



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **RATNATRAY MEGA FOOD PARK PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 Rule 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 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 misstatements, whether due to fraud or error.

### **Auditor's Responsibility**

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





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

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by 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 standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2021 and its loss and its cash flow for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, The said section is not applicable to the Company.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the balance sheet, 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 standalone 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 the written representations received from the directors as on 31 March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act; and
- 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" and
- g) with respect to the other to be included in the Auditor's Report in accordance with Rule 11 of the Companies ( Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For G.L.KOTHARI & Co.,**  
Chartered Accountants  
Firm's Registration No.: 001445S

  
**CA G.L.KOTHARI**  
Proprietor  
Membership No.: 025481  
UDIN: 21025481AAAABL7239



Place: Bangalore  
Date: 29.06.2021

reporting assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **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 details, accurately and fairly reflect the transactions and dispositions of the assets of the company
2. provide reasonable assurance that truncations 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 authorizations of management and directors of the company, and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting.**

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





## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the Institute of Chartered Accountants of India.

For G.L.KOTHARI & Co.,  
Chartered Accountants  
Firm's Registration No.: 001445S

  
CA G.L.KOTHARI  
Proprietor  
Membership No.: 025481  
UDIN: 21025481AAAABL7239

Place: Bangalore  
Date: 29.06.2021



**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
**Balance Sheet as at March 31, 2021**

(Amount in Rs. '000)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Current assets</b>			
(a) Financial assets			
- Cash and Cash Equivalents	4	173.78	8.04
(b) Current Income tax Receivable (Net)		150.00	-
		<b>323.78</b>	<b>8.04</b>
<b>TOTAL ASSETS</b>		<b>323.78</b>	<b>8.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	5	100.00	100.00
(b) Other Equity	6	(85.74)	(998.96)
<b>Total equity</b>		<b>14.26</b>	<b>(898.96)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Current liabilities</b>			
(a) Financial liabilities			
- Borrowings	7	-	900.00
(b) Other current liabilities	8	309.52	7.00
		<b>309.52</b>	<b>907.00</b>
<b>Total liabilities</b>		<b>309.52</b>	<b>907.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>323.78</b>	<b>8.04</b>

The notes are an integral part of these financial statement

Summary of Significant accounting policies 2  
Contingencies & Commitments 12

As per our Report of even date.

For **G.L.KOTHARI & Co.,**  
Chartered Accountants  
Firm Registration No.001445 S

**CA G.L.KOTHARI**  
Proprietor  
Membership No. 025481



For and on behalf of the board

  
**Anil Kumar Sethi**  
Director  
DIN : 00035800

  
**Pukhraj Jain**  
Director  
DIN: 02671640

Place: Bengaluru  
Date:29.06.2021

Place: Bengaluru  
Date:29.06.2021



RATNATRAY MEGA FOOD PARK PRIVATE LIMITED  
Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rs. '000)

Particulars	Notes	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Income</b>			
Revenue from Operations		-	-
Other Income	9	1,500.00	-
<b>Total Income</b>		<b>1,500.00</b>	<b>-</b>
<b>Expenses</b>			
Finance Cost		271.13	-
Other Expenses	11	315.65	8.51
<b>Total Expenses</b>		<b>586.78</b>	<b>8.51</b>
Profit/(loss) before exceptional items, Prior Period items and tax from continuing operations		913.22	(8.51)
Exceptional / Prior Period item		-	-
Profit/(loss) before tax from continuing operations		913.22	(8.51)
<b>Tax Expenses</b>			
Current tax		-	-
Deferred tax		-	-
<b>Income Tax Expense</b>		<b>-</b>	<b>-</b>
Profit for the year from Continuing Operations		913.22	(8.51)
<b>Other Comprehensive Income (OCI)</b>			
Other comprehensive income not to be reclassified to profit or loss in Re-Measurement gains on defined benefit plans		-	-
Income Tax effect		-	-
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>913.22</b>	<b>(8.51)</b>
Earnings per share - Basic and Diluted (Nominal value Rs. 10 per share)		91.32	(0.85)

The notes are an integral part of these financial statement

Summary of Significant accounting policies

2

Contingencies & Commitments

12

As per our Report of even date.

For G.L.KOTHARI & Co.,  
Chartered Accountants  
Firm Registration No.001445 S

CA G.L.KOTHARI  
Proprietor  
Membership No. 025481



For and on behalf of the board

  
Anil Kumar Sethi  
Director  
DIN : 00035800

  
Pukhraj Jain  
Director  
DIN: 02671640

Place: Bengaluru  
Date:29.06.2021

Place: Bengaluru  
Date:29.06.2021

RATNATRAY MEGA FOOD PARK PRIVATE LIMITED  
Statement of Cash flows for the year ended 31st March 2021

(Amount in Rs. '000)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Cash flow from operating activities</b>		
Profit before tax from Continuing Operations	913.22	(8.51)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Finance Expenses	271.13	-
<b>Working capital adjustments:</b>		
(Decrease )/Increase in Trade & Other Payables	302.52	-
	1,486.87	(8.51)
Income tax paid / (Refund)	150.00	-
<b>Net cash flows from operating activities</b>	<b>1,336.87</b>	<b>(8.51)</b>
<b>Cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>Net cash flows used in investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Long Term Borrowings	(900.00)	(100.00)
Finance Expense (Net)	(271.13)	-
<b>Net cash flows from/(used in) financing activities</b>	<b>(1,171.13)</b>	<b>(100.00)</b>
Net increase in cash and cash equivalents	165.74	(108.51)
Cash and cash equivalents at the beginning of the year	8.04	116.55
<b>Cash and cash equivalents at the end of the year (refer note 4)</b>	<b>173.78</b>	<b>8.04</b>

Changes in Liability arising from Financing activities for the year ended 31st March 2021

(Amount in Rs. '000)

	1st April 2020	Proceeds	Repayment	Fair Value Changes	31st March 2021
Borrowings - Current (Refer Note-7)	900.00	-	900.00	-	-
	900.00	-	900.00	-	-

Changes in Liability arising from Financing activities for the year ended 31st March 2020

(Amount in Rs. '000)

	1st April 2019	Proceeds	Repayment	Fair Value Changes	31st March 2020
Borrowings - Current (Refer Note-7)	1,000.00	-	100.00	-	900.00
	1,000.00	-	100.00	-	900.00

As per our Report of even date.

For G.L.KOTHARI & Co.,  
Chartered Accountants  
Firm Registration No.001445 S

CA G.L.KOTHARI  
Proprietor  
Membership No. 025481

Place: Bengaluru  
Date:29.06.2021



For and on behalf of the board

Anil Kumar Sethi  
Director  
DIN : 00035800

Place: Bengaluru  
Date:29.06.2021

Pukhraj Jain  
Director  
DIN: 02671640



**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED****Statement of Changes in Equity for the year ended March 31, 2021****A) Equity Share Capital**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Equity shares of Rs 10 each issued, subscribed and fully paid		
Balance at the beginning of the reporting period	100.00	100.00
Changes in equity share capital during the year	-	-
Balance at the end of the reporting period	100.00	100.00

**B) Other Equity**

For the year ended 31st March 2021

(Amount in Rs. '000)

Particulars	Reserves and Surplus
	Retained earnings
Balance as at 1st April 2020	(998.96)
Profit for the year	913.22
Other comprehensive income for the year, net of tax	-
Total comprehensive income	913.22
Balance as at 31st March 2021	(85.74)

For the year ended 31st March 2020

(Amount in Rs. '000)

Particulars	Reserves and Surplus
	Retained earnings
Balance as at 1st April 2019	(990.45)
Profit for the year	(8.51)
Other comprehensive income for the year, net of tax	-
Total comprehensive income for the year	(8.51)
Balance as at 31st March 2020	(998.96)

The notes are an integral part of these financial statement

As per our Report of even date.

For G.L.KOTHARI &amp; Co.,

Chartered Accountants

Firm Registration No.001445 S

For and on behalf of the board

CA G.L.KOTHARI

Proprietor

Membership No. 025481

Anil Kumar Sethi

Director

DIN : 00035800

Pukhraj Jain

Director

DIN: 02671640

Place: Bengaluru

Date:29.06.2021

Place: Bengaluru

Date:29.06.2021





**1 Company background**

The company was incorporated under the Companies Act as a private Limited company under the Companies Act 1956 with the intent to set up a Mega Food Park in Coimbatore with the Joint ownership and participation of ADD Group & GRD Group.

**2 Significant accounting policies**

**2.01 Basis of preparation and presentation**

**(a) Statement of compliance**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
- ii. Defined benefit and other long-term employee benefits.

**(c) Use of estimates and judgement**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

**(d) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has considered the possible effects that may result from the pandemic relating to COVID - 19 on the carrying amounts of assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information.

**(e) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
  - Held primarily for the purpose of trading,
  - Expected to be realised within twelve months after the reporting period, or
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**2.02 Property, plant and equipment.**

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at their carrying value being the cost of acquisition or construction less accumulated depreciation.

The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses relating to the acquisition and installation of the respective assets. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Borrowing costs directly attributable to acquisition or construction of those assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Advance paid towards the acquisition of assets outstanding at each balance sheet are shown under capital advances. The cost of property, plant and equipment not ready for their intended use before such date, are disclosed as capital work in progress.





### 2.03 Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets comprising a cash-generating unit may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### 2.04 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of taxes or duties collected on behalf of the government. Further, The Company uses significant judgments while determining the transaction price allocated to performance obligations.

#### Other income

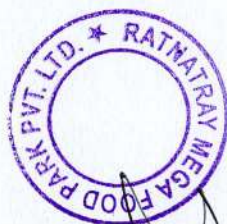
Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### 2.05 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.



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## 2.06 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### A Financial Assets

#### a) Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

#### b) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

#### c) Subsequent measurement

Financial assets carried at amortised cost: A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold asset in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is accounted in profit or loss using the effective interest rate method. Impairment losses, forex gain / loss and gain / loss on derecognition of financial asset in this category is recognised in profit or loss.

Financial assets at fair value through other comprehensive income (FVTOCI): A financial asset is measured at FVTOCI, if it is held withing a business model whose objective is achieved by both from collection of contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Further equity instruments where the company has made an irrevocable election based on its business model, to classify as instruments measured at FVTOCI, are measured subsequently at fair value through other comprehensive income.

Debt instruments - Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised. Interest income from these financial assets is included in other income using the effective interest rate method.

Equity instruments - Movements in the carrying amount are taken to OCI and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividend from such investments are recognised in profit or loss.

Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss. All gains and losses are recognised in profit or loss.

#### d) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

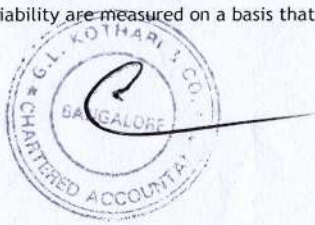
For trade receivables, the company applies the simplified approach specified by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### e) Derecognition of financial assets

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.



*[Handwritten signature]*



**B Financial liabilities**

**a) Classification**

The company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**b) Initial recognition and measurement**

The company recognises financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities, that are not at fair value through profit or loss, are reduced from the fair value on initial recognition. Transaction costs that are directly attributable to the issue of financial liabilities at fair value through profit or loss are expensed in profit or loss.

**c) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Amortised cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss: Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit and Loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

**Derecognition of financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**C Financial guarantee contracts**

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee or the estimated amount that would be payable to a third party for assuming the obligations.

**(i) as Guarantor**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

**(ii) as Beneficiary**

Financial guarantee contracts are recognised as a financial asset at the time the guarantee is taken. The asset is initially measured at fair value and subsequently amortised over the guarantee period.

Where guarantees in relation to loans or other payables are provided by group companies for no compensation, the fair values are accounted for as contributions and recognised as part of equity.

**D Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.





## 2.07 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

## 2.08 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.09 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as 'MAT Credit Entitlement'. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax asset is defined in Ind AS 12 to include the carry forward of unused tax credits. MAT Credits are in the form of unused tax credits that are carried forward by the company for a specified period of time. Accordingly, MAT Credit Entitlement is grouped with Deferred Tax Asset (net) in the Balance Sheet.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.





The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

## 2.10 Provisions and contingent liabilities

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

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

### Contingent liabilities recognised in a business combination

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

## 2.11 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

## 2.12 Cash dividend and non-cash distribution to equity holders of the parent

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity. Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

## 2.13 Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to owner's of the company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings/ (loss) per share comprises the weighted average shares considered for deriving basic earnings/ (loss) per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

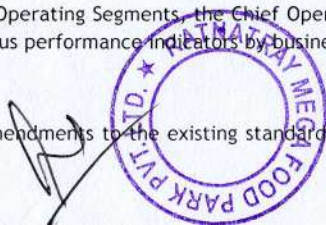
Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

## 2.14 Segment reporting

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the company performance and allocates resources based on an analysis of various performance indicators by business segments.

## 2.15 Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.





**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
**Notes to financial statements as at 31st March 2021**

**3 Going concern assumption:**

As the company was unable to start of the project of set up of Mega Food Park in Coimbatore with the Joint ownership and participation of ADD Group & GRD Group, the Management has decided to merge the company with the other group companies, to consolidate the company's and the group ability to take up the new projects. Hence in the opinion of the management the company concluded that the company will be non-going concern. Accordingly, the financial statements have been prepared assuming the Company will not continue as a going concern. The current assets and liabilities are stated at the values at which they are realizable and payable.

**4 CASH AND CASH EQUIVALENTS**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash and cash equivalents		
Balances with banks:		
On current accounts	172.54	6.80
Cash on hand	1.24	1.24
<b>Total</b>	<b>173.78</b>	<b>8.04</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

**Break up of financial assets carried at amortised cost**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash and cash equivalents	173.78	8.04
<b>Total financial assets carried at amortised cost</b>	<b>173.78</b>	<b>8.04</b>



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5 SHARE CAPITAL

(Amount in Rs. '000)

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	Amount (Rs)	Number	Amount (Rs)
<b>Authorised</b>				
Equity shares of Re.10/- each	10,000.00	100.00	10,000.00	100.00
	10,000.00	100.00	10,000.00	100.00
<b>Issued, Subscribed &amp; Paid-up</b>				
Equity shares of Re.10/- each, fully paid	10,000.00	100.00	10,000.00	100.00
<b>Total</b>	<b>10,000.00</b>	<b>100.00</b>	<b>10,000.00</b>	<b>100.00</b>

(a) Reconciliation of number of shares

(Amount in Rs. '000)

Particulars	Equity Shares		Equity Shares	
	As at 31st March 2021		As at 31st March 2020	
	Number	Rs	Number	Rs
Shares outstanding at the beginning of the year	10,000.00	100.00	10,000.00	100.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,000.00	100.00	10,000.00	100.00

(b) Rights, preferences and restrictions attached to equity shares

Equity Shares: The company has one class of equity shares having paid-up value of Re.10 per share. Each shareholder is eligible for one vote per share held. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholder.

(c) Equity Shares held by holding company and subsidiary of holding company

Out of the total number of shares, 9,900 Equity Shares (PY: 9,900) are held by ADD Realty Limited, the holding Company.

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

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
ADD Realty Limited	9,900	99.00%	9,900	99.00%
Vineeta Sethi *	100	1%	100	1.00%

\* Beneficial interest transferred to ADD Realty limited

(e) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

(f) There are no unpaid calls from director & officers of the company

(g) There are no buy back of shares during the year by the company.



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**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2021

**6 OTHER EQUITY**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Retained Earnings		
Opening balance	(998.96)	(990.45)
(+) Net Profit/(Net Loss) For the current year	913.22	(8.51)
<b>Total - Other equity</b>	<b>(85.74)</b>	<b>(998.96)</b>

Nature and purpose of other reserves:

**Retained Earnings:** Retained Earnings comprise of the company's accumulated undistributed earnings / (losses). This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**7 BORROWINGS**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Unsecured</b>		
From Other Parties	-	900.00
<b>Total</b>	<b>-</b>	<b>900.00</b>

Loan Repayable on Demand.

Break up of financial liabilities carried at amortised cost

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings	-	900.00
<b>Total</b>	<b>-</b>	<b>900.00</b>

**8 OTHER CURRENT LIABILITIES**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
TDS Payable	22.50	-
Professional Fees Payable	277.50	-
Audit fees Payable	9.52	7.00
<b>Total</b>	<b>309.52</b>	<b>7.00</b>



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**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2021

**9 OTHER INCOME**

(Amount in Rs. '000)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Consultancy Charges Received	1,500.00	-
<b>Total</b>	<b>1,500.00</b>	<b>-</b>

**10 FINANCE COST**

(Amount in Rs. '000)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest on unsecured loan	271.13	-
<b>Total</b>	<b>271.13</b>	<b>-</b>

**11 OTHER EXPENSES**

(Amount in Rs. '000)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Bank Charges	0.13	0.01
Rates & taxes	6.00	1.50
Professional Fees	300.00	-
Auditor's Remuneration	9.52	7.00
<b>Total</b>	<b>315.65</b>	<b>8.51</b>

**\* Payment to Auditors**

(Amount in Rs. '000)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
As Auditors		
- Audit fees	9.52	7.00
- Tax Audit fees	-	-
In other capacity:		
- Other services (certification fees)	-	-
<b>Total</b>	<b>9.52</b>	<b>7.00</b>



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**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2021

**12 CONTINGENT LIABILITIES**

(Amount in Rs. '000)

Particulars	As at 31st March 2021	As at 31st March 2020
Claims against Companies not acknowledged as debt	-	-
Claims towards liquidated damages not acknowledged as debts by the Company Against the above, debts of the like amounts are withheld by the customers. However, the Company expects no material liability to accrue on account of these claims	-	-
Disputed Statutory Demands	-	-
Corporate guarantees given to banks for financial assistance extended to subsidiaries and other bodies corporate	-	-

**13 Capital and Other Commitments:**

Estimated amount of contracts remaining to be executed on capital account and not provided for: Rs. Nil (PY - Rs. Nil)

**14 Earning Per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Net profit available for Equity Shareholders	913.22	(8.51)
Weighted Average number of Equity shares	10.00	10.00
Basic and Diluted Earnings Per Share	91.32	(0.85)

**15 Leases**

The company has not entered into any lease transactions during the year.





**16 Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements:** In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**Estimates and assumptions:** The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

**Impairment of non-financial assets:** Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company.

**Taxes:** Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Fair value measurement of financial instruments:** When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- 17 Employee Benefits: The company does not have any employees on rolls as at 31st March 2021( PY Nil) and accordingly the disclosure as required by Ind AS 19.
- 18 There are no MSME trade payable at the end of the year Rs. Nil (PY - Rs. Nil).
- 19 A disclosure with respect to segment reporting is not applicable, since the Company does not have more than one reportable segment.
- 20 Foreign Currency Earnings And Outgo Rs. Nil (PY - Rs. Nil).
- 21 There are no reported foreign currency exposures that have not been hedged by a derivative instrument or otherwise, hence the disclosure of the same is not made.
- 22 CIF value of imports Rs. Nil (PY - Rs. Nil).





**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**  
Notes to financial statements as at 31st March 2021

**23 RELATED PARTY DISCLOSURES:**

**A** Information given in accordance with the requirements of Ind AS 24 on Related Party Disclosures:

i) **Key Managerial Person:**  
Anil Kumar Sethi

ii) **Enterprises in which KMP/Relatives of KMP having significant influence or control:**  
Delhi Waste Management Limited

**B** Aggregate related parties disclosure:

(Amount in Rs. '000)

Sl No	Particulars	Transactions amount during the year ended 31st March 2021			Outstanding as on 31st March 2021	
		Loans & Advances Received	Loans & Advances repaid	Interest Paid	Debit Balance	Credit Balance
Enterprises in which KMP/Relatives of KMP having significant influence or control:						
1	Delhi Waste Management Limited	-	900.00	271.13	-	-
	As at 31st March 2020	-	100.00	-	-	900.00

**B** Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: Rs. Nil,). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**C** Loan received from Key Managerial Person

The loan received from Key managerial person is intended to finance the project. The interest free loan is unsecured and repayable on demand.



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## 24 Fair values

The carrying value and fair value of financial instruments by category:

Assets and liabilities carried at amortised cost

(Amount in Rs. '000)

Particulars	Carrying Value		Fair Value	
	As at 31st March 2021	As at 31st March 2020	As at 31st March 2021	As at 31st March 2020
<b>Financial assets</b>				
Cash and cash equivalents	173.78	8.04	173.78	8.04
<b>Total</b>	<b>173.78</b>	<b>8.04</b>	<b>173.78</b>	<b>8.04</b>
<b>Financial liabilities</b>				
Borrowings	-	900.00	-	900.00
<b>Total</b>	<b>-</b>	<b>900.00</b>	<b>-</b>	<b>900.00</b>

There are no assets and liabilities which have been carried at fair value through the profit and loss account.

There are no assets and liabilities which have been carried at fair value through the other comprehensive income.

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

## 25 Fair value hierarchy

Level 1: Quoted prices in active markets for identical assets or liabilities

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

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





## 26 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. The financial risk committee provides assurance to the company's senior management that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives.

### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates. The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

### Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. At 31 March 2021, the company had Nil customers (31 March 2010: Nil customers).

An impairment analysis is performed at each reporting date on an individual customer basis. The company evaluates the concentration of risk with respect to trade receivables as low, as the customer is Government body and operate in largely independent markets.

### Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and group company loans. The Company's policy is that not more than 25% of borrowings should mature in the next 12-month period. All the borrowings are from group companies and they are payable on demand. As on date no loan has been demanded for repayment, accordingly the % of borrowing to be repaid during the year has not been provided. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in Rs. '000)					
As at 31st March 2021	On Demand	Less than 3 months	Less than 3 months to 12 months	More than 1 year	Total
Borrowings	-	-	-	-	-
Other current liability	-	309.52	-	-	309.52

(Amount in Rs. '000)					
As at 31st March 2020	On Demand	Less than 3 months	Less than 3 months to 12 months	More than 1 year	Total
Borrowings	900.00	-	-	-	900.00
Other current liability	-	7.00	-	-	7.00

## 27 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value. The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(Amount in Rs. '000)		
Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings	-	900.00
Other current liability	309.52	7.00
Less: cash and cash equivalents	(173.78)	(8.04)
Net Debt	135.74	898.96
Equity	100.00	100.00
Other Equity	(85.74)	(998.96)
Capital and net debt	14.26	(898.96)
Gearing ratio	-	-

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been breaches in the financial covenants of interest-bearing loans during the year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.





**RATNATRAY MEGA FOOD PARK PRIVATE LIMITED**

Notes to financial statements for the year ending 31st March 2021

- 28 The amounts and disclosures included in the financial statements of the previous year have been reclassified and regrouped wherever necessary.

As per our Report of even date.

For G.L.KOTHARI & Co.,  
Chartered Accountants  
Firm Registration No.001445 S

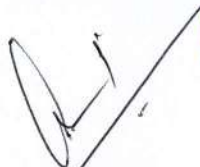


CA G.L.KOTHARI  
Proprietor  
Membership No. 025481

Place: Bengaluru  
Date:29.06.2021



For and on behalf of the board



Anil Kumar Sethi  
Director  
DIN : 00035800

Place: Bengaluru  
Date:29.06.2021



Pukhraj Jain  
Director  
DIN: 02671640