Act, 2013, depreciation is charged on systematic basis over the useful life of the assets prescribed in Schedule II to Companies Act, 2013.



Sresta Natural Bioproducts Private Limited

S.R. Reddy
Managing Director

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Director

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CFO

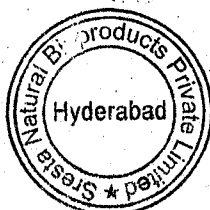
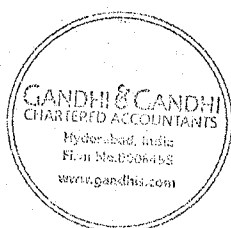
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Company Secretary

Sresta Natural Bioproducts Pvt Ltd

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6. In accordance with the Payment of Gratuity Act, 1972 and Accounting Standard – 15 (revised) – Employee Benefits, the Company provided for gratuity covering eligible employees on the basis of actuarial valuation amounting to ₹1,02,97,825.

Profit & Loss Account	
	Amount (₹)
Current Service Cost	17,77,815
Interest Cost on benefit obligation	5,59,784
Expected return on plan assets	
Net Actuarial (gain). Loss recognized in the year	12,94,704
Past services cost	
Net Benefit expense	36,32,303
Actual return on plan assets	
Balance Sheet	
Details of provision for Gratuity	
Change in the present value of the defined benefit obligation are as follows:	
Opening defined benefit obligation	73,29,079
Interest cost	5,59,784
Current services cost	17,77,815
Benefits paid	(6,63,557)
Actuarial (gains)/losses on obligation	12,94,704
Closing defined benefit obligation	1,02,97,825
The principal assumptions used in determining gratuity and post-employment medical benefit obligations for the company's plans are shown below:	
Assumptions	Percentage
Salary Rise	7
Discount rate	8
Withdrawal Rate	30
Average Balance service	26.67 years



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Managing Director

[Signature]
Director

[Signature]
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7. Segment Reporting:

The Company has only one reportable Business Segment in terms of Accounting Standard 17 (AS 17) Segment Reporting, which is processing and sale of food products.

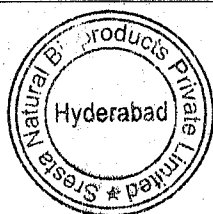
Geographical Segmental Reporting is as under:

Particulars	FY 2018-19			FY 2017-18		
	Domestic	Export	Total	Domestic	Export	Total
Segment Revenue						
Sales	1,19,28,21,609	55,12,83,858	1,74,41,05,467	1,16,47,95,523	50,80,35,193	1,67,28,30,716
Service Income	1,36,86,787	-	1,36,86,787	1,35,69,447	-	1,35,69,447
Total Revenue	1,20,65,08,396	55,12,83,858	1,75,77,92,254	1,17,83,64,970	50,80,35,193	1,68,64,00,163
Result						
Segment Result	54,84,30,882	26,64,96,144	81,49,27,026	47,51,01,667	21,20,54,934	68,71,56,600
Add: Other Income	82,36,503	1,89,33,875	2,71,70,378	1,16,55,750	37,69,327	1,54,25,077
Less: Unallocated expenses	-	-	82,66,09,256	-	-	77,96,90,255
Profit before tax	55,66,67,385	28,54,30,019	(1,54,88,148)	48,67,57,417	21,58,24,261	(7,71,08,577)
Tax expense	-	-	(28,71,804)	-	-	(70,84,612)
Net Profit	55,66,67,385	28,54,30,019	(1,26,16,344)	48,67,57,417	21,58,24,261	(7,00,23,964)

8. The company has not granted ESOPs to employees in the current period. Total number of 26,000 options were exercised and shares were allotted during the year. Difference in the fair value and exercise price aggregating to ₹3,59,320 is charged under employee benefit expenses. As on the balance sheet date 1,05,000 options remain unvested and there are 8,000 unexercised options.

9. Secured Loans and Bank Overdrafts:

Name of bank / Financial institution		Balance due	Secured against
HDFC – CC	₹	17,98,13,973	Current Assets, Movable Property, Plant and Equipment & personal property of directors as collateral.
HDFC – EPC	₹	6,47,84,521	
IndusInd Bank	₹	4,72,84,483	Stock at approved warehouses
Siemens Financial Services Pvt. Ltd.	₹	18,85,062	Plant and Machinery



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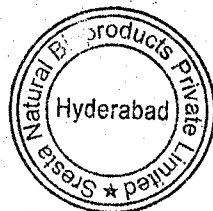
Sresta Natural Bioproducts Pvt Ltd

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10. Related party disclosures: -

S.No.:	Particulars	Nature of Relationship	Transaction	Amount (₹)
1	Fyve elements	Wholly Owned Subsidiary Company	Sale of goods	24,72,08,506
2	Bhumi Foods LLC	Wholly Owned Subsidiary Company of Sresta America Inc.	Sale of goods	14,58,97,044
4	Hita Life Ventures Private Limited	OPC owned by Director	Sale of goods	3,64,48,095
5	Hita Farms LLP	LLP in which Director is partner	Sale of goods	3,20,176
6	Renuka Seelam	Relative of Director	Office Rent (Registered Office)	3,60,000
7	Fyve Elements LLC	Wholly Owned Subsidiary Company	Corporate Guarantee issued to Responsibility Fair Trade Fund on behalf of the subsidiary company	17,09,22,480 is equal to \$24,00,000
8	S Rajashekar Reddy	Managing Director	Directors remuneration	66,21,996
9	N. Balasubramanian	Chief Executive Officer	Directors remuneration	1,02,42,612

The transactions with related parties have been made at prices which are reasonable having regard to the nature of the transaction.



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FY 2018-19

11. Foreign Currency Transactions:

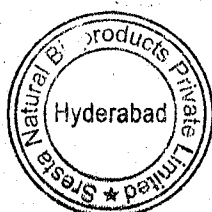
Particulars		Current year (₹)	Previous year (₹)
i) Inflows			
	Export Sales	53,40,56,212	42,77,86,830
	Share Capital	NIL	NIL
ii) Out flows towards			
	Purchases & Expenses	86,69,001	57,71,030
	Property, Plant and Equipment	NIL	NIL
	Advance to Vendors	NIL	3,64,083
	Investments		
	Fyve Elements LLC	NIL	NIL
	Sresta Global FZE	NIL	NIL
	Sresta America INC	NIL	NIL

Foreign Exchange fluctuation gain of ₹1,89,33,875 are credited to profit and loss account during the year.

12. No Information has been received from the vendors regarding their status under Micro, Small and Medium Enterprise Development Act, 2006. Hence disclosure relating to amount unpaid as at year-end, together with interest paid or payable under this account has not been given.

13. Contingent Liabilities:

Particulars		Current year	Previous year
A. Bank Guarantee			
Guarantee given to Agricultural Produce Market Committee	₹	5,00,000	5,00,000
Guarantee given to Asst. Commissioner of Customs	₹	1,88,000	-
Guarantee given to Krishi Upaj Mandi Samiti	₹	3,00,000	3,00,000
Guarantee given to Agricultural and Processed Food	₹	11,00,000	4,88,892
B. Service Tax Refund (Appeal filed by Service Tax Department is pending before the Service Tax Appellate Tribunal)	₹	8,12,598	8,12,598
C. Corporate guarantees given on behalf of wholly owned subsidiaries			
Responsibility Fair Trade Fund		\$24,00,000	\$30,00,000
D. Loan Repayment Guarantee given on behalf of farmers			
Yes Bank limited	₹	-	4,93,11,751



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Sresta Natural Bioproducts Pvt Ltd

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14. Miscellaneous Expenditure:

a) Expenditure incurred on uncertified farms:

The company entered in to agreements with various farmers to convert their farmlands into certified organic farmlands. As per the specified organic standards the process period of conversions is about 3 to 4 years. During this period the company incurred various expenses to monitor the organic farming practices. Expenses incurred during such process period are considered as Deferred Revenue Expense.

The benefits of such expenses are expected to commence only on obtaining Organic Certification. The management thought fit to charge off the deferred revenue expenses from the year of certification over a period of 5 years.

Aggregate expenses treated as Deferred Revenue Expenses on account of this expense during the year are ₹1,07,72,094. Aggregate Deferred Revenue Expenses charged off to Profit & Loss Account during the year is ₹3,08,21,339. Aggregate Deferred Revenue Expenses charged off to Profit & Loss Account during the year on account of farmers withdrawing their lands from the organic farming are ₹1,19,65,004.

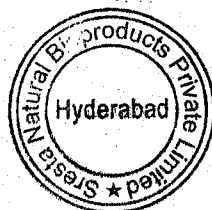
b) Other Deferred Revenue Expenditure:

Listing charges, Expenditure incurred on introducing the company's products in new export markets and expenditure incurred on development of new markets and launching of new products are considered as deferred revenue expenses as the management believes that benefits from such expenses will flow over several years and thought fit to charge off such expenses over 5 years.

Aggregate expenses treated as Deferred Revenue Expenses on account of these expenses during the year are ₹11,02,87,774. Aggregate Deferred Revenue Expenses charged off to Profit & Loss Account during the year is ₹10,23,97,660.

15. Previous year's figures have been regrouped / reclassified wherever necessary to confirm to the classification of the year.

16. Notes 1 to 11 form integral part of the accounts and have been duly authenticated.



Sresta Natural Bioproducts Private Limited

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