

**NAGAVALLI MILKLINE PRIVATE LIMITED**  
**NINETEENTH ANNUAL REPORT**

**CIN** : U15209TG1999PTC031625

**BOARD OF DIRECTORS** : 1. Smt. K.SANDHYA  
2. Smt. M.RAMA KUMARI  
3. Smt. D.DEEPIKA  
4. Smt. C.MANGARAJ

**REGISTERED OFFICE** : 6-3-1238/B/21, ASIF AVENUE,  
RAJBHAVAN ROAD,  
SOMAJIGUDA, HYDERABAD – 500082,  
TELANGANA.

**AUDITORS** : S.B.S.MANIAN & CO.  
CHARTERED ACCOUNTANTS,  
1001A, RAGHAVA RATNA TOWERS  
CHIRAG ALI LANE,  
HYDERABAD-5000

**BANKERS** : HDFC BANK  
1-10-60/3, BEGUMPET,  
HYDERABAD – 500016.

## DIRECTORS' REPORT

TO,  
THE MEMBERS,  
NAGAVALLI MILKLINE PRIVATE LIMITED  
HYDERABAD

Your Directors have pleasure in presenting the 19<sup>th</sup> Annual Report on the business and operations of the company and the accounts for the Financial Year Ended 31st March, 2018.

**1. PERFORMANCE OF THE COMPANY/STATE AFFAIR :**

Your Company has incurred a Loss of Rs. 40,653/- for the F.Y.2017-18 as against a Loss of Rs. 1,37,005/- for the year 2016-17, as there were no operations.

**2. RESERVE & SURPLUS :**

No amount is proposed to be transferred to the General Reserve.

**3. CHANGE IN THE NATURE OF BUSINESS :**

There is no change in the nature of the business of the Company during the year.

**4. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

No material changes and commitments affecting the financial position of the Company occurred between the date of financial statement and the date of this report.

**5. DIVIDEND :**

The Board of Directors have not recommended any dividend for the year 2017-18.

**6. BOARD MEETINGS :**

The Board met Five times during the year under review on 06.05.2017, 26.07.2017, 25.10.2017, 27.01.2018 and 06.03.2018.

**7. DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

The Board comprises four Director Viz. Mrs. K. Sandhya, Mrs. D. Deepika, Mrs. C Mangaraj and Mrs. M. Ramakumari, Directors. There are no change in the Directors during the year.

*K. Sandhya*



*Deepika*

*C. Mangaraj*

*M. Rama Kumari*

**8. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES :**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to this Company.

**9. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :**

The provisions of Section 135 relating to Corporate Social Responsibility are not applicable to the Company.

**10. RISK MANAGEMENT POLICY :**

The Company has not framed any Risk Management Policy as there were no business operations.

**11. SUBSIDIARY, JOINT VENTURE, HOLDING AND ASSOCIATE COMPANY :**

The Company has no Subsidiary, Joint venture or Associate Company during the year. The Company is 100% subsidiary of Creamline Dairy Products Limited which is the subsidiary of Godrej Agrovet Limited. Godrej Agrovet Limited is a subsidiary of Godrej Industries Limited which is the subsidiary of Vora Soaps Limited.

**12. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company operations.

**13. CHANGES IN SHARE CAPITAL:**

During the year under review there is no change in Share Capital.

**14. STATUTORY AUDITORS:**

M/s. S.B.S. Manian and Co., Chartered Accountants, was appointed as Statutory Auditors of your Company. As per the provisions of Section 139 of the Companies Act, 2013, the appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of this 19<sup>th</sup> Annual General Meeting till the conclusion of 20<sup>th</sup> Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting.

**15. AUDITORS' REPORT :**

The Report given by the Auditors on the financial statements of the Company forms part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**16. EXTRACT OF ANNUAL RETURN:**

As required Under Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 an Extract of Annual Return in MGT 9 forms part this Annual Report as **ANNEXURE I**.



**17.PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not given any loans or guarantees or made investments or provided securities as covered under the provisions of section 186 of the Companies Act, 2013.

**18.DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the year under the Companies Act, 2013.

**19.PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :**

No agreement was entered with related parties by the Company during the year. However, there were reimbursement of expenses incurred by CDPL, Holding Company to the extent of Rs. 40,653/-.

**20.DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

There is no policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013, as there are no operations and no employee during the Financial Year.

**21.CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Provision with respect to providing information relating to Conservation of energy and technology absorption and Foreign Exchange earnings & outgo are not applicable this Company, as there are no manufacturing operations Foreign Exchange Earnings and Outgo during the year.

**22.DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors' Responsibility Statement referred to in clause (c) of Sub- section (3) of Section 134 of the Companies Act, 2013:

- a. in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

K. Sandhya

C. Hanu



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Deepika

M. Rama Karmar

- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis; and
- e. the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### 23.ACKNOWLEDGEMENTS

The directors place on record their sincere appreciation for the assistance and co-operation extended by, holding Company and all other associates and look forward to continue fruitful association with all business partners of the company.

**For and on behalf of the Board of Directors  
NAGAVALLI MILKLINE PRIVATE LIMITED**

*K. Sandhya*

K.SANDHYA  
DIRECTOR

*M. Rama Kumari*

M.RAMA KUMARI  
DIRECTOR

*Deepika*

D.DEEPIKA  
DIRECTOR

*C. Mangaraj*

C.MANGARAJ  
DIRECTOR



Place : Hyderabad  
Date : 30.04.2018

## FORM MGT-9

## THE EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92.

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U15209TG1999PTC0031625
ii)	Registration Date	04-05-1999
iii)	Name of the Company	NAGAVALLI MILKLINE PRIVATE LIMITED
iv)	Category/Sub-Category of the Company	Private Limited Company
v)	Address of the Registered Office and Contact Details	# 6-3-1238/B/21, Asif Avenue, Raj Bhavan Road, Hyderabad - 500082
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated).

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Milk Procurement and Chilling	10501	NIL

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Creamline Dairy Products Limited (CDPL) Address : 6-3-1238/B/21, Asif Avenue, Somajiguda, Raj Bhavan Road, Hyderabad, Telangana -82	U15209TG1986PLC006912	Holding Company	99.99	Section 2(87)(ii) of the Companies Act, 2013
2	GODREJ AGROVET LIMITED (GAVL) Address: Godrej One, 3rd Floor, Pirojshanagar Eastern Express Highway, Vikhroli (East) Mumbai Mumbai, Maharashtra- 79	U15410MH1991PLC135359	Holding Company	No direct holding but holding company of CDPL	Section 2(87)(ii) of the Companies Act, 2013
3	GODREJ INDUSTRIES LIMITED (GIL) Address: Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East) Mumbai, Maharashtra 400079.	L24241MH1988PLC097781	Holding Company	No direct holding but holding company of GAVL	Section 2(87)(ii) of the Companies Act, 2013

K. Sandhya

C. Sargopal



Deepika

H. Rama Kumari

4	Vora Soaps Limited address: Eastern Express Highway Vikhroli Mumbai Maharashtra 400079.	U24241MH1979PLC021804	Holding Company	No direct holding but holding company of GIL	Section 2(87)(ii) of the Companies Act, 2013
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**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	NIL	1	1	0.01%	NIL	1	1	0.01%	0%
b) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Bodies Corporate.	NIL	2010399	2010399	99.99%	NIL	2010399	2010399	99.99%	0%
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total shareholding of Promoter (A)</b>	<b>NIL</b>	<b>2010400</b>	<b>2010400</b>	<b>100%</b>	<b>NIL</b>	<b>2010400</b>	<b>2010400</b>	<b>100%</b>	<b>0%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									

K. Saurabhya

C. Hanu Raj



Deepika

M. Rama Kumari

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Foreign Bodies - D R	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Grand Total (A+B+C)</b>	NIL	2010400	2010400	100%	NIL	2010400	2010400	100%	0%

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	K. Bhasker Reddy	1	0.01	-	1	0.01	-	-
2	Creamline Dairy Products Ltd.	2010399	99.99	-	2010399	99.99	-	-
	<b>TOTAL</b>	<b>20104000</b>	<b>100</b>	<b>-</b>	<b>2010399</b>	<b>100</b>	<b>-</b>	<b>-</b>

C) Change in Promoters' Shareholding (please specify, if there any change)

-----NO CHANGE-----

K. Sreedhya

C. Haripal



Deepika

M. Rama Kumari

**D) Shareholding Pattern of top ten Shareholders:  
(other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 1. CREAMLINE DAIRY PRODUCTS LTD 2. K BHASKER REDDY	2010399 1	99.99% 0.01%	2010399 1	99.99% 0.01%
	Date wise Increase / Decrease in Shareholding during the year	There was no change in the shareholding during the year			
	At the end of the year 1.CREAMLINE DAIRY PRODUCTS LIMITED 2.K BHASKER REDDY	2010399 1	99.99% 0.01%	2010399 1	99.99% 0.01%

**E) Shareholding of Directors and Key Managerial Personnel:**

None of the Directors or Key Managerial Personnel hold shares in the Company. The Company is a wholly owned subsidiary of Creamline Dairy Products Limited.

**V.INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	NIL	NIL	NIL	NIL
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

K. Sandhya

C. Rangajaj



Deepika

M. Rama Kumari

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

There are no Managerial Personnel during the Financial Year 2017-18.

### B. Remuneration to other directors

The Company did not pay any remuneration to its Directors during the Financial Year 2017-18.

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

There were no Key Managerial Personnel (KMP) during the Financial Year 2017-18.

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			-----NIL-----		
Compounding					

For and on behalf of the Board of Directors  
NAGAVALLI MILKLINE PRIVATE LIMITED

*K. Sandhya*

K.SANDHYA  
DIRECTOR

*M. Rama Kumari*

M.RAMA KUMARI  
DIRECTOR

*Deepika*

D.DEEPIKA  
DIRECTOR

*C. Mangaraj*

C.MANGARAJ  
DIRECTOR

Place : Hyderabad  
Date : 30.04.2018.





# **S.B.S.MANIAN & CO., Chartered Accountants**

## **Independent Auditors' Report on Standalone Financial Statements**

To

The Members of Nagavalli Milkline Private Limited

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

1. We have audited the accompanying standalone financial statements of Nagavalli Milkline Private Limited (the "Company") which comprise the attached Balance Sheet as at 31<sup>st</sup> March 2018, the statement of Profit and Loss Account (including Other Comprehensive Income), the Cash Flow statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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





## **S.B.S.MANIAN & CO., Chartered Accountants**

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### **Auditors Responsibility:**

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. While conducting the audit, we have taken into account the provision 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 Rules made there under.

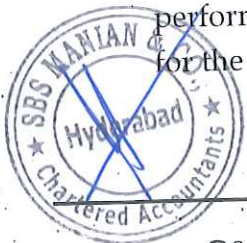
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 given 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 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 statement.

### **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 including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.





## **S.B.S.MANIAN & CO., Chartered Accountants**

### **Report on other legal and Regulatory Requirements:**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013(hereinafter referred to as "the Act"),and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order.
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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Standalone Financial Statements ( Balance Sheet, the statement of Profit and Loss and the Cash Flow statement) dealt with by this report are in agreement with the relevant books of accounts;
  - d. In our opinion, the aforesaid standalone financial statements (the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement) dealt with by this report comply with the Indian Accounting Standards Specified under Section 133 of the Companies Act, 2013.
  - e. On the basis of written representations received from the directors of the Company as on March 31<sup>st</sup> 2018 taken on record by the Board of Directors of the Company, none of the directors are disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director of that company in terms of Section 164(2) of the Companies Act, 2013.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B" and





## **S.B.S.MANIAN & CO., Chartered Accountants**

- 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 (as amended), in our opinion and to the best of our information and according to the explanations give to us
- (i) The company has no impact of pending litigation on its financial position in its financial statement.
- (ii) The company did not have any material foreseeable losses on long-term contracts including derivative contacts
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (iv) Based on the audit procedures performed and the information and explanations given to us the Company did not have any holdings as well as dealings in specified bank notes during the period from 8th November 2016 to 30th December 2016.

For S.B.S.MANIAN & CO.,  
Chartered Accountants,  
Firm No.008165S



**A.S.B.S.MANIAN**  
Partner

Membership.No.26586

Place: Hyderabad  
Date: 30.04.2018



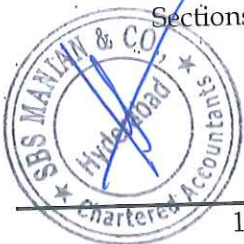
# **S.B.S.MANIAN & CO., Chartered Accountants**

## ANNEXURE TO THE AUDITORS' REPORT

The annexure referred to in paragraph 1 under our 'Report on other legal and Regulatory requirements in the independent auditors report of even date to the members of Nagavalli Milkline Private Limited on the standalone financial statements for accounts of the Company for the year ended 31<sup>st</sup> March, 2018, we report that

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

- (i) a) On the basis of available information, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the company has a program for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) We have been informed that there are no inventories available as there are no operations in the company. Hence the clause pertaining to inventory does not apply.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted loan to body corporate covered in the register maintained under section.189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the Provisions of section 185 and 186 of the Act, with respect to the loans made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public within the provisions of the Sections 73 to 76 of the Act and the rules framed there under to the extent notified.





## **S.B.S.MANIAN & CO., Chartered Accountants**

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(vi) Since there are no operations, the maintenance of cost records as been specified under clause (d) of sub-section (1) of Section 148 of the Act, are not applicable to the Company

(vii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including, Provident fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, value added tax, duty of customs, Excise Duty, Cess and other material statutory dues applicable. There are no undisputed statutory dues outstanding for more than six months as on 31<sup>st</sup> March 2018 from the date of being payable.

(viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that, the Company has not obtained any credit facilities from financial institutions or Banks as at the balance sheet date.

(ix) According to the information and explanations given to us, no term loans were availed by the Company during the year.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we report that no material fraud on or by the Company has been noticed or reported during the year, nor we have been informed of such instance by the management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act are applicable presently.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.





## **S.B.S.MANIAN & CO., Chartered Accountants**

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(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the sections 177 and 188 of the Act where applicable and details of Such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment of equity shares during the year.

(xv) According the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act1934.

Place : Hyderabad  
Date : 30.04.2018



For S.B.S.MANIAN & CO.,  
Chartered Accountants  
Firm No.008165S

CA.S.B.S.MANIAN  
PARTNER  
Membership.No.26586



# **S.B.S.MANIAN & CO., Chartered Accountants**

## **Annexure - B to the Auditors Report**

### **Report on the Internal Financial Controls under clause (i) of sub Subsection 3 of Section 143 of the Companies Act,2013( " the Act")**

The Members of Nagavalli Milkline Private Limited,

We were engaged to audit the internal financial controls over financial reporting of Nagavalli Milkline Private Limited ("the Company") as of 31<sup>st</sup> March'2018 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(ICAI). 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.





## **S.B.S.MANIAN & CO., Chartered Accountants**

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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 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 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





## **S.B.S.MANIAN & CO., Chartered Accountants**

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### **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 control system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, 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.

Place : Hyderabad  
Date : 30.04.2018



For S.B.S.MANIAN & CO.,  
Chartered Accountants  
Firm No.008165S

**C.A.S.B.S.MANIAN**  
**PARTNER**  
Membership.No.26586

**Nagavalli Milkline Private Limited**  
**Standalone Balance Sheet**

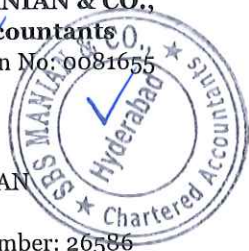
(Rs. Lakhs)

	Notes	31 March, 2018	31 March, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	193.68	193.68
Non - Current tax assets	5	0.13	0.13
<b>Total non-current assets</b>		<b>193.81</b>	<b>193.81</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	4	1.39	1.53
<b>Total current assets</b>		<b>1.39</b>	<b>1.53</b>
<b>Total assets</b>		<b>195.20</b>	<b>195.34</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	6 (a)	201.04	201.04
<b>Other Equity</b>			
Reserves and Surplus	6 (b)	(9.52)	(9.11)
<b>Total equity</b>		<b>191.52</b>	<b>191.93</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	7	3.68	3.41
<b>Total current liabilities</b>		<b>3.68</b>	<b>3.41</b>
<b>Total liabilities</b>		<b>3.68</b>	<b>3.41</b>
<b>Total equity and liabilities</b>		<b>195.20</b>	<b>195.34</b>

The above standalone balance sheet should be read in conjunction with the accompanying notes.  
This is the Balance Sheet referred to in our report of even date

**For S.B.S. MANIAN & CO.,**  
**Chartered Accountants**  
Firm Registration No: 0081655

CA. S.B.S. MANIAN  
Partner  
Membership Number: 26586



**For and on behalf of the Board of Directors**

K. Sandhya  
K.Sandhya  
Director

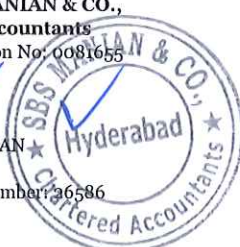

M. Rama Kumari  
M.Rama Kumari  
Director

Deepika  
D.Deepika  
Director



C. Mangaraj  
C.Mangaraj  
Director

Place: Hyderabad  
Date: 30th April, 2018

Nagavalli Milkline Private Limited		(Rs. Lakhs)	
Standalone statement of profit and loss			
	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from operations		-	-
Other income		-	-
Other gains/(losses)-net		-	-
<b>Total income</b>		-	-
<b>Expenses</b>			
Depreciation and amortisation expense		-	-
Other expenses	8	0.41	1.37
<b>Total expenses</b>		<b>0.41</b>	<b>1.37</b>
<b>Profit before exceptional items and tax</b>		<b>(0.41)</b>	<b>(1.37)</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>(0.41)</b>	<b>(1.37)</b>
Income tax expense		-	-
-Current tax		-	-
-Deferred tax		-	-
<b>Total tax expense</b>		-	-
<b>Profit for the year</b>		<b>(0.41)</b>	<b>(1.37)</b>
		<b>Year ended 31 March, 2018</b>	<b>Year ended 31 March, 2017</b>
<b>Other comprehensive income/(loss) for the year</b>		-	-
<b>Total comprehensive income/(loss) for the year</b>		<b>(0.41)</b>	<b>(1.37)</b>
		<b>Year ended 31 March, 2018</b>	<b>Year ended 31 March, 2017</b>
Profit is attributable to:			
Owners of Nagavalli Milkline Private Limited		(0.41)	(1.37)
		<b>(0.41)</b>	<b>(1.37)</b>
Other comprehensive income/(loss) attributable to:			
Owners of Nagavalli Milkline Private Limited		-	-
		-	-
Total comprehensive income attributable to:			
Owners of Nagavalli Milkline Private Limited		(0.41)	(1.37)
		<b>(0.41)</b>	<b>(1.37)</b>
<b>Earnings per equity share attributable to owners of Nagavalli Milkline Private Limited</b>			
Basis earnings per share		NA	NA
Diluted earnings per share		NA	NA
<i>The above standalone statement of profit and loss should be read in conjunction with the accompanying notes. This is the Profit &amp; Loss Statement referred to in our report of even date</i>			
<b>For S.B.S. MANIAN &amp; CO., Chartered Accountants</b>		<b>For and on behalf of the Board of Directors</b>	
Firm Registration No: 0081655			
			
CA. S.B.S. MANIAN Partner Membership Number: 36586		K. Sandhya Director M. Rama Kumari Director  Deepika Director C. Mangaraj Director	
Place: Hyderabad			
Date: 30th April, 2018			

**Nagavalli Milkline Private Limited** (Rs. Lakhs)  
**Standalone statement of cash flows**

	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
<b>Cash flow from operating activities</b>			
Profit before income tax		(0.41)	(1.37)
Adjustments for:			
Non Cash items		-	-
<b>Change in operating assets and liabilities</b>			
(Increase)/Decrease in other financial assets		-	1.07
Increase/(Decrease) in trade payables	7	0.27	0.34
<b>Cash generated from operations</b>		(0.14)	0.04
Income taxes paid		-	-
<b>Net cash inflow/(outflow) from operating activities</b>		(0.14)	0.04
<b>Cash flows from investing activities</b>		-	-
<b>Cash flows from financing activities</b>		-	-
<b>Net increase (decrease) in cash and cash equivalents</b>		(0.14)	0.04
Cash and cash equivalents at the beginning of the financial year	4	1.53	1.49
<b>Cash and cash equivalents at end of the year</b>		<b>1.39</b>	<b>1.53</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>			
		<b>31 March, 2018</b>	<b>31 March, 2017</b>
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents	4	1.39	1.53
<b>Balances per statement of cash flows</b>		<b>1.39</b>	<b>1.53</b>

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.  
This is the Cash Flow Statement referred to in our report of even date

For **S.B.S. MANIAN & CO.,**  
**Chartered Accountants**

Firm Registration No: 0081655

CA. S.B.S.MANIAN

Partner

Membership Number: 26586



For and on behalf of the Board of Directors

*K. Sandhya*

K.Sandhya  
Director

*M. Rama Kumari*

M.Rama Kumari  
Director

*Deepika*

D.Deepika  
Director

*C. Mangaraj*

C.Mangaraj  
Director



Place: Hyderabad

Date: 30th April, 2018

**Nagavalli Milkline Private Limited**  
**Standalone statement of changes in equity**

(Rs. Lakhs)

**A. Equity share capital**

	Notes	
As at 31 March, 2017		201
Changes in equity share capital	7(b)	-
As at 31 March, 2018		201

**B. Other equity**

	Notes	Attributable to owners of Nagavalli Milkline Private Limited	
		Retained earnings	Total
Balance at 31 March 2017	7(b)	(9.11)	(9.11)
Profit for the year		(0.41)	(0.41)
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(0.41)</b>	<b>(0.41)</b>
<b>Transactions with owners in their capacity as owners:</b>		-	-
<b>Balance at 31 March 2018</b>		<b>(9.52)</b>	<b>(9.52)</b>

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

For **S.B.S. MANIAN & CO.,**  
**Chartered Accountants**

Firm Registration No: 0081655

CA. S.B.S. MANIAN  
 Partner

Membership Number: 26586



For and on behalf of the Board of Directors

*K. Sandhya*

K. Sandhya  
 Director

*M. Rama Kumari*

M. Rama Kumari  
 Director

*Deepika*

D. Deepika  
 Director

*C. Mangaraj*

C. Mangaraj  
 Director



Place: Hyderabad

Date: 30th April, 2018

Note 3: Property, plant and equipment

	Freehold land	Furniture & Fixtures	Vehicles	Grand Total
<b>Year ended 31 March 2018</b>				
<b>Gross carrying amount</b>				
Opening Gross carrying amount	193.68	0.05	0.15	193.88
Additions	-	-	-	-
<b>Closing gross carrying amount</b>	<b>193.68</b>	<b>0.05</b>	<b>0.15</b>	<b>193.88</b>
<b>Accumulated depreciation</b>				
Depreciation charge during the year	-	0.05	0.15	0.20
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>0.05</b>	<b>0.15</b>	<b>0.20</b>
<b>Net carrying amount</b>	<b>193.68</b>	<b>0.00</b>	<b>0.00</b>	<b>193.68</b>
<b>Year ended 31 March 2017</b>				
<b>Gross carrying amount</b>				
Opening Gross carrying amount	193.67	0.05	0.15	193.88
Additions	-	-	-	-
<b>Closing gross carrying amount</b>	<b>193.67</b>	<b>0.05</b>	<b>0</b>	<b>193.88</b>
<b>Accumulated depreciation and impairment</b>				
Opening accumulated depreciation	-	0.05	0.15	0.20
Depreciation charge during the year	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>0.05</b>	<b>0.15</b>	<b>0.20</b>
<b>Net carrying amount</b>	<b>193.67</b>	<b>0.00</b>	<b>0.00</b>	<b>193.68</b>

K. Sandhya

Deepika



C. Mangalaj

M. Rama Kumari

**Nagavalli Milkline Private Limited**  
**Notes to Standalone Balance Sheet**

(Rs. Lakhs)

**Note 4: Cash and Cash Equivalents**

	31 March 2018	31 March 2017
Balances with banks		
-in current accounts	1.39	1.39
Cash on hand	-	0.14
<b>Total cash and cash equivalents</b>	<b>1.39</b>	<b>1.53</b>

**Note 5: Tax assets (Non - Current)**

	31 March 2018	31 March 2017
Advance income tax	0.13	0.13
<b>Total current tax assets</b>	<b>0.13</b>	<b>0.13</b>

K. Sandhya



Deepika

C. Honga Raj

M. Rama Kumari

Note 6: Equity share capital and other equity  
6 (a) Equity share capital

Authorised equity share capital	Number of shares	Amount
As at 31st March 2017	21,50,000	215
Increase during the year	-	-
As at 31st March 2018	21,50,000	215

(i) Movements in equity share capital

	Number of shares	Amount
As at 31st March 2017	20,10,400	201
Shares issued during the year	-	-
As at 31st March 2018	20,10,400	201

**Terms and rights attached to equity shares**

The Company has one class of shares i.e., Equity shares having a face value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share. The number of shares at the beginning and the end are the same. There are no fresh of shares or forfeiture during the current year and in the previous year.

All the above shares are held by its holding company, Creamline Dairy Products Limited and its nominees

6 (b) Reserves and Surplus

	31 March 2018	31 March 2017
Opening Balance	(9.11)	(7.74)
Add: Net profit/(Loss) for the year	(0.41)	(1.37)
Items of other comprehensive income recognised directly in retained earnings	-	-
<b>Closing Balance</b>	<b>(9.52)</b>	<b>(9.11)</b>

Note 7: Trade payables

	31 March 2018	31 March 2017
<b>Current</b>		
Trade payables	0.24	0.24
Trade payables to related parties	3.45	3.17
<b>Total</b>	<b>3.68</b>	<b>3.41</b>

K. Sandhya



Deepika

C. Hanga Raj

M. Ramakumar

**Nagavalli Milkline Private Limited**  
**Notes to standalone statement of profit and loss**

(Rs. Lakhs)

**Note 8: Other expenses**

	31 March 2018	31 March 2017
Rates and Taxes	-	0.03
Payment to auditors (Refer Note below)	0.24	0.24
Other expenses	0.17	1.10
<b>Total other expenses</b>	<b>0.41</b>	<b>1.37</b>

**Note: Details of payments to auditors**

	31 March 2018	31 March 2017
<b>Payment to auditors</b>		
<b>As auditor:</b>		
Audit fee	0.24	0.24
<b>Total payments to auditors</b>	<b>0.24</b>	<b>0.24</b>

K. Sandhya

Deepika



C. Gangajali

M. Rama Kumari

# NAGAVALLI MILKLINE PRIVATE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### NOTE NO: 1

#### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

##### **Background**

The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at # 6-3-1238/B/21, Asif Avenue, Raj Bhavan Road, Hyderabad. The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products.

##### **Note 1: Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **1.1 Basis of preparation**

###### **(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

##### **1.2 Property, plant and equipment**

"Property, Plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of discounts and rebate), borrowing cost if capitalization criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

##### ***Depreciation methods, estimated useful lives and residual value***

Depreciation on tangible fixed assets is provided under the Straight-Line Method, at the rates and in the manner as prescribed under Schedule II of the Companies Act, 2013:

K. Sandhya

Deepika

C. Mangalaj



M. Ramakumar

## NAGAVALLI MILKLINE PRIVATE LIMITED

### NOTES FORMING PART OF FINANCIAL STATEMENTS

Furniture, fittings and equipment - 10 years  
Vehicles - 8 to 10 years

**NO DEPRECIATION** has been provided during the financial year 2016-17, on the applicable fixed assets of the Company, as the available depreciable fixed assets have reached the residual value in the year.

#### **1.3 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and cash in hand.

#### **1.4 TRADE & OTHER PAYABLES**

These amounts represent liabilities for goods and services provided to the group. The amounts are unsecured and are usually paid as per mutual terms of arrangement from the date of supply. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **1.5 PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS AND COMMITMENTS:**

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. The expense relating to a provision is presented in the statement of profit & loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk 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 liability is disclosed in the case of:

a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;

a present obligation arising from past events, when reliable estimate is possible;

a possible obligation arising from past events, unless the probability of outflow of resources is remote.

K. Sandhya



Deepika

C. Mangalaj

M. Rama Kumari

# NAGAVALLI MILKLINE PRIVATE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### **1.6 CURRENT AND NON CURRENT CLASSIFICATION:**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset as current when it is:

- (i) Expected to be realised or intended to sold or consumed in normal operating cycle,
- (ii) Held primarily for the purpose of trading,
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) 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:

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

**Deferred tax** assets/liabilities are classified as non-current.

All other liabilities are classified as non-current.

### **1.7 FAIR VALUE MEASUREMENT:**

The Company measures financial instruments such as certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

K. Suresh Kumar

C. Mangaraj



Deepika

M. Rama Kumari

**NAGAVALLI MILKLINE PRIVATE LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**2 . Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

*K. Sandhya*

*Deepika*



*C. Hanu Raj*

*M. Rama Kumari*

# NAGAVALLI MILKLINE PRIVATE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

9. **CONTINGENT LIABILITIES:** Contingent liabilities and commitments (to the extent not provided for)

**Claims against the Company not acknowledged as debts:**

PAN: AABCNO190N

DIN: 2010200951082384896C & 2010200910021751915C

The Outstanding demand pertains to the AY	Demand Raised under section	Demand Raised Date	Demand and Amount	Demand Uploaded By
2009	143 (1)	23.02.2011	27883	DCIT / ACIT CIRCLE 2(1), Guntur
2009	1431a	23.02.2011	33240	Jurisdictional AO

10. In the opinion of the management, the Current Assets, Financial & Non-financial Assets are approximately of the value stated, if realized in the ordinary course of business. The provision for all known liabilities, have been made, which is adequate and not in excess of the amount considered necessary.
11. Trade Payables, Trade Receivables, Loans, Receivables, Financial and Non-financial assets, Financial and non-financial liabilities are subject to confirmation from parties concerned and reconciliation thereof. Balance confirmations have been received from some of the parties. Where ever confirmation of balances have not been received they are subject to adjustment and reconciliation thereof. Hence the balances of Trade Payables, Trade Receivables, Loans, Financial and Non-financial assets, Financial and non-financial liabilities are taken on the basis of book figures.
12. Earnings per Share Nil.
13. According to the information made available to us by the company regarding the status of suppliers, as defined under the Micro, Small and Medium Enterprises Development Act, 2006, the amount overdue as on 31.03.2018, to the Micro, Small and Medium Enterprises on account of principal amount together with interest for delayed payment under the Act is Rs.NIL (Previous year NIL)
14. Previous period's figures have been recast/ restated/ regrouped/ reclassified and re- arranged wherever required.
15. Amounts have been rounded off to the nearest lakhs.

K. Sandhya

C. Saranya



Deepika

M. Rama Kumar

**NAGAVALLI MILKLINE PRIVATE LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

As per report of even date  
for S.B.S.MANIAN & CO  
Chartered Accountants  
Firm No:008165S

  
S.B.S.MANIAN  
PARTNER  
M.No:26586

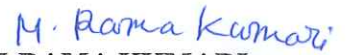


Place: Hyderabad  
Date: 30.04.2018

By Order of the Board



K.SANDHYA  
DIRECTOR



M.RAMA KUMARI  
DIRECTOR



D.DEEPIKA  
DIRECTOR



C.MANGARAJ  
DIRECTOR

