

AUDITED ANNUAL REPORT
OF
RAJHANS NUTRIMENTS PRIVATE LIMITED

**"RAJHANS HOUSE", 3RD FLOOR,
OPP, GITANJALI PETROL PUMP,
VARACHHA ROAD, SURAT.
PIN CODE : 395006**

FOR
ASSESSMENT YEAR -- 2018-19
PREVIOUS YEAR --2017-18

AUDITED BY :

M/s. PKMG & COMPANY
Chartered Accountants
**4021, WORLD TRADE CENTRE
RING ROAD
SURAT 395 002**

RAJHANS NUTRIMENTS PRIVATE LIMITED

BOARD OF DIRECTORS : MR. JAYESH DESAI
MR. SHIVLAL JAIN
MR. MAUSAM DESAI
MR. PANKAJ JAIN

COMPANY SECRETORY : MRS. PRIYANSHI NAIR

AUDITORS : M/s. PKMG & COMPANY
4021, WORLD TRADE CENTRE
RING ROAD
SURAT 395 002

BANKERS : UNION BANK OF INDIA
STATE BANK OF INDIA
CENTRAL BANK OF INDIA
THE VARACHHA CO-OP BANK LTD

REGISTERED OFFICE : "RAJHANS HOUSE", 3RD FLOOR,
OPP, GITANJALI PETROL PUMP,
VARACHHA ROAD, SURAT.
PIN CODE : 395006



PKMG & COMPANY

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
RAJHANS NUTRIMENTS PVT LTD..

Report on the Financial Statements

We have audited the accompanying financial statements of RAJHANS NUTRIMENTS PVT LTD. ("the company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement 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 in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 thereunder.

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 our 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, we consider internal financial control relevant to the Company's preparation of the financial statements that give 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 financial statements.



PKMG & COMPANY

CHARTERED ACCOUNTANTS

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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, we give in the **Annexure-A** a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
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 purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred.



for PKMG AND COMPANY
Chartered Accountants

(Signature)

MAHAVIR GOKHARU
4021, WORLD TRADE CENTER, RING
ROAD, SURAT-395002 GUJARAT

Place : SURAT
Date : 24/08/2018

PKMG & COMPANY

CHARTERED ACCOUNTANTS

ANNEXURE - A TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report on even date)

- (i) (a) The Company is maintaining proper records showing full particulars including quantitative details and situations of fixed assets.

(b) According to information and explanation given to us, fixed assets have been physically verified by the management according to the regular programme of periodical verification in a phase manner, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
(c) The title deeds of immovable properties are held in the name of the company.
- (ii) As explained to us, physical verification of the inventories except stock lying with third parties, have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the company and nature of its inventories. For stocks lying with third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii)(a) to clause (iii)(c) of paragraph 3 of the Order is not applicable to the Company.
- (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 Companies Act, 2013 in respect of loans, investments, providing guarantees and securities; it has not given any loans to its directors and does not have any transaction during the year to which section 185 applies.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit nor has any unclaimed deposit within the meaning of the provisions of Section 73 to 76 or any other relevant provision of the Act and the rules framed thereunder. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As informed to us, the maintenance of cost records has not been specified by the central government under sub section (1) of section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period more than six month from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, duty of customs, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute.



PKMG & COMPANY

CHARTERED ACCOUNTANTS

- (viii) Based on our audit procedures and on the basis of information and explanation given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the financial institution, bank and debenture holders.
- (ix) According to the information and explanation provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) in the current year. According to the information and explanations given to us, term loans availed by the Company were, prima facie; applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed and as per the information and explanations given to us, we report that, no fraud on or by the Company has been noticed or reported during the year.
- (xi) The provisions of section 197 read with Schedule V to the Companies Act managerial remuneration is not applicable to private company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanation given to us, all the transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with them and covered under Section 192 of the Act. Hence, clause (xv) of paragraph 3 of the Order is not applicable to the Company.
- (xvi) To the best our knowledge and as explained, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

Place: SURAT
Date : 24/08/2018



for PKMG AND COMPANY
Chartered Accountants
Firm Reg No. 129894W

Mahavir

MAHAVIR GOKHARU
(Partner)

Mem. No. -112600

4021, WORLD TRADE CENTER, RING ROAD,
SURAT-395002 GUJARAT

PKMG & COMPANY

CHARTERED ACCOUNTANTS

ANNEXURE - B TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **RAJHANS NUTRIMENTS PVT LTD.** ("The Company") as of 31 March 2018 in conjunction with our audit of the 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.

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.



PKMG & COMPANY

CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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 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.



for PKMG AND COMPANY
Chartered Accountants
Firm Reg No. 129894W

MAHAVIR GOKHARU
(Partner)

4021, WORLD TRADE CENTER, RING ROAD,
SURAT-395002 GUJARAT

Place : SURAT
Date : 24/08/2018