

8th

Annual Report

2015 - 2016

TANVI FOODS (INDIA) LIMITED

8th ANNUAL GENERAL MEETING
30th day of September, 2016
at 09.00 A.M
at Door No.7-2-4/D, Old Canteen
Building, Sanathnagar Industrial Estate,
Opp: SBH, Sanathnagar Hyderabad - 500018

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Notice

Notice is hereby given that the Eighth Annual General Meeting of Tanvi Foods(INDIA) Limited will be held, at shorter Notice, on Friday, 30th September, 2016 at 11.00 A.M. at the Registered Office of the Company situated at Door No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp:SBH, Sanathnagar Hyderabad-500018 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2016 and the Report of Auditors thereon.
3. To appoint a Director in place of Mrs. A. Sarada, who retires by rotation and being eligible offers herself for re-appointment.
4. To re-appoint the Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit to pass the following resolution, with or without modification(s) as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. GV & Co., Chartered Accountants, Hyderabad, (Registration No. 012875S) who were appointed as the Statutory Auditors of the Company in the EGM held on 1st March, 2016 be and are hereby re-appointed as the Statutory Auditors of the Company to hold the office as such for a period of 5 years, i.e., from the conclusion of this 8th AGM till the conclusion of 13th AGM of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors, subject to ratification by the members at every Annual General Meeting of the Company.”

SPECIAL BUSINESS:

5. To appoint Mr. A. Sri Nagaveer as the Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), if any, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. A. Sri Nagaveer (DIN: 02096695), who was appointed as an Additional Director of the Company by the Board of Directors in their Meeting held on 14th October, 2015 and who holds the office as such upto the date of this Annual General Meeting be and is hereby appointed as the Director of the Company who shall not be liable to retire by rotation.”

By Order of the Board
For Tanvi Foods (INDIA) Private Limited

Shilpa Kotagiri
Company Secretary

Place: Hyderabad
Date: 24/09/2016

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Proxy form duly filled in should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. All alterations/ corrections made in the form of Proxy should be initialed by the Member.
2. Members are requested to bring their copies of Annual Report to the Meeting.
3. Members / Proxies are requested to bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
4. As per Secretarial Standards 2 (SS-2), complete particulars of the venue of the Meeting through route map has been attached herewith the Notice.
5. The proposed 8th Annual General Meeting is being called at a shorter Notice, which shall be held subject to the receipt of consent in writing or by electronic mode of at least 95% of the members entitled to vote at the said Meeting. Members, if deem fit, may provide their consent on or before 29th September, 2016.
6. Information in respect of Directors seeking appointment/ re-appointment as required under the Secretarial Standards on General Meetings issued by ICSI is attached herewith.
7. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is hereunder:

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No.5

The members may note that pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. A.SriNagaveer was appointed as the Additional Director of the Company by the Board of Directors in their Meeting held on 14th October, 2015 with immediate effect, to hold the office as such till the ensuing Annual General Meeting. Subsequently, he was also appointed as the Managing Director of the Company in the same meeting.

However, the Company has received a notice in writing from one of its members along with the deposit of Rs.1 lac proposing the candidature of Mr. A.SriNagaveer for the office of Director of the Company.

Any such proposal needs to be approved by the members by passing an Ordinary resolution in their General Meeting.

Mr. A.SriNagaveer has declared that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. He has also given his consent for the proposed appointment to the Company.

Mr. A. Sri Nagaveer possess immense wealth of knowledge and expertise in the field that would definitely help the Company to reach to the next level of growth. Keeping the said in view, it will be in the best interest of the Company that Mr. A.SriNagaveer be appointed as the Director on the Board of the Company.

In view of the aforesaid, the resolution set out at Item No.5 is recommended for your approval.

Mr. A. Sri Nagaveer and all the other Directors, (other than Independent Directors) being related to each other, may be deemed to be interested in the said resolution. Apart from the said, none of the relatives of any Director is concerned or interested, financial or otherwise, in the said resolution.

Save and except the aforesaid, none of the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the said resolution set out at Item No.5 in the Notice.

Information in respect of Directors seeking appointment/ re-appointment as required under the Secretarial Standards on General Meetings issued by ICSI:-

Name of the Director	A. SRI NAGAVEER		
Date of Appointment including terms and conditions of appointment	He was appointed as the Additional Director of the Company at the Board Meeting held on 14.10.2015 and subsequently he was appointed as the Managing Director of the Company in the same meeting with immediate effect for a period of three consecutive years.		
Date of first appointment on the Board	14.10.2015		
Date of Birth	17.01.1978 (Age: 38 years)		
Expertise in Specific Functional areas	He is having 14 years of entrepreneurial experience in Food & Beverages and related industries.		
Educational Qualification	Master of Computer Application from University of Madras and Bachelor of Business Management from Nagarjuna University		
Directorships in other Companies	Sl. No.	Designation	Name of the Company
	1)	Director	Squarepeg Distribution Services Private Limited
	2)	Director	Brango Foods India Private Limited
	3)	Director	Pearl Translines Private Limited
	4)	Director	Polar Cube Cold Storage Solutions Private Limited
Membership / Chairmanships of committees of Other Boards (other than the Company)	Nil		
Details of Remuneration sought to be paid and the remuneration last drawn by such person	<p>With effect from April 01, 2016, remuneration of Mr. A. Sri Nagaveer is stated hereunder:</p> <p>Basic Salary: Rs. 1,75,000 per month Perquisites, Allowances:</p> <ul style="list-style-type: none"> • DA : M 35,000 per month • HRA : M 1,05,000 per month • CCA : M 35,000 per month 		

	<ul style="list-style-type: none"> • Provision of Company's car for official purpose • Mobile phone for official purpose. <p>Other terms:</p> <p>The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, subject to a maximum overall remuneration of Rs. 42,00,000 per annum, payable to Mr. Adusumilli Sri Nagaveer in accordance with the applicable provisions of the Act or any amendments thereto made hereinafter in this regard.</p> <p>In the year of inadequacy of profits, Mr. Adusumilli Sri Nagaveer shall be entitled to the above mentioned remuneration as minimum remuneration.</p> <p>The remuneration paid to Mr. Adusumilli Sri Nagaveer during FY 2015-16 (w.e.f.14.10.2015) was Rs.6.95 lakhs.</p>
Shareholding in the Company as on 31.03.2016	He holds 22,52,701 Equity Shares of Rs.10/- each
Relationship between Directors inter-se	<ul style="list-style-type: none"> • Mr. A. Sri Nagaveer is the son of Mr. A.Sarat Chandra Babu and Mrs. A. Sarada • Mr. A. Sri Nagaveer is the husband of Mrs. A. Vasavi.
Number of Meetings of the Board attended during the year	He has attended 5 Board Meetings during the financial year 2015-16.

Name of the director	A. SARADA
	She was appointed as the Director (liable to retire by rotation) of the Company at the Board Meeting held on 30.03.2007
Date of first appointment on the Board	30.03.2007
Date of Birth	16.06.1955 (Age: 61 years)
Expertise in Specific Functional areas	She is a non-executive Director of the Company, playing the role of a key advisor in the business matters.
Educational Qualification	No formal education
Directorships in other Companies	Nil
Membership / Chairmanships of committees of Other Boards (other than the Company)	Nil
Details of Remuneration sought to be paid and the remuneration last drawn by such person	She is the Non-Executive & Non-Independent Director of the Company. Thus, not drawing any remuneration
Shareholding in the Company as on 31.03.2016	She holds 1,00,000 Equity Shares of Rs.10/- each
Relationship between Directors inter-se	Mrs. A. Sarada is the mother of our Promoter & Managing Director - Mr. A. Sri Nagaveer and mother in law of Mrs. A. Vasavi. She is the wife of Mr. A.Sarat Chandra Babu.
Number of Meetings of the Board attended during the year	She has attended 9 Board Meetings during the financial year 2015-16.

By the Order of the Board
For Tanvi Foods(INDIA)Limited

Sd/-
ShilpaKotagiri
Company Secretary

Place: Hyderabad
Date: 24/09/2016

The result of the voting on the Resolutions at the Meeting will be announced by the Chairman or any other person authorized by him within three days of the AGM	
Additional information on directors recommended for appointment / re-appointment.	
Name of the Director	MVK Sunil Kumar
Date of Birth	15.07.1974
Date of Appointment	02.11.2013
Experience	NIL (He is a member of Audit Committee and Stakeholders' Relationship Committee of the Company)
Qualification	Master Degree in MIS from Central Queensland University, Australia.
Expertise in specific functional areas	administration
Relationship between directors inter-se	

Directorships held in Listed Entities(Excluding Foreign, Private and Section 8 Companies) NIL

Memberships/ Chairmanships of Committees of other Public Companies(includes only Audit

Committee and Stakeholders Relationship Committee)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Eighth Annual Report along with the audited financial statements for the financial year ended on 31st March 2016.

FINANCIAL SUMMARY(STANDALONE):

Your Company's performance during the year ended 31st March, 2016, as compared to the previous financial year, is summarized as below:

Particulars	For the FY 31.03.2016 ended	For the FY 31.03.2015 ended
Revenue from Operations	481,662,140	343,714,088
Other Income	9,236,083	51,464
Total Revenue	490,898,223	343,765,552
Total Expenses	479,616,219	333,527,512
Exceptional Items	4,621,304	-
Prior period items	804,184	(157,112)
Profit before tax	16,707,492	10,080,928
Tax Expenses	2,421,083	3,414,501
Profit after tax	14,286,409	6,666,427
EPS	4.70	2.42

REVIEW OF PERFORMANCE & COMPANY'S STATE OF AFFAIRS:**AT STANDALONE LEVEL:**

Your Company has posted yet another impressive year of performance. During the year under review, the turnover of your Company surged by about 40% compared to that of last financial year.

Your Board of Directors feel delighted to put on record that the Company has achieved a turnover of Rs.48.17 Crores for the Financial Year 2015-16 as compared to Rs. 34.37 Crores in the preceding financial year. Your Company has incurred total expenses of Rs.47.97 Crores as compared to Rs.33.35 Crores in the preceding financial year. Further, during the financial year under review, certain fixed expenses such as depreciation & amortization expenses increased from Rs. 41.88 lacs to Rs.79.09 lacs and finance costs increased from Rs.129.76 lacs to Rs.170.59 lacs respectively as compared to the preceding financial year.

Your Company earned a Net Profit of Rs.1.43 Crores for the Financial Year ended 31st March, 2016 as compared to Rs.0.67 Crores in the preceding financial year.

This resulted in an increase in EPS from Rs.2.42 to Rs.4.70 for the FY 2015-16.

No amount is being proposed to be transferred to Reserves for the financial year ended 31st March, 2016.

AT CONSOLIDATED LEVEL:

As mentioned elsewhere in this Report, your Company acquired 100% stake in Polar Cube Cold Storage Solutions Private Limited and Squarepeg Distribution Services Private Limited during the FY 2015-16. Hence, the consolidated financial performance comprises the financial performance of the Company and that of its subsidiaries mentioned above.

At consolidated level, the revenue from operations stood at Rs.51.63 Crores and profit before tax stood at Rs.1.78 Crores. After providing for taxes, the PAT stood at Rs.1.46 Crores.

MATERIAL CHANGES AFTER THE CLOSURE OF THE FINANCIAL YEAR:

No material changes have occurred after the close of the financial year ended 31st March, 2016, other than that mentioned in this Report.

CONVERSION FROM PRIVATE LIMITED TO PUBLIC LIMITED:

The Status of your Company has been converted from "TANVI FOODS (INDIA) PRIVATE LIMITED" to "TANVI FOODS (INDIA) LIMITED" vide Issue of Fresh Certificate of Incorporation dated 22nd September, 2016, by ROC, Hyderabad.

FUTURE OUTLOOK:

Your management's continuous efforts shall be to improve the operational performance of the Company in the coming years. It is proposed to scale up the operations of the Company. Further, it is also proposed to raise further capital by way of offering new shares to the Public. The Draft Prospectus is being compiled and other preliminary work in this regard is underway.

CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of your Company during the financial year ended 31st March, 2016.

CONSOLIDATED FINANCIAL STATEMENTS:

Your Company has prepared Consolidated Financial Statements in accordance with Accounting Standard 21 - "Consolidated Financial Statements", prescribed by the Companies (Accounts) Rules, 2014 of the Companies Act, 2013. The Consolidated Statements reflect the results of the Company along with that of its Subsidiaries. The Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

DIVIDEND:

In view of the ongoing expansion activities of the Company, it needs to plough back its profits into the business. Hence, the Board of Directors has not recommended any dividend for the financial year ended 31st March, 2016.

SHARE CAPITAL:

During the financial year under review, following changes took place in the capital structure of you Company-

- Increase in Authorised Share Capital from Rs. 3 crores to Rs. 3.75 crores in the EGM held on 30.11.2015.
- Allotment of 2,54,749 equity shares of Rs. 10 each fully paid up at a price of Rs. 17 per share (including a premium of Rs. 7 per share) on 02.12.2015
- Allotment of 4,40,026 equity shares of Rs. 10 each fully paid up at a price of Rs. 17 per share (including a premium of Rs. 7 per share) on 02.12.2015

DIRECTORS AND KEY MANAGERIAL PERSONS:

The Board of Directors is duly constituted.

Following changes took place in the offices of Directors/ KMPs(since 01.04.2015 till date) –

Mr. A Sri Nagaveer, was appointed as the Additional Director of your Company at the Board Meeting held on 14.10.2015 and subsequently he was appointed as the Managing Director in the same meeting with immediate effect.

In the EGM held on 01.04.2016-

- Mr. Naveen Nandigam and Mr. R. V. Radhakrishna were appointed as the Independent Directors of the Company for a period of five consecutive years.
- Mr. A. Sarat Chandra Babu was appointed as the Chairman and Whole Time Director of the Company for a period of 3 years.
- Mrs. A. Vasavi was appointed as the Whole Time Director (Executive Director) of the Company for a period of 3 years.

Further Ms. Mahalaxmi Banda was appointed as the CFO of the Company w.e.f. 01.07.2016.

Further Ms. Shilpa Kotagiri was appointed as the Company Secretary w.e.f. 01.09.2016.

Thus, the composition of the Board of Directors as on 31.03.2016 stands as follows-

1.	A. SaratChandraBabu	Chairman
2.	Naveen Nandigam	Independent Director
3.	R. V. Radhakrishna	Independent Director
4.	A. Sri Nagaveer	Managing Director
5.	A. Vasavi	Executive Director
6.	A. Sarada	Director

Further, in view of the Notice (received from a member along with a deposit of Rs.1 lac) proposing the candidature of Mr. A Sri Nagaveerto the office of Director, the draft resolution in the said regard is proposed for your consideration.

Further, Mrs. A. Sarada, who retires by rotation in the ensuing AGM of the Company, being eligible offers herself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received respective declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section (7) of Section 149 of the Companies Act, 2013.

MEETINGS OF THE BOARD OF DIRECTORS:

The Board met 10times during the Financial Year 2015-16. The intervening gap between any two consecutive Board Meetings was within the limit prescribed under the provisions of the Companies Act, 2013.

COMPOSITION OF COMMITTEES:

Name of the Committee	Members
Audit Committee	- Mr. Naveen Nandigam - Chairman - Mr. R. V. Radhkrishna - Mr. A. Sri Nagaveer
Nomination and Remuneration Committee	- Mr. Naveen Nandigam - Chairman - Mr. R. V. Radhkrishna - Mrs. A. Sarada
Stakeholders Relationship Committee	- Mr. R. V. Radhkrishna- Chairman - Mr. Naveen Nandigam - Mrs. A. Vasavi

AUDITORS:

The members may note that pursuant to the provisions of Section 139 of the Companies Act, 2013, your Company shall appoint its Statutory Auditors for a period of 5 years. Further, the said appointment needs to be ratified by the members at every AGM.

In view of the aforesaid, it is proposed to appoint M/s. GV & Co., Chartered Accountants, pursuant to Section 139 of the Companies Act, 2013, for a period of 5 years, which shall commence from the conclusion of the ensuing 8thAGM and end at the conclusion of 13thAGM of your Company.

They have furnished a certificate pursuant to the provisions of Section 139 (1) of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 stating, inter alia that their re-appointment, if made, will be within the limits laid down under the Act.

The draft resolution forms part of the Notice.

AUDITORS' OBSERVATIONS:

In response to the observations made in the Auditors Report, we would like to inform you that the matter pertains to FY 2012-13 and the same is pending before Commissioner of Income Tax (Appeals).

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have 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 profit and loss of the company for that period;
- (c) they have 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) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES / JOINT VENTURES OR ASSOCIATE COMPANIES:

During the year under review, your Company acquired 100% stake in the following Companies, with an objective of expanding and diversifying the business activities of the Company, thereby making them as the Wholly Owned Subsidiaries:

- M/s. Polar Cube Cold Storage Solutions Private Limited
- M/s. Squarepeg Distribution Services Private Limited

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of Subsidiaries / Associates in the prescribed format i.e. Form AOC-1 is provided as Annexure-I to this Report. The statement also provides the details of performance, financial positions of each of the subsidiaries / associates.

Further, your Company undertakes that the Annual Accounts of the Subsidiary Companies and the related detailed information will be made available to its shareholders and to the shareholders of its Subsidiary Companies seeking such information at any point of time. Further, the Annual Accounts of the Subsidiary Companies shall also be kept for inspection by any shareholder at its Registered office and that of the concerned Subsidiary Company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each subsidiary, are available on our website www.tanvifoods.com

LOANS, GUARANTEES AND INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the respective notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

The Company has not entered into any related party transactions which are not at arm's length basis during the FY ended 31st March, 2016.

However, all the related party transactions entered into during the financial year 2015-16 were at arm's length basis and were in the ordinary course of business. The details of related party transactions which were entered into during the previous year / current are provided in the Note No. 32 forming part of the notes to financial statements.

As per clause h of Section 134(3) of the Companies act, 2013, the particulars of related party transactions as referred to in Section 188(1) of the Companies act, 2013 have been disclosed in Form No. AOC – 2 which is appended as Annexure –II to this Report.

FIXED DEPOSITS:

Your Company has neither accepted nor repaid any deposits during the financial year ended on 31st March, 2016. Further, there were no outstanding deposits as at the beginning or at any time during the financial year. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended.

INTERNAL FINANCIAL CONTROLS:

Your Company has an adequate system of internal financial controls with reference to financial statements, including but not limited to safeguard and protection of assets from loss, their unauthorized use or disposition. All the transactions were properly authorized, recorded and reported to the Management. Your Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

RISK MANAGEMENT POLICY:

A risk management policy has been devised and adopted by the Board.

Pursuant to the said policy, the Board (a) oversees and approves the Company's enterprise wide risk management framework and (b) oversees that all the risks that the organization may face such as financial, liquidity, security, legal, regulatory, reputational and other risks have been identified and assessed and ensures that there is an adequate risk management mechanism in place capable of addressing those risks.

The policy aims at sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since the Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, reporting pursuant to Section 134(3) (o) is Not Applicable.

BOARD EVALUATION, NOMINATION AND REMUNERATION POLICY:

Based on the recommendations made by the Nomination and Remuneration Committee, the Company has had devised a Policy for performance evaluation of the Board and the committees as a whole and that of the Individual Directors, which include criteria for determining qualifications, positive attributes and independence of Directors.

Besides, the Company also surveys on the best practices prevalent in the Industry with respect to evaluation of the performance of the Board and its members. The Company also avails services of professionals seeking their suggestions on the said matter. Based on the inputs received from the aforesaid sources and in accordance with the Policy of the Company, evaluation process is undertaken at appropriate time(s).

The following policies of the Company are attached herewith and marked as Annexure VI & VII respectively:

- a) Policy for selection of Directors and determining Directors Independence
- b) Remuneration Policy for Directors, Key managerial Personnel and other employees.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has in place a robust and full-fledged Vigil Mechanism and a Whistle Blower Policy for its directors and employees, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct in terms of Section 177 (10) of the Act and Rules thereunder. The mechanism provides adequate safeguards against victimization of persons who use this mechanism. Mr. Naveen Nandigam, Independent Director of the Company is the Head of the Vigil Mechanism; all the employees have direct access to report their concerns and complaints. During the year under the review no complaint has been received.

The Vigil Mechanism and Whistle Blower Policy adopted by the Company is set out in Annexure VIII to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW AND OUTFLOW

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Inflow and Outflow as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in the Annexure -III and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis is set out as Annexure -IV to this Report.

EXTRACT OF ANNUAL RETURN:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed Format i.e. Form MGT -9 is appended as Annexure -V to this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED:

During the financial year ended on 31.03.2016, no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

Your Directors further state that during the year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

ACKNOWLEDGEMENT:

Your Directors would like to express their profound gratitude for the assistance, support and co-operation received from the Banks, Government authorities, Business Partners, Customers and other Stakeholders for the confidence reposed in the Company.

Further, your Directors also wish to place on record their sincere appreciation for the committed services, hard work, dedication and commitment of the Executives, Staff and Workers of the Company at all levels.

For and on behalf of the Board of
TanviFoods(INDIA)Limited

Sd/-
A. Sri Nagaveer
Managing Director
DIN: 02096695

Place: Hyderabad
Date: 24/09/2016

Annexure – I

FORM AOC-1
**Statement containing salient features of the financial statement of Subsidiaries/
Associate Companies/ Joint Ventures**

Part “A”: Subsidiaries

(Amount in Rs.)

Name of the subsidiaries	M/s. Polar Cube Cold Storage Solutions Private Limited	M/s. Squarepeg Distribution Services Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding company’s reporting period		
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		
3. Share capital (Rs.)	44,50,000	26,70,000
4. Reserves & surplus	181,865	1,366,767
5. Total assets	7,409,479	11,468,249
6. Total Liabilities	7,409,479	11,468,249
7. Investments	-	-
8. Turnover	2,690,193	35,464,290
9. Profit before taxation	117,735	965,750
10. Provision for taxation	22,435	312,229
11. Profit after taxation	100,534	254,111
12. Proposed Dividend	-	-
13. % of shareholding	100%	100%

1. Names of subsidiaries which are yet to commence operations – NIL
2. Names of subsidiaries which have been liquidated or sold during the year- NIL

Part “B”: Associates and Joint Ventures – NIL

The Company does not have any Associate Company / Joint Ventures.

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

The company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement / transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Mrs. A. Vasavi	Rent (Expenses)	15 years	Lease of premises for a period of 15 years	Existing Agreement	NIL
M/s. Squarepeg Distribution Services Private Limited	Cold Storage Freezer services/ vehicle hire services	3 years	Agreement to provide vehicle hire services and avail cold storage freezers	01.06.2015	NIL
M/s. Polar Cube Cold Storage Solutions Private Limited		3 years	Agreement to avail cold storage freezers	01.06.2015	NIL
M/s. Squarepeg Distribution Services Private Limited	Transport facilities	3 years	Agreement to avail transport facilities	01.06.2015	NIL
M/s. Pearl Translines Private Limited		3 years	Agreement to avail transport facilities	01.04.2015	NIL
Mr. A. Sri Nagaveer	Royalty (Expenses)	5 years	Royalty Agreement for use of trade Mark "Corn Club"	01.04.2015	NIL
Sri Sai Agencies	Sales	Ongoing	Existing Contract	Existing Contract	NIL

For and on behalf of the Board of
Tanvi Foods (INDIA) Limited
Sd/-

Sri Nagaveer
Managing Director
DIN: 02096695

Place: Hyderabad
Date: 24/09/2016

Annexure - III**CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW / OUTFLOW:**

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy: Not Applicable

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilizing alternate sources of energy;
- iii. the capital investment on energy conservation equipments;

B. Technology Absorption: Not Applicable

- i. the efforts made towards technology absorption;
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development.

C. Foreign Exchange Inflow and Outflow during the year: Nil

- i. Foreign Exchange Inflow : Nil
- ii. Foreign Exchange Outflow : Nil

For and on behalf of the Board of
TanviFoods(INDIA) Limited

Sd/-
Sri Nagaveer
Managing Director
DIN: 02096695

Place: Hyderabad
Date: 24/09/2016

MANAGEMENT DISCUSSION AND ANALYSISREPORT**OVERVIEW OF THE INDIAN ECONOMY**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organization (CSO) and International Monetary Fund (IMF). According to the Economic Survey 2015-16, the Indian economy will continue to grow more than 7 per cent in 2016-17.

The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

India was ranked the highest globally in terms of consumer confidence during October-December quarter of 2015, continuing its earlier trend of being ranked the highest during first three quarters of 2015, as per the global consumer confidence index created by Nielsen.

According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7-7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will growing by more than seven per cent for the third successive year 2016-17 and can start growing at eight per cent or more in next two years. Foreign direct investment (FDI) in India have increased by 29 per cent during October 2014-December 2015 period post the launch of Make in India campaign, compared to the 15-month period before the launch.

Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

MAIZE / FRESH CORN: INDIAN SCENARIO

Maize is grown throughout the year in India. It is predominantly a kharif crop with 85 per cent of the area under cultivation in the season. Maize is the third most important cereal crop in India after rice and wheat. It accounts for ~9 per cent of total food grain production in the country.

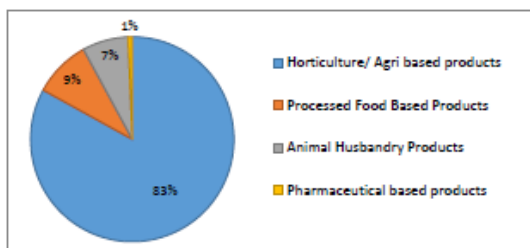
Maize production in India has grown at a CAGR of 5.5 per cent over the last ten years from 14 MnMT in 2004-05 to 23 MnMT in 2013-14. During 2009-10 there was a decline in production primarily due to drought that affected production of kharif crops in the country. The area under maize cultivation in the period has increased at a CAGR of 2.5 per cent from 7.5 Mn hectare in 2004-05 to 9.4 Mn hectare in 2013-14, the remaining increase in production is due to increase in yield. Factors such as adaptability to diverse agro-climatic conditions, lower labour costs and lowering of water table in the rice belt of India have contributed to the increase in acreage.

Productivity of maize (yield) has increased at a CAGR of 2.9 per cent from 1.9 MT/hectare in 2004-05 to 2.5 MT/hectare in 2013-14. Introduction of Single cross hybrid (SCH) seeds coupled with adequate rainfall in 2007-08 contributed to 20 per cent increase in yield.

COLD STORAGE: INDIAN SCENARIO

In October 2014 a report by the Task Force on Cold Chain Projects recommended creation of additional 7.5 million MT cold-chain capacity in the next 5 years under the joint responsibility of the Ministry of Agriculture and the Ministry of Food Processing Industries. Out of 7.5 million MT, DAC can take up 5 million MT under MIDH and MoFPI can take up 2.5 million MT. The capacity needs to be planned to adopt an “end-to-end” approach so as to connect farm-gate to the consumers in a seamless manner.

The base line survey of cold stores, conducted by M/s. Hansa Research for National Horticulture Board under DAC in 2013-14, indicates the segment wise share in number of cold storage is shown in the Figure given below:



The Task Force on Cold-chain Projects (TFCP-2014) reports that a total of 31.82 million metric tons of cold stores have been created in the country. Of these, a total of 10.58 million tons in cold storage size were created in the last 7 years (from 2007 to 2014), through Central Government Assistance:

- Under MoFPI: total 0.19 million tons capacity is created.
- Under MIDH (NHM/HMNEH/NHB): total 10.39 million tons is created.

As per information from various government departments and agencies, 6891 cold storages have been created of size 31.82 million tons. This information is not further segregated into Cold Storage (Bulk) or Cold Storage (Hub).

WAREHOUSING

Indian Agricultural Warehousing

Warehousing plays a very vital role in promoting agriculture marketing, rural banking and financing and ensuring Food Security in the country. It enables the markets to ease the pressure during harvest season and to maintain uninterrupted supply of agricultural commodities during off season. Hence, it solves the problems of glut and scarcity, which are the usual problems in agricultural marketing. Indian

transportation and logistics market witnesses new heights; there has been increasing buzz around technology adoption, network optimization, multimodal transportation and improving warehousing. The latter in particular has been evolving rapidly from traditional 'godowns' to modern facilities. Indian logistics market is expected to grow at a CAGR of 12.17% by 2020 driven by the growth in the manufacturing, retail, FMCG and e-commerce sectors.

BUSINESS OVERVIEW

Our Company is involved in trading, distribution, and processing of Food and Beverages primarily operating in the states of Andhra Pradesh and Telangana. Incorporated in 2007, over the years we have grown organically as well as inorganically and today we along with our subsidiaries operate over four exclusive point of sales; three Cold Room Facilities aggregating to 8278 sq. ft., one food processing and packaging unit spread across 495 sq. yards, around 24 logistics vehicles dedicated towards F&B distribution making us one of few select organised players in this highly unorganised segment.

We currently specialize in products such as Fresh Corn, Frozen Corn, and Green Peas in loose as well as packed form. Further we also prepare and sell corn based eatables such as Corn Samosa's, Corn Patties and Spring Roll, in loose / semi-finished form to caterers as well as packaged from to Retailers and Wholesalers. All of these packaged products are sold under our own brand name "Frozen King". In addition to our own brand products; we operate a diversified F&B product distribution and trading business wherein we play the role of an intermediary between other branded product manufacturers / marketers and end point of sales such as Retailers (including Kiranas and Modern Trade Outlets) and Institutional buyers (such as Hotels, Caterers, Multiplexes etc.).

Our company's revenues have increased at a CAGR of 44.34% from M 1130.90 lakhs in FY 2012 to M 4908.98 lakhs in FY 2016; EBITDA has increased at a CAGR of 42.33% from M 89.06 lakhs in FY 2012 to M 362.51 lakhs in FY 2016 and our Profit after Tax has increased at a CAGR of 26.28% from M 39.59 lakhs in FY 2012 to M 100.66 lakhs in FY 2016.

DETAILS OF OUR BUSINESS

Segment –wise or product –wise performance:

- Not applicable

Our Company is engaged in various business activities as detailed hereunder.

1. Proprietary Trading Agro Commodities (mainly Corn)

Our company is primarily engaged in trading of Fresh Corn. We procure Fresh Corn from farmers or through direct purchase from market or through tie-up from procurement agencies PAN India. We sell the same in local markets (mandi) in Telangana and Andhra Pradesh. Over the years we have developed expertise in estimating price trends as well as developed infrastructure and market goodwill for carrying out successful trading operations.

2. Third Party Distribution (F&B)

We offer temperature controlled freezing, distribution & logistics services under our brand Frozen King. We employ cutting edge technology such as GRS tracking & monitoring of vehicles. We are engaged into distribution activity for several branded frozen foods, milk products, ice-cream products and other cold preserved consumables in Hyderabad. We serve as local distributor for McCain Foods, Switz Patties, D'lecta foods, Indo agro foods, Rakyen beverages and Haldiram's. Our customers include supermarkets & Corporates in Hyderabad and surrounding regions.

3. Self-Branded & Packaged F&B

We have our own processing facility in Vijayawada equipped with automated and standardized equipment. We process Corn Samosa, Corn Spring Rolls, Corn Patties, Corn Soups etc. and repacking of fresh corn and frozen green peas. These products are sold to caterers and to modern trade customers such as Spencer's More, Reliance Fresh, Heritage Fresh, Wal-Mart, D-Mart and Metro Cash & Carry in Telangana and Andhra Pradesh. Also, we have recently expanded our reach and are supplying our own branded and packaged products to Metro Cash & Carry in the state of Karnataka.

4. Third Party Cold Storage /Warehousing Services

We (along with our subsidiaries) operate cold storage facilities (with total approximate area of 8,278 sq. ft.) at Hyderabad and Vijayawada. Cold storage warehouses are on daily pallet rental basis and we have not entered any long term arrangement with any of our customers requiring cold storage warehousing. However; we have developed regular clientele in this business receiving regular business for more than 5 years.

5. Third Party Transportation Services

In addition to cold storage warehousing, we provide cold storage logistics through our wholly owned subsidiary. We have dedicated fleet of 24 vehicles fitted with required cold storing facilities for transportation of F&B products PAN India. In addition to using these facilities for our in-house requirements of trading, distribution businesses; we also rent out these facilities to other parties on a per ton basis. We have not entered any long term arrangement with any of our customers requiring cold storage logistics, however we have developed clientele which provide regular business to us since the last few years.

Our business is a high volume, low margin business. Our different operating margin parameters are as follows:

Parameter	FY 2016	FY 2015	FY 2014
EBITDA Margin	7.38%	8.44%	4.90%
EBIT Margin	5.77%	6.80%	4.14%
PAT Margin	2.05%	2.54%	1.05%

Due to this nature of our business; sudden shocks with respect to price movements in goods being traded or sudden ad-hoc anomalies in business could substantially affect our net bottom lines and hence adversely affect our results of operations and financial conditions.

SUBSIDIARIES

We have acquired 100 % controlling stake in 2 companies, thereby making them our Wholly Owned subsidiaries.

As on the date, we have two Wholly Owned subsidiary companies-

1. Polar Cube Cold Storage Solutions Private Limited (“PCCSPL”).
2. Squarepeg Distribution Services Private Limited (“SDSPL”).

OUTLOOK:

The success of our business depends greatly on our ability to effectively implement our business and growth strategies. We plan to increase our sales from the prepared foods or our self-branded foods being sold under the brand of “Frozen Kings”. We also plan to explore moving to additional geographies as well as ramping up our processing capabilities. We believe our experience and expertise will help us in executing these business strategies; however we may not be able to execute our strategies in time or at all in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has an adequate system of internal financial controls with reference to financial statements, including but not limited to safeguard and protection of assets from loss, their unauthorized use or disposition. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

FINANCIAL PERFORMANCE:

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business, including those relating to consumer protection, Internet and privacy.

OUR STRENGTHS**Experienced Management Team**

Mr. Adusumilli Sri Nagaveer, our Promoter and Managing Director, has over 14 years of entrepreneurial experience in Food & Beverages and related industries. He is supported by experienced and well-qualified staff at senior and middle management levels. In times of high employee turnover; 5 out of 8 of our key management personnel have been associated with the company for over 3 years. This in house capability and loyal staff will help us scale in future.

Well Established Brand name and goodwill amongst market players

We operate in a brand sensitive market. Over almost a decade we have tried to ensure sustainable growth and hence have developed an established brand name, acceptance & recall value in our operating markets (i.e. Andhra Pradesh and Telangana). Sale of products under our brand name (Frozen King) from 35 % part of our total sale of branded goods which includes brands such as McCain, Haldirams, Milky Mist, Baskin Robbins etc. We have earned goodwill & competitive edge through our consistent quality oriented service. Further we have developed goodwill amongst market participants including farmers, other intermediaries forming part of the corn supply chain, large MNCs as well as local vendors. We believe that our sector is not an easy to enter sector given that substantial portion of the business is carried out through trust and hence having a developed goodwill would help us compete with new entrants in this sector in the future.

Organized approach and ready infrastructure

The market we operate has been dominated by unorganized participants. The supply of F&B products in India is a market which lots of large corporations and MNCs are looking to enter as well as partner with considering the size of the consumption markets in India. We are one of the select few who have own / in-house cold room facilities, logistics set ups as well as multiple point of sales. Going forward; if a large MNC or corporate wants to distribute its products in our region; we have the correct mix of service quality as well as organized and stable infrastructure to become their first choice.

Factors affecting our Result of Operation

Among various other factors that affect our financial results and operations for a given financial year, some key factors are as follows:

- Changes in laws and regulations that apply to the industry;
- Increasing competition in the industry;
- Company's inability to successfully implement its growth and expansion plans;
- General economic and business conditions.

OPPORTUNITIES AND THREATS

Currently, we have business operations in Andhra Pradesh and Telangana. We plan to expand geographically in to other states across India. Ours is a regulatory oriented business, we need approvals and license for almost all the activities we do. Every state has different laws pertaining to manpower, trading license, etc. and different mannerism of doing business. Our business is therefore significantly dependent on the general economic condition and activity in the states in which we operate, and the central, state and local Government policies relating to our industry. Although investment in the industry in the areas in which we operate has been encouraged, there can be no assurance that this will continue. We may expand geographically, and may not gain acceptance or be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We may face additional risks if we undertake operations in other geographic areas in which we do not possess the same level of familiarity as competitors. If we undertake operations of different product than those currently is; we may be affected by various factors, including but not limited to: Adjusting our products to different geographic areas; Obtaining the necessary materials and labour in sufficient amounts and on acceptable terms; Obtaining necessary Government and other approvals in time or at all; Failure to realize expected synergies and cost savings; Attracting potential customers in a market in which we do not have significant experience; and Cost of hiring new employees and absorbing increased costs.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Your Company, being a man-power intensive unit, employs skilled as well as unskilled employees. The employees are trained in order to deliver the appropriate mix and taste while making corn samosas and other eatables. It places high importance to its employees and ensures their well being to the extent possible. The employer – employee relations are maintained cordial, thus ensuring smooth operations. we employ 58 people on our rolls. We have also received ISO 9001:2008 & ISO 22000:2005 Certifications.

For and on behalf of the Board of
Tanvi Foods (INDIA) Limited

Sd/-

A. Sri Nagaveer
Managing Director
DIN: 02096695

Place: Hyderabad
Date: 24/09/2016

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.]

I. REGISTRATION & OTHER DETAILS:

1. CIN	U15433TG2007PLC053406
2. Registration Date	30.03.2007
3. Name of the Company	TANVI FOODS (INDIA) PRIVATE LIMITED**
4. Category /Sub-category of the Company	Private Company Limited by Shares / Non-Government Company.
5. Address of the Registered office contact details	Door No.7-2-4/D, Old Canteen Building Sanathnagar Industrial Estate, Opp:SBH, Sanathnagar Hyderabad – 500018 Email: md@cornclub.info Contact: 040-23701289 Website: www.tanvifoods.com
6. Whether listed company	NO
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

** The Company was converted from Private Limited to Public Limited with effect from 15.09.2016.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Businessactivities which contribute to 10%ormoreof thetotalturnoverofthecompany shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading, distribution, and processing of Food and Beverages	56102	97.79

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Company is not having any Holding, Subsidiary and Associate Companies.

Sl.No.	Nameof the Company	CIN	Holding / Subsidiary/ Associate company	% of shares held	Applicable Section
1.	Polar Cube Cold Storage Solutions Private Limited	U63020TG2013PTC086490	Subsidiary	100	2 (87)(ii)
2.	Squarepeg Distribution Services Private Limited	U15122AP2014PTC092550	Subsidiary	100	2 (87)(ii)

Note : 5 equity shares in each of the aforesaid subsidiaries are held in the name of Mr. A Sri Nagaveer, whose beneficial ownership is held by Tanvi Foods (India) Limited.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-wise Share Holding

Category of	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year theyear				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
a) Individual/ HUF	NIL	2,000,000	2,000,000	72.73	Nil	2,252,701	2,252,701	65.39	7.34
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Any other(promoter group)	NIL	7,50,000	7,50,000	27.27	NIL	7,52,038	7,52,038	21.83	(5.44)
0	0								
Sub Total (A) (1)	NIL	2,750,000	2,750,000	100	NIL	30,04,739	30,04,739	87.22	(12.78)
(2) Foreign									
(a) NRIs Individuals									
b) Other Individuals)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(b) Banks	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
(c) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub Total (A) (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2).	NIL	2,750,000	2,750,000	100	NIL	30,04,739	30,04,739	87.22	(12.78)
B. Public Shareholding									
1. Institutions	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) FIs	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
Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions									
a) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Indian	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	NIL	NIL	NIL	NIL	NIL	10	10	Neg ligible	Neg ligible
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	NIL	NIL	NIL	NIL	440026	440026	12.78	12.78
c) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i.Non Resident Indians	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
ii.Directors	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
iii.Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	440026	440026	12.78	12.78
Total Public Shareholding (B)=(B)(1)+ (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	2,750,000	2,750,000	100	NIL	3,444,775	3,444,775	100	NIL

(ii) Shareholding of Promoters/Promoters group :

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	No of Shares	% of total Shares of the company	% of Shares Pledges/ encumbered to total shares	
PROMOTER								
1	Sri Nagaveer Adusumilli	20,00,000	72.73	NIL	2,252,701	65.39	NIL	7.34
	Total	20,00,000	72.73	NIL	2,252,701	65.39	NIL	7.34
PROMOTER GROUP								
1	Vasavi Adusumilli	450,000	16.36	NIL	452,038	13.12	NIL	(3.24)
2	Sarat Chandra Babu Adusumilli	2,00,000	7.27	NIL	200,000	5.81	NIL	(1.46)
3	Sarada Adusumilli	1,00,000	3.64	NIL	100,000	2.90	NIL	(0.74)
	TOTAL	7,50,000	27.27	NIL	7,52,038	21.83	NIL	(5.44)

(iii) Change in Promoters' / promoters Shareholding:

Sl. No.	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		Date	Rea-son	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
PROMOTER								
2	Sri Nagaveer Adusumilli							
	Atthebeginningoftheyear	01.04.2015		2,000,000	72.73			
	Changes during the year	02.12.2015	Allotment	2,52,711	1.92	2,252,711	81.92	
	At the end of the year	01.03.2016	Transfer	(10)	Negligible	2,252,701	81.92	
		31.03.2016				2,252,701	65.39	

PROMOTER GROUP

1	Sri Nagaveer Adusumilli							
	Atthebeginningoftheyear	01.04.2015				450,000	16.36	
	Changes during the year	02.12.2015	Allotment	2,038	0.07	452,038	16.44	
	At the end of the year	31.03.2016				452,038	13.12	

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

Sl. No.	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Date	Rea-son	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
PROMOTER							
1	Paturi Sarada Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 02.12.2015 31.03.2016	Allotment	Nil 2,20,013	- 8	2,20,013 2,20,013	8 6.39
2	M. Sravanthi Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 02.12.2015 31.03.2016	Allotment	Nil 2,20,013	- 8	2,20,013 2,20,013	8 6.39
3	Srinivas Reddy Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 01.03.2016 31.03.2016	Transfer	Nil 10	- -	10 10	- -

(v)Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Date	Rea-son	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
PROMOTER							
1	Vasavi Adusumilli Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 02.12.2015 31.03.2016	Allotment	450,000 2,038	16.36 0.07	452,038 452,038	16.44 13.12
2	Sri Nagaveer Adusumilli Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 02.12.2015 31.03.2016	Allotment	2,000,000 2,52,711	72.73 1.92	22,52,711 22,52,701	81.92 65.40
3	Sri Nagaveer Adusumilli Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 - 31.03.2016		2,000,000	7.27	NIL 2,00,000	NLI 5.81
4	Sarada Adusumilli Atthebeginningoftheyear Changes during the year At the end of the year	01.04.2015 - 31.03.2016		1,000,000	3.64	NIL 1,00,000	NLI 2.90

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	9,55,92,450	19,844,695	NIL	11,54,37,145
ii) Interest due but not paid		67,500		67,500
iii) Interest accrued but not due				
Total (i+ii+iii)	9,55,92,450	19,912,195	NIL	11,55,04,645
Change in Indebtedness during the financial year				
* Addition	21,940,994	27,384,754	Nil	49,325,748
* Reduction	(10,537,822)	(19,809,097)		(30,346,919)
Net Change	11,403,172	75,75,657		18,978,829
Indebtedness at the end of the financial year				
i) Principal Amount	106,811,797	27,185,727		133,997,524
ii) Interest due but not paid				
iii) Interest accrued but not due	183,825	302,125		485,950
Total (i+ii+iii)	10,69,95,622	27,487,852		134,483,474

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. No	Particulars of Remuneration	Name of the MD / WTD Manager MD: A.SriNagaveer	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	695,833 695,833	695,833 695,833
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others	Nil	Nil
	Total (A)	695,833	695,833
	Ceiling as per the Act (As per Schedule V of the Act)	N.A.	N.A.

Note :The remuneration paid to Mr. Adusumilli Sri Nagaveer pertains to period commencing on 14.10.2015 and ending on 31.03.2016

B. Remuneration to other directors:

S No.	Particulars of Remuneration	Name of Directors			Total Amount
		A.Vasavi	A.Sarat Chandra Babu	A.Sarada	
1	Gross salary	900,000	240,000	225,000	1,365,000
A	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900,000	240,000	225,000	1,365,000
B	Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
C	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission -as % of profit -others	NIL NIL	NIL NIL	NIL NIL	NIL NIL
5	Others	NIL	NIL	NIL	NIL
	Total	900,000	240,000	225,000	1,365,000
	Ceiling as per the Act (As per Schedule V of the Act)	N.A.	N.A.	N.A.	

Remuneration to other directors: Nil

B. Remuneration To Key Managerial Personnel other than MD/Manager/WTD: NIL

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)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

Policy for selection of Directors and determining Directors Independence**1. Introduction:**

- 1.1 Tanvi Foods (INDIA) Limited believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, Tanvi Foods (INDIA) Limited ensures constitution of the Board of Directors with required composition, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 Tanvi Foods (INDIA) Limited recognizes the importance of Independent Directors in achieving the effectiveness of the Board.

2. Scope:

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 "Director" means a Director appointed to the Board of the Company.
- 3.2 "Nomination and Remuneration Committee" means a Committee constituted by Tanvi Foods (INDIA) Limited's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3 "Independent Director" means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

4. Policy:**4.1 Qualifications and Criteria**

- 4.1.1 The Nomination and Remuneration (NR) Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

4.1.2 In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as:

- General understanding of the Industry vis a vis Company's business perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall disclose his concern or interest in any Company or Companies or Bodies Corporate, Firms including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
 - h. who is not less than 21 years of age.
- 4.2.3 The Independent Directors shall abide by the “Code for Independent Directors” as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of and the time involved in a Director’s service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as a Director in more than 20 companies of which not more than shall be 10 Public Limited Companies.

Remuneration Policy for Directors, Key Managerial Personnel and other employees**1. Introduction:**

Tanvi Foods (INDIA) Limited recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration is based on such parameters reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “Director” means a director appointed to the Board of the company.

3.2 “Key Managerial Personnel” means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “Nomination and Remuneration Committee” means the committee constituted by the Board of Directors of Tanvi Foods (INDIA) Limited in accordance with the provisions of Section 178 of the Companies Act, 2013.

4. Policy:**4.1 Remuneration to Executive Directors and Key Managerial Personnel**

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Commission (Applicable in case of Executive Directors)

(iv) Retiral benefits

(v) Annual Performance Bonus

4.2 Remuneration to Non-Executive Directors

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders, if any.

4.3 Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Vigil Mechanism and Whistle Blower Policy

As referred in the Directors Report, the Company has framed and adopted the Whistleblower policy that covers our directors and employees. The policy is subject to need based review and modifications, if required, from time to time. The Policy, as applicable currently, is laid hereunder and is also posted on our website www.tanvifoods.com

Scope and purpose:

Tanvi Foods (INDIA) Limited is committed to complying with the foreign and domestic laws that apply to it, satisfying the Company's Code of Conduct and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties that may have cascading impact and may prove fatal consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company's policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the 'Policy' or the 'Vigil Mechanism and Whistle Blower Policy'). You are required to read this Policy and acquaint yourself with the same.

Report at the earliest - Nip at the bud

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, harassment, discrimination in your employment etc.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company's policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company's policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

How & Where to Report

You must report all suspected violations to (i) your immediate supervisor; (ii) the nodal officer, i.e., the Company Secretary; at or (iii) anonymously, by sending an email to:

If you have reason to believe that your immediate supervisor or the Company Secretary is involved in the suspected violation, your report may be made to the Chairman of the Audit Committee at:

Chairman, Audit Committee, Tanvi Foods (INDIA) Limited, Ground Floor, B-12, Madhura Nagar, Hyderabad.

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

Post reporting Investigation

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company's policy.

Zero - Retaliation policy

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

Modification

The Audit Committee or the Board of Directors of Tanvi Foods (INDIA) Limited can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with national, state or local regulations and / or accommodate organizational changes within the Company.

Please sign the acknowledgment form below and return it to the Company Secretary. This will let the Company know that you have received the Policy and are aware of the Company's commitment to a work environment free of retaliation for reporting violations of any Company policies or any applicable laws.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s Tanvi Foods (India) Private Limited

Report on Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of M/s Tanvi Foods (India) Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and 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 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 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 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 misstatement, 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 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 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 the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31st March, 2016 and its Profit and its 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.
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 it appears from our examination of those books;
 - (c) The Balance Sheet, The Statement of Profit and Loss and the 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 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 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 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 does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GV & Co.,
Chartered Accountants

Sd/-
Grandhi Vittal
Proprietor
M.No. 206462
Firm Regn No. 012875S

Place : Hyderabad
Date : 01st September, 2016

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2016, we report that:

- (i)
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification and the same have been properly dealt with in the books of account.
 - 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)
- a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii)
- a) 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 Companies Act, 2013.
 - b) In case of loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (b) of the order is not applicable to the company in respect of repayment of principal amount.
 - c) There are no overdue amounts in respect of the loans granted to companies, firms, Limited Liability Partnerships or other parties listed 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, investments, guarantee and security made.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore the provisions of sec 73 to 76 and the rules framed there under are not applicable to the Company.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations. Therefore the provisions of Clause 3 (vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been generally regular in depositing, during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income-tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material statutory dues including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues pending for deposit with the appropriate authorities on account of any dispute, except as follows;

Sl. No.	Name of the Statue	Nature of Dues	Disputed Amount	Period	Forum, where the dispute is pending	Amount deposited towards disputed demand amount
1	Income Tax Act, 1961	Income Tax	23,35,802	2012-13	The Commissioner of Income Tax (Appeals)	
2	Income Tax Act, 1961	Interest on Income Tax	11,69,502	2012-13		10,00,000

- (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 defaulted in repayment of dues to financial institutions, banks and debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.

However, the Company has issued / allotted the Equity Shares for acquiring two private limited companies as Wholly Owned Subsidiaries, M/s Squarepeg Distribution Services (P) Ltd., and M/s Polarcube Cold Storage Solutions (P) Ltd.

Sl.No.	Particulars	No. of Shares issued	Amount
M/s Squarepeg Distribution Services (P) Ltd.			
1	Adusumilli Sri Nagaveer	2,53,806	25,38,060
2	Adusumilli Vasavi	943	9,430
M/s Polar Cube Cold Storage Solutions (P) Ltd.			
1	Paturi Sarada	2,20,008	22,00,080
2	Mikkilineni Sravanthi	2,20,013	22,00,130

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company is not a Public company, and the provisions of section 197 read with Schedule V to the Act relating to managerial remuneration is not applicable to the company.
- (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.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a Public company, and the provisions of section 177 and 188, to the extent of applicable of the Act relating to transactions with the related parties.

According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with 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 given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of preference shares or fully or partly convertible debentures during the year.

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into non-cash transactions with directors or persons connected with him.

The Particulars are as follows:

The Company has acquired M/s Squarepeg Distribution Services (P) Ltd., and the following Equity Shares were allotted to the Mr. Sri Nagaveer Adusumilli, Managing Director, and Mrs. Vasavi Adusumilli, Director as fully paid up for consideration other than cash.

Sl.No.	Particulars	No. of Shares issued	Amount
1	Adusumilli Sri Nagaveer	2,53,806	25,38,060
2	Adusumilli Vasavi	943	9,430

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For GV & Co.,
Chartered Accountants

Sd/-
Grandhi Vittal
Proprietor
M.No. 206462
Firm Regn No. 012875S

Place : Hyderabad
Date : 01st September, 2016.

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 M/s Tanvi Foods (India) Private Limited ("the Company") as of 31 March 2016 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.

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 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 31st March 2016, 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 GV & Co.,
Chartered Accountants

Grandhi Vittal
Proprietor
M.No. 206462
Firm Regn No. 012875S

Place : Hyderabad
Date : 01st September, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Amount in ₹

Particulars	Note No	As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	3,44,47,750	2,75,00,000
(b) Reserves and surplus	4	3,57,80,898	1,67,44,104
Share application money pending allotment	5	-	-
Non-current liabilities			
(a) Long-term borrowings	6	3,35,92,084	3,81,92,713
(b) Deferred tax liabilities (net)		36,24,240	12,31,017
(c) Other long-term liabilities	7	70,000	70,000
(d) Long-term provisions	8	1,41,793	-
Current liabilities			
(a) Short-term borrowings	9	7,55,48,542	6,54,60,958
(b) Trade payables	10	83,60,522	60,47,385
(c) Other current liabilities	11	2,94,74,174	1,54,92,804
(d) Short-term provisions	12	34,34,320	24,09,900
TOTAL		22,44,74,325	17,31,48,881
II. ASSETS			
Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		5,59,52,088	4,71,18,097
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		44,48,333	5,85,000
(iv) Intangible assets under development		-	-
(b) Non-current investments	14	1,18,11,190	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	15	1,69,69,214	1,28,32,754
(e) Other Non-Current Assets	16	-	-
Current Assets			
(a) Current investments		-	-
(b) Inventories	17	10,80,33,048	8,17,93,484
(c) Trade receivables	18	1,33,29,464	2,73,46,962
(d) Cash and bank balances	19	16,12,176	16,42,563
(e) Short-Term loans and advances	20	1,14,83,065	18,30,021
(f) Other Current Assets	21	8,35,748	-
(g) Branch & Divisions		-	-
TOTAL		22,44,74,325	17,31,48,881
III. Company Information			
Summary of Significant Accounting Policies	1		
The accompanying notes are an integral part of the financial statements.	2		
	3 to 47		

As per my report of even date.

For GV & Co.,

Chartered Accountants

Sd/-

Grandhi Vittal

Proprietor

Member Ship No.206462

Firm Regn No. 0128755

Place : Hyderabad

Date : 01.09.2016

For and on behalf of the Board of Directors

Sd/-

Adusumilli Sri Nagaveer
Managing Director

Sd/-

Adusumilli Vasavi
Additional Director

Sd/-

Banda Mahalakshmi
Chief Financial Officer

Sd/-

Shilpa Kotagiri
Company Secretary

STATEMENT PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016 Amount in ₹

Particulars	Note No	For the year ended 31.03.2016	For the year ended 31.03.2015
I. Revenue from operations	22	48,16,62,140	34,37,14,088
II. Other income	23	92,36,083	51,464
III. TOTAL REVENUE (I + II)		49,08,98,223	34,37,65,552
IV. Expenses:			
(a) Purchase of Stock -in- Trade & Direct Exp.	24	44,76,02,153	28,28,32,708
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(2,62,39,564)	(1,74,67,485)
(c) Employee benefit expenses	26	98,61,057	1,47,98,500
(d) Finance costs	27	1,70,59,339	1,29,75,511
(e) Depreciation and amortization expenses	13	79,09,472	41,88,000
(f) Other Expenses	28	2,34,23,762	3,62,00,278
TOTAL EXPENSES		47,96,16,219	33,35,27,512
V. Profit before exceptional & extraordinary items, prior period items and tax (III - IV)		1,12,82,004	1,02,38,040
VI. Exceptional items		46,21,304	-
VII. Prior Period items	29	8,04,184	(1,57,112)
VIII. Profit before extraordinary items and tax (V-VI & VII)		1,67,07,492	1,00,80,928
IX. Extraordinary items		-	-
X. Profit before tax (VIII - IX)		1,67,07,492	1,00,80,928
XI. Tax expense:			33.87
Provision for Income Tax		24,21,083	34,14,501
Current Year		34,06,460	24,09,900
Previous Year		27,860	79,420
Provision for Deferred Tax		23,93,223	9,25,181
MAT Credit Entitlement		(34,06,460)	-
XII. Profit for the period from continuing operations (X - XI)		1,42,86,409	66,66,427
Discontinuing Operations			
XIII. Profit / (Loss) from discontinuing operations (before tax)		-	-
XIV. Tax expense of discontinuing operations		-	-
XV. Profit / (Loss) from discontinuing operations (after tax)		1,42,86,409	66,66,427
XVI. Earnings per equity share:			
EPS before Exceptional, Extraordinary Items & Prior-period;			
Basic (Face Value of Rs.10/- each)		2.92	2.48
Diluted (Face Value of Rs.10/- each)		2.92	2.48
EPS after Exceptional, Extraordinary Items & Prior-period;			
Basic (Face Value of Rs.10/- each)		4.70	2.42
Diluted (Face Value of Rs.10/- each)		4.70	2.42
XVII. Company Information	1		
Summary of Significant Accounting Policies	2		
The accompanying notes are an integral part of the financial statements.		3 to 47	

As per my report of even date.

For GV & Co.,

Chartered Accountants

Sd/-

Grandhi Vittal

Proprietor

Member Ship No.206462

Firm Regn No. 012875S

Place : Hyderabad

Date : 01.09.2016

For and on behalf of the Board of Directors

Sd/-
Adusumilli Sri Nagaveer
 Managing Director

Sd/-
Adusumilli Vasavi
 Additional Director

Sd/-
Banda Mahalakshmi
 Chief Financial Officer

Sd/-
Shilpa Kotagiri
 Company Secretery

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2016

Amount in ₹

Particulars	As at 31.03.2016 Amount	As at 31.03.2015 Amount
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before exceptional items and tax	1,67,07,492	1,00,80,928
Adjustments for :		
Depreciation and Amortisation Expense	79,09,472	41,88,000
(Profit) / Loss on sale of fixed assets (net)	1,81,950	-
(Profit) / Loss on sale of investments (net)	-	-
Preliminary Expenditure Written Off	-	-
Other Income	(92,36,083)	(51,464)
Effect of Exchange Rate change		-
Finance Costs	1,70,59,339	1,29,75,511
Cash generated from operations before working capital changes	3,26,22,170	2,71,92,975
Adjustments for working capital changes		
(Increase)/Decrease in Inventories	(2,62,39,564)	(1,74,67,484)
(Increase)/Decrease in Trade Receivables	1,40,17,498	(1,17,34,444)
(Increase)/Decrease in Short term Loans & Advances	(96,53,044)	(5,62,485)
(Increase)/Decrease in Long term Loans & Advances	(7,30,000)	(1,17,92,754)
Increase/(Decrease) in Trade Payables	23,13,137	48,05,085
(Increase)/Decrease in Long term/Short term Provisions	13,11,226	(79,420)
(Increase)/Decrease in Other current liabilities	1,39,81,370	77,99,863
(Increase)/Decrease in Other Current Assets	(8,35,748)	-
Cash generated from Operations	2,67,87,047	(18,38,664)
Direct Taxes paid	(35,79,333)	(8,83,340)
Net Cash from Operating activities	2,32,07,714	(27,22,004)
B. Cash flow from Investing Activities		
Purchase of tangible/intangible assets	(1,25,67,163)	(3,31,18,385)
Sale proceeds of tangible assets	1,50,000	-
Other Income	92,36,083	51,464
Capital Work-in-progress	(38,63,333)	(5,85,000)
(Purchase) / Sale of Investments (Net)	(1,18,11,190)	-
Cash flow before exceptional items	(1,88,55,603)	(3,36,51,921)
Exceptional Items		(46,21,304)
Net Cash generated from Investment Activities	(2,34,76,907)	(3,36,51,921)
C. Cash Flow from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	69,47,750	(42,00,000)
Securities Premium on Equity Share Capital	48,63,440	
Proceeds / (Repayment) from Long Term Borrowings	(46,00,629)	1,56,70,998
Proceeds / (Repayment) from Short Term Borrowings	1,00,87,584	3,84,66,796

Finance Costs	(1,70,59,339)	(1,29,75,511)
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-
Net cash used in financing activities	2,38,806	3,69,62,283
Net (Decrease) / Increase in cash and cash equivalents	(30,387)	5,88,358
Cash and cash equivalents at the beginning of the year	16,42,563	10,54,205
Cash and Cash equivalents at the end of the year	16,12,176	16,42,563

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013.
2. Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my report of even date.
 For GV & Co.,
 Chartered Accountants
 Sd/-
 Grandhi Vittal
 Proprietor
 Member Ship No.206462
 Firm Regn No. 012875S
 Place : Hyderabad
 Date : 01.09.2016

For and on behalf of the Board of Directors

Sd/-	Sd/-
Adusumilli Sri Nagaveer	Adusumilli Vasavi
Managing Director	Additional Director
Sd/-	Sd/-
Banda Mahalakshmi	Shilpa Kotagiri
Chief Financial Officer	Company Secretary

Notes to the financial statements for the year ended 31st March, 2016**Note Nos.****1 General Information:**

M/s. Tanvi Foods (India) Private Limited ("the Company") (CIN:U15433TG2007PTC053406) is engaged in the Manufacturing of Corn Samosa, Spring Roll & Trading of Frozen Foods. The company functioning it business in Vijayawada, Krishna District, Andhra Pradesh and Hyderabad, Telangana. The company running its business in the style of "Frozen Kings" and "Corn Club".

2 Summary of Significant Accounting Policies**2.1 Basis of Accounting ;**

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally

Accepted Accounting Principles that are followed by the company.

2.2 Use of Estimates ;

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Contingencies and events occurring after the balance sheet date (AS 4) ;

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

2.4 Fixed Assets, Depreciation and Intangible Assets (AS 10, 6 & 26);

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also included to the extent they related to the period till such assets are ready to be put to use. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold. Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Leasehold premises is depreciated over the Lease period.

2.5 Capital Work-In-Progress (AS 10)

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

2.6 Government Grants (AS 12)

- i) The grants or subsidies received in the nature of promoters contributions are treated as capital receipts and credited to capital reserves.
- ii) The grants or subsidies received relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- iii) The grant in the form of revenue subsidy is treated as revenue receipt and credited to "Other Income" in statement of Profit and Loss.

Notes to the financial statements for the year ended 31st March, 2016 [contd.]

2.7 Borrowing Cost (AS 16);

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

2.8 Investments (AS 13);

- i) Investments are capitalised at actual cost including costs incidental to acquisition.
- ii) Investments are classified as long-term or current at the time of making such investments.
- iii) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary. Investments held in Subsidiary Companies are stated at cost.
- iv) Current investments are valued at the lower of cost and market value.

2.9 Inventories (AS 2);

- i) Inventories are valued at lower of cost or Net Realisable Value.
- ii) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- ii) The basis of determining cost for various categories of inventories is as follows:
 - a) Raw Material : At Cost or Realisable Value, whichever is lower.
 - b) Work In Progress : At Cost or Realisable Value, whichever is lower.
 - c) Traded / Finished Goods : At Cost or Realisable Value, whichever is lower.

2.10 Transactions in Foreign Currency (AS 11);

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at

the inception of forward exchange contract and the forward rate specified in the contract is amortised and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortised and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

2.11 Revenue Recognition (AS 9);**i) Sale of Goods:**

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of sales tax, trade discounts and claims etc.

ii) Other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

2.12 Retirement and other employee benefits (AS 15);

Defined Contribution Plan : The company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan : The company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation provisional made at the end of financial year. Provision for leave entitlement accounted on accrual basis at the end of the financial year.

The same is in compliance with AS-15 to the extent applicable.

Notes to the financial statements for the year ended 31st March, 2016 [contd.]

2.13 Provision for Current tax, and Deferred tax (AS 22);

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

Provision for income tax is made on the basis of estimated taxable income. Advance Tax and Tax Deducted at Source (TDS) are shown in the balance sheet under head Loans and advances during the year and in subsequent years the Advance Tax & TDS are adjusted against Provision for Tax on receipt of intimation u/s 143(1) of Income Tax Act, 1961 or the Assessment completed for the relevant year.

2.14 Cash Flow Statement (AS 3);

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

2.15 Provisions, Contingent Liabilities and Contingent Assets (AS 29);

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent

Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

2.16 Impairment of Assets (AS 28);

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same is in compliance with AS-28 to the extent applicable.

2.17 Leases (AS 19);

Operating lease payments and finance lease payments are recognized as expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users' benefit.

The same is in compliance with AS-19 to the extent applicable.

2.18 Extra-ordinary and Exceptional items & Changes in Policies (AS 5);

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that it's impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

2.19 Earnings Per Share (AS 20) ;

- i) The Basic earning per share is calculated considering the weighted average number of equity shares outstanding during the year.
- ii) The Diluted earning per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31.03.2016

Amount in ₹

Note No. 3 Share Capital

S.no	Particulars	As at 31.03.2016 Amount In Rs.		As at 31.03.2015 Amount In Rs.	
		Number	Amount	Number	Amount
(i)	Authorised Equity Shares of Rs. 10/- each with Voting Rights	37,50,000	3,75,00,000	30,00,000	3,00,00,000
(i)	Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights	34,44,775	3,44,47,750	27,50,000	2,75,00,000
	Total	34,44,775	3,44,47,750	27,50,000	2,75,00,000

(a) Reconciliation of number of shares:

S.no	Particulars	As at 31.03.2016 Amount In Rs.		As at 31.03.2015 Amount In Rs.	
		Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	27,50,000	2,75,00,000	7,50,000	75,00,000
2	Equity Shares Issued during the year	6,94,775	69,47,750	20,00,000	2,00,00,000
3	Equity Shares bought back during the year	-	-	-	-
4	Equity Shares outstanding at the end of the year	34,44,775	3,44,47,750	27,50,000	2,75,00,000

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

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the 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, in proportion to their shareholding. (c)

Details of shares held by Shareholders holding more than 5 % of the shares in the company:

S. No	Particulars	31.03.2016		31.03.2015	
		Number of shares held	% of holding	Number shares held	% of holding
1	Adusumilli Sri Nagaveer	22,52,711	65.40%	20,00,000	72.73%
2	Adusumilli Vasavi	4,52,038	13.12%	4,50,000	16.36%
3	Adusumilli Sarat Chandra Babu	2,00,000	5.81%	2,00,000	7.27%
4	Adusumilli Sarada	1,00,000	2.90%	1,00,000	3.64%
5	Paturi Sarada	2,20,013	6.39%	-	0.00%
6	Mikkilineni Sravanthi	2,20,013	6.39%	-	0.00%

(d) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

S. No	Particulars	As at 31.03.2016		As at 31.03.2015	
		Number of shares issued	Amount	Number of shares issued	Amount
1	Paturi Sarada*	2,20,013	22,00,130	-	
2	Mikkilineni Sravanthi*	2,20,013	22,00,130	-	
3	Adusumilli Sri Nagaveer**	2,52,711	25,27,110	-	
4	Adusumilli Vasavi**	2,038	20,380	-	

* 4,40,026/- Equity Shares issued on account of Acquisition of Polarcube Cold Storage Solutions Pvt. Ltd.

** 2,54,749/- Equity Shares issued on account of Acquisition of Squarepeg Distribution Services Pvt. Ltd.

Clause (e), (f), and (h) to (i) (B & C) and (j) to (l) of the Note 6(A) to the Schedule III of the Companies Act, 2013 are not applicable.

Note : 4 Reserves & Surplus

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
Securities Premium Account		
Opening Balance	-	-
Add: Premium on shares issued during the year	48,63,440	-
Less : Utilised during the year	-	-
Closing Balance	<u>48,63,440</u>	-
Profit and Loss Account		
As per last Balance Sheet	1,67,44,104	1,00,77,677
(+) Net Profit for the current year	1,42,86,409	66,66,427
(+) Transfer from Reserves*	(1,13,055)	-
(-) Net Loss for the current year	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
Closing Balance	<u>3,09,17,458</u>	<u>1,67,44,104</u>
Total	<u>3,57,80,898</u>	<u>1,67,44,104</u>

* Pursuant to the enactment of companies Act, 2013, company has applied the estimated useful lives as specified in Schedule-II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortisation and Depletion. Accordingly the unamortized carrying value is being depreciated / amortized over the revised / remaining useful lives. The Written Down Value of Fixed

Assets whose lives has expired have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs.1,13,055/-.

Note : 5 Share Application money pending allotment

-	-
<u>-</u>	<u>-</u>

Note : 6 Long Term Borrowings

Secured

a) Term Loans *

i) From Banks	78,36,122	98,09,692
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	<u>24,88,354</u>	<u>22,59,805</u>
	53,47,768	75,49,887
ii) From NBFC's		
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	<u>-</u>	<u>-</u>

b) Vehicle Loans **		
i) From Banks	1,78,08,904	1,28,21,795
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	58,80,845	34,25,693
	<u>1,19,28,059</u>	<u>93,96,102</u>
ii) From NBFC's	77,44,644	75,00,007
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	39,83,917	25,23,968
	37,60,727	49,76,039
Total Secured Loans	2,10,36,554	2,19,22,028
Unsecured		
Business Loans ***		
i) From Banks	22,31,161	2,29,649
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	7,38,154	2,29,649
	<u>14,93,007</u>	-
ii) From NBFC's	2,28,28,150	1,96,15,046
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	1,17,65,627	33,44,360
	<u>1,10,62,523</u>	<u>1,62,70,686</u>
Loans from Others	-	-
Total Un-Secured Loans	1,25,55,530	1,62,70,686
	<u><u>3,35,92,084</u></u>	<u><u>3,81,92,713</u></u>

"*Term Loans are secured against Fixed Assets of the company, both present and future.
(For details Refer Note No 38)"

"** Vehicles loans are secured by hypothecation of vehicles financed by respective banks.
(For details Refer Note No. 38)"

*** The Company availed Unsecured Business Loans from Banking & Non Banking Financial Institutions (for Details Refer Note No. 38)

Note : 7 Other Long Term Liabilities

Other Liabilites	70,000	70,000
	<u>70,000</u>	<u>70,000</u>

Note: 8 Long Term Provisions

Provision for Gratuity *	1,41,793	
Provision for Taxes	-	-
Provisions - Others		
	1,41,793	-

* Provision made as per the actuarial valuation dt. 18.08.2016 (For details Refer Note No.40)

Note: 9 Short Term Borrowings

Secured		
Loans repayable on demand from Banks *	7,34,22,126	6,54,60,958
Loans repayable on demand from NBFC's	-	-
Loans repayable on demand from Others	-	-
Unsecured		
Loans from Related Parties	-	-
Other Loans and Advances	21,26,416	-
	-	-
	7,55,48,542	6,54,60,958

* Working Capital loans are secured by hypothecation of Stocks & Receivables (present & future) of the Company (For details Refer Note No. 38)

The Company has borrowed Un-secured loans on the following terms & conditions:

Terms & Conditions	Particulars
Rate of Interest	18%
Security	Nil
Terms of Repayment	Repayable on Demand

Note : 10 Trade Payables

Dues to Micro, Small and Medium Enterprises *	-	-
Dues to Others	83,60,522	60,47,385
	83,60,522	60,47,385

* The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Note : 11 Other Current Liabilities

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
Current Maturities of Long Term Debt (Secured) (Refer Note No.6)		
a) Term Loans		-
From Banks	24,88,354	22,59,805
From NBFC's	-	-
b) Business Loans		
From Banks	7,38,154	2,29,649
From NBFC's	1,17,65,627	33,44,360
c) Vehicle Loans		
From Banks	58,80,845	34,25,693
From NBFC's	39,83,917	25,23,968
Interest Accrued and Due on Borrowings **	-	67,500
Interest Accrued But not Due on Borrowings ***	4,85,950	-
Advances received from Customers	-	
Other Payables****	41,31,327	36,41,828
	2,94,74,174	1,54,92,804

Term Loans are secured against Fixed Assets of the company, both present and future (For details Refer Note No 38)

Vehicles loans are secured by hypothecation of vehicles financed by respective Financial Institutions. (For details Refer Note No. 38)

The Company availed Unsecured Business Loans from Banking & Non Banking Financial Institutions (for Details Refer Note No. 38)

** Interest Accrued and Due on Borrowings Consists of:

On Business Loans	-	67,500
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*** Interest Accrued & But not Due on Borrowings consists of:

On Term Loans	10,949	-
On Business Loans	3,02,125	-
On Vehicle Loans	1,72,876	-

**** Other Payables include

Statutory Liabilities	23,59,752	22,14,138
Rent Creditors	1,77,182	38,385
Expenses Payable	15,94,392	13,89,305
Unclaimed Dividend	-	-

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
Note : 12 Short Term Provisions		
Provisions for Employee Benefits	-	-
Provision for Gratuity	-	-
Provisions - Others:		
Provision for Taxes - Current Year	34,06,460	24,09,900
Provision for Taxes - Previous Year	27,860	
Provision for proposed dividend	-	-
Provision for tax on proposed dividends	-	-
	34,34,320	24,09,900

Note : 14 Non-current investments

Long Term Investments - at cost		
(a) Trade Investments	-	-
(b) Other Investments		
Quoted	-	-
Unquoted		
Investments in equity instruments of subsidiaries		
4,45,000 Equity Shares of Polarcube		
Cold Storage Solutions (P) Ltd. of Rs.10/- each.	74,80,450	-
2,67,000 Equity Shares of Sqaurepeg		
Distribuiton Services (P) Ltd. of Rs.10/- each.	43,30,740	-
	1,18,11,190	-

Note : 15 Long Term Loans & Advances

(a) Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	1,28,49,254	1,01,80,254
Doubtful		-
(b) Security Deposits		-
Rent Deposit	7,13,500	11,52,500
Other Deposits	-	-
(c)Loans & Advances to related parties	-	-
(d) Loans & Advances to Employees	-	-
(e) Prepaid Expenses	-	-
(f) Advance Income Tax (Unsecured, Considered good)	-	-

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
(g) MAT Credit Entitlement *	34,06,460	-
(h) Balances with Government Authorities	-	-
(i) Other Loans & Advances		-
Secured, considered good	-	-
Unsecured, considered good	-	15,00,000
(j) Doubtful	-	-
	1,69,69,214	1,28,32,754
Less: Provision for other doubtful loans & advances	-	-
	1,69,69,214	1,28,32,754

* MAT Credit entitlement has been brought in to books and it represents previous years.

Note: Long Term Loans & Advances include amounts due from

Directors - (Rent Deposit)	30,000	-
Other Officers of company	-	-
Firms in which any director is a partner	-	-
Private companies in which any director is a director or member	-	10,00,000

Note : 16 Other Non-Current Assets

(a) Long-term trade receivables	-	-
(b) Unamortised expenses (to the extent not written off or not adj.)	-	-
(c) Accruals	-	-
(d) Other Non-current Assets	-	-

Note: 17 Inventories:

(a) Raw materials	11,54,289	36,47,416
Goods-in-transit		
(b) Work-in-progress	1,83,816	98,56,377
Goods-in-transit		
(c) Finished goods (other than those acquired for trading)	30,79,919	13,22,538
Goods-in-transit		
(d) Stock-in-trade (acquired for trading) *	10,23,88,665	6,69,67,153
Goods-in-transit	12,26,359	
(e) Stores and spares	-	-
Goods-in-transit		

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
(f) Loose tools	-	-
Goods-in-transit		
(g) Others (Specify nature)	-	-
Goods-in-transit		
	10,80,33,048	8,17,93,484

*** Mode of valuation:**

As per Accounting Policy Ref. No. 2.90

Note: 18 Trade Receivables

Trade receivables outstanding for a period exceeding six months from the date they were due for payment

Secured, considered good	-	-
Unsecured, considered good	44,26,915	2,28,46,806
Doubtful	-	-

Trade receivables outstanding for a period less than six months from the date they were due for payment

Secured, considered good	-	-
Unsecured, considered good *	89,02,549	45,00,156
Doubtful	-	-
	1,33,29,464	2,73,46,962

Less: Provision for doubtful trade receivables

	-	-
	1,33,29,464	2,73,46,962

Trade receivables include debts due from:

Directors	-	-
Firms in which any director is interested (M/s Sri Sai Agencies, Proprietorship)	53,22,981	59,94,150
Other officers of the Company	-	-
Private companies in which any director is a director or member (give details per company)	-	-

Note: 19 Cash and Bank Balances

(a) Cash and Cash Equivalents

(i) Balances with banks;		
- In Current Accounts	3,68,409	10,77,148
(ii) Cheques, drafts on hand		
(iii) Cash on hand	12,43,768	5,65,415

(b) Other Bank balances

- In Deposit Accounts		
	16,12,176	16,42,563

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
Note : 20 Short Term Loans & Advances		
(a) Loans & Advances to related parties	-	-
(b) Security deposits	-	-
(c) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	37,86,220	2,97,323
Doubtful	-	-
(d) Prepaid expenses - Unsecured, considered good *	9,44,493	3,54,779
(e) Balances with government authorities		
Unsecured, considered good		
Advance Tax and TDS **	11,69,433	1,713
VAT / EPF	40,156	11,22,124
IT Refund Due	-	-
(f) Inter-corporate deposits	-	-
(g) MAT Credit entitlement - Unsecured, considered good ***	-	-
(h) Other Loans & Advances ****		
Secured, considered good	-	-
Unsecured, considered good	55,42,763	54,082
Doubtful	-	-
	1,14,83,065	18,30,021
Less: Provision for other doubtful loans and advances	-	-
	1,14,83,065	18,30,021

* "Prepaid Expenses" pertains to Insurance, Annual Maintenance Contracts.

** includes Refunds pertaining to earlier years.

*** MAT Credit entitlement has been brought in to books and it represents current year.

****** Other Loans & Advances includes**

Advances to Suppliers	22,97,736	-
Advance for Expenses	-	-
Other Advances	32,45,027	54,082

Note: Short Term Loans & Advances include amounts due from

Directors	-	-
Other Officers of company	-	-
Firms in which any director is a partner	-	-
Private companies in which any director is a director or member	-	-

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In
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Note: 21 Other Current Assets

(a) Unbilled revenue	-	-
(b) Unamortised expenses	-	-
(c) Accruals	51,196	-
(d) Other Current Assets	7,84,552	-
	8,35,748	-

Note: Other Current Assets include amounts due from

Directors	-	-
Other Officers of company	-	-
Firms in which any director is a partner	-	-
Private companies in which any director is a director or member	-	-
Wholly Owned Subsidiaries	7,84,552	-

Particulars	For the year ended 31sr, March, 2016	For the year ended 31sr, March, 2015
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Note: 22 Revenue from operations

Sales - Trading	47,09,98,820	33,54,34,571
VAT Sales @ 5%	1,17,94,269	70,78,891
VAT Sales @ 14.5%	3,24,84,030	81,21,798
VAT Sales @ exempted (incl. CST Sales)	42,67,20,521	32,02,33,882
Sales - Manufacturing	1,06,63,320	82,79,517
VAT Sales @ 5%	55,13,166	37,24,537
VAT Sales @ 14.5%	51,50,154	45,54,980
	48,16,62,140	34,37,14,088
Sale of Goods under broad heads;		
- Frozen Products	46,10,25,022	33,50,96,530
- Dairy and Other Misc.	99,73,798	3,38,041
- Corn Samosa	35,52,303	33,28,339
- Corn Spring Roll	15,97,851	12,26,641
- Corn Kernals and Other Misc.	55,13,166	37,24,537
	48,16,62,140	34,37,14,088

Note: 23 Other income

Corp. Office Sub-Let Income	2,10,000	-
Income through hiring of Vehicles	81,42,645	-
Other Income	3,92,350	51,464
Discount Received	4,91,088	-
	92,36,083	51,464

Note : 24 Purchase of Stock -in- Trade

Purchases		
VAT Purchases @ 5%	68,83,455	39,94,204
VAT Purchases @ 14.5%	2,34,50,394	82,37,462
VAT Purchases @ Exempted	41,58,07,607	24,94,83,729
Direct Expenses at Factory	14,60,697	2,11,17,314
	44,76,02,153	28,28,32,708

Particulars	For the year ended 31sr, March, 2016	For the year ended 31sr, March, 2015
Purchase of Goods under broad heads;		
- Frozen Products & Corn Kernals	42,56,22,954	25,80,32,948
- Dairy Products	1,42,54,708	10,56,943
- Other Misc.	62,63,794	26,25,503
	44,61,41,456	26,17,15,394

Note : 25 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventories at the end of the year:

Raw Material	11,54,289	36,47,416
Work-in-progress	1,83,816	98,56,377
Finished goods	10,66,94,943	6,82,89,691

	10,80,33,048	8,17,93,484
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Inventories at the beginning of the year:

Raw Material	36,47,416	27,72,000
Work-in-progress	98,56,377	76,55,000
Finished goods	6,82,89,691	5,38,99,000

	8,17,93,484	6,43,26,000
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Net increase / (decrease)

	2,62,39,564	1,74,67,485
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Note : 26 Employee benefit expenses

Salaries and Wages	59,66,251	1,18,86,197
Directors Remuneration	20,60,833	13,20,000
Contribution / Provison to provident and other funds *	7,26,583	5,39,913
Staff Welfare Expenses	11,07,390	10,52,390

	98,61,057	1,47,98,500
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* Includes contribution to Employee Provident fund,
Employee State Insurance Scheme and Gratuity.

Note : 27 Finance costs

Interest Expense		
Interest	1,52,53,385	1,24,82,919
Interest on others *	1,51,074	36,087
Other Borrowing Costs:		
Loan Processing Charges	14,73,612	2,23,347
Other Finance Expenses:		
Bank charges	1,81,268	2,33,158

	1,70,59,339	1,29,75,511
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* includes Interest on TDS, Service Tax & VAT.

Particulars	For the year ended 31st, March, 2016	For the year ended 31st, March, 2015
Note : 28 Other Expenses		
Administrative Expenses:		
Administrative Expenses	76,82,583	93,88,262
Annual Maintenance Charges	3,716	30,600
Audit Fee	2,29,000	2,28,000
Consultancy Fee	83,825	41,002
Credit Rating Fee	45,800	-
Donations	18,000	-
Electricity Charges	20,53,952	15,46,006
Fuel Expenses	6,27,212	42,38,921
Insurance Against Loans	77,591	77,167
Professional Charges	-	10,12,380
Loss on sale of asset	1,81,950	-
Miscellaneous Expenses	3,95,604	3,46,881
Net, Cable & News Paper Bill	59,441	69,000
Office Maintenance	4,38,180	9,26,853
Postage & Telegrams	14,902	75,423
Printing & Stationery	1,56,259	1,66,292
Rent Expenses	17,08,360	19,61,790
Repairs & Maintenance	9,42,682	6,42,569
Royalty Expenses	2,40,000	-
ROC Filing Fees	11,800	70,725
Security Service Charges	-	3,26,836
Stock Insurance	52,057	18,767
Subscriptions & Donations	37,014	-
Taxes & Licences	3,11,570	2,24,518
Telephone Charges	3,80,191	4,84,670
Travelling & Conveyance	2,68,280	5,83,505
Vehicle Insurance	6,75,491	13,011
Vehicle Maintenance	8,79,454	13,60,731
Website Design Charges	16,068	31,011
Selling & Distribution Expenses		
Advertising & Marketing Expenses	15,03,798	70,32,511
Baddebts	4,754	1,19,445
Business Promotion	3,96,105	2,38,328
Commission	35,103	1,21,350
Counter Expenses	1,04,162	65,646
Discount Allowed	61,258	1,68,182
Transportation Charges	37,27,599	45,89,900
	2,34,23,762	3,62,00,278

Particulars	For the year ended 31sr, March, 2016	For the year ended 31sr, March, 2015
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Note : 29 Prior Period Items

Contribution / Provision to provident and other funds *	95,869	1,57,112
VAT Paid for Prior Years	1,59,773	
Rent Paid	94,898	
Interest on Term Loan	-11,54,724	
	(8,04,184)	1,57,112

* Includes contribution to Employee Provident fund, Employee State Insurance Scheme and Gratuity.

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In Rs.
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Note: 30 Auditors Remuneration

Payments to Auditors comprises:

As Auditors - Statutory Audit	2,29,000	2,28,000
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Reimbursement of Expenses	-	-

Note : 31 Deferred Tax Liability / (Deferred Tax Asset) (Net)
Deferred Tax Liability on account of

i) Depreciation and Amortisation	24,53,476	9,25,181
Total	24,53,476	9,25,181

Deferred Tax Assets on account of

i) Gratuity	43,814	-
ii) Professional Tax	16,439	-
Total	60,253	-

Net Deferred Tax Liability	23,93,223	9,25,181
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Note : 32 Related Party Disclosures

S.No.	Name of the Related Party	Nature of Relationship
1	Sri. A. Sri Nagaveer	Key Managerial Personnel
2	Smt. A. Vasavi	Key Managerial Personnel
3	Sri. A. Sarat Chandra Babu	Key Managerial Personnel
4	Smt. A. Sarada	Key Managerial Personnel
5	M/s. Sqaurepeg Distribution Services Private Limited	Wholly Owned Subsidiary
6	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	Enterprise over which Directors having Significant Influence (EDS)
7	M/s Pearl Translines Private Limited	Enterprise over which Directors having Significant Influence (EDS)
8	M/s Polar Cube Cold Storage Solutions Private Limited	Wholly Owned Subsidiary

Transactions with Related Parties:

S.No.	Nature of Transaction	FY 2015-16			FY 2014-15				
		KMP	EDS	Subsidiary	Total	KMP	EDS	Subsidiary	Total
1	Rent Deposit	30,000	-	-	30,000	30,000	-	-	30,000
2	Remuneration Payable	2,32,055	-	-	2,32,055	1,97,333	-	-	1,97,333
3	Rent Payable	60,000	-	-	60,000	-	-	-	-
4	Other Current Assets	-	-	7,84,552	7,84,552	-	9,20,000	-	9,20,000
5	Trade Receivables	53,22,981	-	53,22,981	-	59,94,150	-	59,94,150	-
6	Trade Payables	-	-	-	-	-	65,446	-	65,446
7	Investments	-	-	1,18,11,190	1,18,11,190	-	-	-	-
8	Loans and Advances	-	-	-	-	-	10,00,000	-	10,00,000

Balances with Related Parties As At 31.03.2016 :

S.No.	Nature of Transaction	FY 2015-16			FY 2014-15				
		KMP	EDS	Subsidiary	Total	KMP	EDS	Subsidiary	Total
1	Rent Deposit	30,000	-	-	30,000	30,000	-	-	30,000
2	Remuneration Payable	2,32,055	-	-	2,32,055	1,97,333	-	-	1,97,333
3	Rent Payable	60,000	-	-	60,000	-	-	-	-
4	Other Current Assets	-	-	7,84,552	7,84,552	-	9,20,000	-	9,20,000
5	Trade Receivables	-	53,22,981	-	53,22,981	-	59,94,150	-	59,94,150
6	Trade Payables	-	-	-	-	-	65,446	-	65,446
7	Investments	-	-	1,18,11,190	1,18,11,190	-	-	-	-
8	Loans and Advances	-	-	-	-	-	10,00,000	-	10,00,000

Disclosure in respect of material transactions during the year:

S.No.	Particulars	FY 2015-16	FY 2014-15
1	<u>Directors Remuneration</u>		
	Sri. A. Sri Nagaveer	6,95,833	
	Smt. A. Vasavi	9,00,000	9,00,000
	Sri. A. Sarat Chandra Babu	2,40,000	2,40,000
	Smt. A. Sarada	2,25,000	1,80,000
2	<u>Salary</u>		
	Sri. A. Sri Nagaveer	8,04,167	15,00,000
3	<u>Rent (Expenses)</u>		
	Smt. A. Vasavi	1,80,000	1,44,000
4	<u>Freezer Placing Expenses</u>		
	M/s. Sqaurepeg Distribution Services Private Limited	2,86,250	-
	M/s. Polar Cube Cold Storage Solutions Private Limited	56,180	-
5	<u>Transport Charges</u>		
	M/s. Sqaurepeg Distribution Services Private Limited	23,38,500	-
	M/s. Pearl Translines Private Limited	9,38,775	-
6	<u>Royalty (Expenses)</u>		
	Sri. A. Sri Nagaveer	2,40,000	-
7	<u>Rent (Income)</u>		
	M/s. Sqaurepeg Distribution Services Private Limited	85,49,777	-
8	<u>Sales</u>		
	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	18,11,099	22,39,149
9	<u>Rent Deposits</u>		
	Smt. A. Vasavi	30,000	30,000
10	<u>Investments (Wholly Owned Subsidiary)</u>		
	M/s. Sqaurepeg Distribution Services Private Limited	43,30,740	-
	M/s. Polar Cube Cold Storage Solutions Private Limited	74,80,450	-

Note:

1. Related Party relationships as given above is as identified by the Company and relied upon by the Auditors.
2. M/s Pearl Translines Private Limited is not a Related Party (EDS) from 2nd January, 2016.
3. Amounts mentioned above inclusive of applicable taxes.
4. Previous years data provided based on the status in current year.

Particulars	As at 31.03.2016 Amount In Rs.	As at 31.03.2015 Amount In Rs.
33 Note: Earnings Per Share		
Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR)	1,42,86,409	66,66,427
Profit before Exceptional, Extraordinary Items & Prior-period;	88,60,920	68,23,539
No of Equity shares	34,44,775	27,50,000
Face value per share (INR)	10.00	10.00
Weighted average No of Equity shares	30,36,642	27,50,000
EPS before Exceptional, Extraordinary Items & Prior-period;		
Basic Earnings per share (INR)	2.92	2.48
Diluted Earnings per share (INR)	2.92	2.48
EPS after Exceptional, Extraordinary Items & Prior-period;		
Basic Earnings per share (INR)	4.70	2.42
Diluted Earnings per share (INR)	4.70	2.42
<p>The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.</p>		
34 Note: Earnings in foreign currency		
Export of Goods calculated on FOB basis	-	-
35 Note: Expenditure in foreign currency	-	-
36 Note: Tax Expense		
The Tax Expenses for the year comprises of;		
Income Tax	27,860	24,89,320
Current Year	34,06,460	24,09,900
Less : MAT Credit	(34,06,460)	-
Previous Year	27,860	79,420
Deferred Tax	23,93,223	9,25,181

Note : 37 Obligations towards operating leases

The company has entered into operating lease arrangements for its premises at various locations.

Future minimum lease payments		
not later than one year	12,65,120	16,93,606
later than one year and not later than five years	21,99,734	29,36,494
later than five years	32,07,600	37,35,960
The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices:		
On account of Lock-in Period	-	-
On account of Notice Period	3,82,780	3,64,650
Lease payments recognized in the Statement of Profit and Loss	17,08,360	19,61,790
Sublease payments received / receivable recognized in the Statement of Profit and Loss	2,10,000	-

Note: 38 Working Capital Loan / Term Loan/ Vehicle Loans:**Working Capital Loan from Andhra Bank:****Cash Credit Limits:****Rate of Interest:**

Cash Credit from Andhra Bank: Interest at the rate of 2.25% margin above the base rate which is presently 9.75% P.A. Present effective rate 12.00% P.A.

Margin:

25% on Stock & 30% on receivables not older than 90 days

Primary Security:

Hypothecation of stock of Raw Material, Consumables, Work in Progress, Finished Goods & Assignment of receivables.

Collateral Security:

a) Hypothecation of Plant and Machinery and other fixed assets with value of Rs.151.73 Lakhs after reducing the Vehicles value of Rs.319.45 Lakhs from total WDV of Assets of Rs.471.18 Lakhs, Standing in the name of M/s Tanvi Foods India Private Limited valued as per ABS on 31.03.2015 (since the company has taken vehicle loans from other banks, the same is excluded from WDV of Fixed Assets.

b) Vacant land situated at R.S.No.3571/2008, L.R.S.No.3571/2008, Plot No.980, Near door No.2-94, Tadigadapa Donka Road, Janchaitanya layout, poranki village & Grampanchayat, Penamaluru mandal with appurtenant site of 209.00 Sq. yards or 174.81 sq.mts. standing in the name of Tamma Reddy Venkataratnam, Valued at 31.35 Lakhs as per valuation dt.08.01.2016.

c) Vacant House site situated at R S No.302 to 310, 320, 321, 322, 324 to 361, 363 to 365, 384, 385, 387 to 391, 399, Plot No.295 LIG Nallagandla HUDA Residential complex, Nallagandla Village, Serilingampally, GHML & Mandal, Ranga Reddy District, Telangana with an extent of 331.89 sq.yds standing in the name of Adusumilli Vasavi, Valued at 83.00 Lakhs dt.08.01.2016

d) Residential Flat (Two Bed Room) situated at R S No.8, MW No.30, Asst. No.263992, Flat No.PH-5, 4th Floor, Kakathiya Apartments, No.5 Bus route, Ashok Nagar, Ramachandra Nagar Patamata, Vijayawada, Krishna District, with an extent of 1526.00 Sq. Yards or 1276.39 Sq. Mts. standing in the name of Adusumilli Vasavi, Valued at 46.72 Lakhs dt.08.01.2016

e) Vacant site and GI Sheet shed under construction situated at R S No.262/1, 263, 273/3B, L P No.33/2013 Plot No.151, 152, Back side of Airport area, Kesarapalli Village, Gannavaram Mandal, Krishna District, with an appurtenant site of 721.00 Sq.Yards of 603.06 Sq. Mts. standing in the name of Adusumilli Vasavi, Valued at 121.50 Lakhs dt.08.01.2016

f) Flat No. S-4, with a plinth area of 744 Sft, 2nd Floor, Sai Kakatiya Apartments, Ramachandra Nagar, Ashok Nagar, Vijayawada, standing in the name of Adusumilli Sarath Chandra Babu, Valued at 30.76 Lakhs dt.16.06.2014

g) Residential House Falt No.171, Measuring 200 Sq. Yards situated at Road No.278/3, Kesarapalli Village, Gannavaram Mandal, Krishna District, standing in the name of Adusumilli Sri Nagaveer, Valued at 24.00 Lakhs dt.12.12.2015

Personal Guarantee of

1. Sri. A. Sri Nagaveer, Director, S/o. A. Sarath Chandra Babu
2. Smt. A. Vasavi, Director, W/o. Sri A. Sri Nagaveer
3. Sri. A. Sarath Chandra Babu, Director, S/o. Sri A. Thirumala Rao
4. Smt. A. Sarada, Director, W/o. Sri A. Sarath Chandra Babu
5. Sri. T. Venkata Ratnam, S/o. Sri. T. Seetaramayya

Terms of Repayment:

Working Capital Loans repayable on demand.

Term Loan from Andhra Bank:

Rate of Interest:

Term Loan from Andhra Bank: Interest at the rate of 3.00% margin above the base rate which is presently 9.75% P.A. Present effective rate 12.75% P.A.

Purpose of Loan: To meet cost of Civil Works and cost of acquisition of machinery / equipment estimated at a cost of Rs.164.00 Lakhs

Primary Security:

Hypothecation of all the equipment procured and fixed assets acquired from the term loan.

Terms of Repayment:

This Term Loan repayable in 24 Quarterly installments of Rs.5,12,500/- each, Commencing from September, 2014

Status as on 31.03.2016: Balance No. of Installments - 17

Vehicle Loans from Banks:**Rate of Interest:**

- 1 Axis Bank Vehicle Loan-ISUZU DMAAX_1: @ 13.00% per annum
- 2 Axis Bank Vehicle Loan-ISUZU DMAAX_2: @ 13.00% per annum
- 3 Axis Bank Vehicle Loan-ISUZU DMAAX_3: @ 13.00% per annum
- 4 Axis Bank Vehicle Loan-ISUZU DMAAX_4: @ 13.00% per annum
- 5 Axis Bank Vehicle Loan-ISUZU DMAAX_5: @ 13.00% per annum
- 6 Axis Bank Vehicle Loan-ISUZU DMAAX_6: @ 13.00% per annum
- 7 Axis Bank Vehicle Loan-Honda Zazz: @ 9.90% per annum
- 8 Axis Bank Vehicle Loan-ISUZU DMAAX_7: @ 13.10% per annum
- 9 Axis Bank Vehicle Loan-ISUZU DMAAX_8: @ 13.10% per annum
- 10 Axis Bank Vehicle Loan-Ashok Leyland Dost_1: @ 13.80% per annum
- 11 Axis Bank Vehicle Loan-Ashok Leyland Dost_2: @ 13.80% per annum
- 12 HDFC Bank Vehicle Loan-TATA 2518 Body_1: @ 11.00% per annum
- 13 HDFC Bank Vehicle Loan-TATA 2518 Body_2: @ 11.00% per annum
- 14 HDFC Bank Vehicle Loan-TATA 2518 Vehicle_1: @ 11.00% per annum
- 15 HDFC Bank Vehicle Loan-TATA 407 SFC Vehicle_1: @ 11.00% per annum
- 16 HDFC Bank Vehicle Loan-TATA 2518 Vehicle_2: @ 11.00% per annum
- 17 ING Vysya Bank Vehicle Loan-TATA 2518 Vehicle_3: @ 12.01 % per annum
- 18 ING Vysya Bank Vehicle Loan-TATA 2518 Vehicle_4: @ 12.01 % per annum
- 19 Kotak Mahindra Bank Vehicle Loan-TATA 1109 Vehicle_1: @ 11.97% per annum
- 20 Kotak Mahindra Bank Vehicle Loan-TATA 407 Pickup Body_1: @ 11.59% per annum
- 21 Kotak Mahindra Bank Vehicle Loan-TATA 407 Pickup Vehicle_1: @ 11.97% per annum
- 22 Kotak Mahindra Prime Vehicle Loan-Skoda Car: @ 20.16% per annum
- 23 Kotak Mahindra Prime Vehicle Loan-Honda Mobilio Car: @ 20.16% per annum
- 24 Kotak Mahindra Bank Vehicle Loan-TATA 1109 Body_1: @ 11.59% per annum
- 25 TATA Capital F S L Vehcile Loan-TATA 2518 Body_3: @ 12.93% per annum
- 26 TATA Capital F S L Vehcile Loan-TATA 2518 Body_4: @ 12.73% per annum
- 27 TATA Capital F S L Vehcile Loan-TATA 2518 Body_5: @ 12.50% per annum
- 28 TATA Capital F S L Vehcile Loan-TATA 2518 Vehicle_5: @ 12.40% per annum
- 29 TATA Capital F S L Vehcile Loan-TATA 2518 Vehicle_6: @ 12.40% per annum
- 30 TATA Capital F S L Vehcile Loan-TATA 1109 Vehicle_2: @ 12.97% per annu

Security:

Vehicles loans are secured by hypothecation of vehicles financed by respective banks.

Terms of Repayment:**1 Axis Bank Vehicle Loan-ISUZU DMAAX 1:**

This Loan is repayable in 47 monthly installments of Rs.29,995/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

2 Axis Bank Vehicle Loan-ISUZU DMAAX 2:

This Loan is repayable in 47 monthly installments of Rs.31,086/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

3 Axis Bank Vehicle Loan-ISUZU DMAAX 3:

This Loan is repayable in 47 monthly installments of Rs.31,086/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

4 Axis Bank Vehicle Loan-ISUZU DMAAX 4:

This Loan is repayable in 47 monthly installments of Rs.31,086/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

5 Axis Bank Vehicle Loan-ISUZU DMAAX 5:

This Loan is repayable in 47 monthly installments of Rs.31,086/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

6 Axis Bank Vehicle Loan-ISUZU DMAAX 6:

This Loan is repayable in 47 monthly installments of Rs.29,995/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -46

7 Axis Bank Vehicle Loan-Honda Zazz :

This Loan is repayable in 60 monthly installments of Rs.17,128/- each commencing from March, 2016
Status as on 31.03.2016 : Balance No. of Installments -59

8 Axis Bank Vehicle Loan-ISUZU DMAAX 7:

This Loan is repayable in 47 monthly installments of Rs.30,434/- each commencing from August, 2015
Status as on 31.03.2016 : Balance No. of Installments -39

- 9 **Axis Bank Vehicle Loan-ISUZU DMAAX 8:**
This Loan is repayable in 47 monthly installments of Rs.30,434/- each commencing from August, 2015
Status as on 31.03.2016 : Balance No. of Installments -39
- 10 **Axis Bank Vehicle Loan-Ashok Leyland Dost 1:**
This Loan is repayable in 47 monthly installments of Rs.12,640/- each commencing from April, 2015
Status as on 31.03.2016 : Balance No. of Installments -35
- 11 **Axis Bank Vehicle Loan-Ashok Leyland Dost 2:**
This Loan is repayable in 47 monthly installments of Rs.12,640/- each commencing from April, 2015
Status as on 31.03.2016 : Balance No. of Installments -35
- 12 **HDFC Bank Vehicle Loan-TATA 2518 Body 1:**
This Loan is repayable in 35 monthly installments of Rs.20,120/- each commencing from August, 2014
Status as on 31.03.2016 : Balance No. of Installments -15
- 13 **HDFC Bank Vehicle Loan-TATA 2518 Body 2:**
This Loan is repayable in 35 monthly installments of Rs.20,120/- each commencing from August, 2014
Status as on 31.03.2016 : Balance No. of Installments -15
- 14 **HDFC Bank Vehicle Loan-TATA 2518 Vehicle 1:**
This Loan is repayable in 46 monthly installments of Rs.49,650/- each commencing from July, 2014
Status as on 31.03.2016 : Balance No. of Installments -25
- 15 **HDFC Bank Vehicle Loan-TATA 407 SFC Vehicle 1:**
This Loan is repayable in 47 monthly installments of Rs.21,270/- each commencing from July, 2014
Status as on 31.03.2016 : Balance No. of Installments -26
- 16 **HDFC Bank Vehicle Loan-TATA 2518 Vehicle 2:**
This Loan is repayable in 46 monthly installments of Rs.49,650/- each commencing from July, 2014
Status as on 31.03.2016 : Balance No. of Installments -25
- 17 **ING Vysya Bank Vehicle Loan-TATA 2518 Vehicle 3:**
This Loan is repayable in 48 monthly installments of Rs.59,137/- each commencing from July, 2014
Status as on 31.03.2016 : Balance No. of Installments -27

- 18 **ING Vysya Bank Vehicle Loan-TATA 2518 Vehicle_4:**
This Loan is repayable in 48 monthly installments of Rs.59,137/- each commencing from July, 2014
Status as on 31.03.2016 : Balance No. of Installments -27
- 19 **Kotak Mahindra Bank Vehicle Loan-TATA 1109 Vehicle_1:**
This Loan is repayable in 47 monthly installments of Rs.32,360/- each commencing from January, 2014
Status as on 31.03.2016 : Balance No. of Installments -20
- 20 **Kotak Mahindra Bank Vehicle Loan-TATA 407 Pickup Body_1:**
This Loan is repayable in 47 monthly installments of Rs.10,990/- each commencing from November, 2014
Status as on 31.03.2016 : Balance No. of Installments -30
- 21 **Kotak Mahindra Bank Vehicle Loan-TATA 407 Pickup Vehicle_1:**
This Loan is repayable in 47 monthly installments of Rs.16,740/- each commencing from January, 2014
Status as on 31.03.2016 : Balance No. of Installments -20
- 22 **Kotak Mahindra Prime Vehicle Loan-Skoda Car:**
This Loan is repayable in 12 monthly installments of Rs.1,27,500/-, 12 monthly installments of Rs.75,000/- & 12 monthly installments of 61,000/- each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -30
- 23 **Kotak Mahindra Prime Vehicle Loan-Honda Mobilio Car:**
This Loan is repayable in 12 monthly installments of Rs.76,500/-, 12 monthly installments of Rs.45,000/- & 12 monthly installments of 36,600/- each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -30
- 24 **Kotak Mahindra Bank Vehicle Loan-TATA 1109 Body_1:**
This Loan is repayable in 47 monthly installments of Rs.19,460/- each commencing from November, 2014
Status as on 31.03.2016 : Balance No. of Installments -30
- 25 **TATA Capital F S L Vehcile Loan-TATA 2518 Body_3:**
This Loan is repayable in 35 monthly installments of Rs.31,520/- each commencing from October, 2014
Status as on 31.03.2016 : Balance No. of Installments -17
- 26 **TATA Capital F S L Vehcile Loan-TATA 2518 Body_4:**
This Loan is repayable in 35 monthly installments of Rs.37,610/- each commencing from September, 2014
Status as on 31.03.2016 : Balance No. of Installments -16

- 27 **TATA Capital F S L Vehicle Loan-TATA 2518 Body 5:**
This Loan is repayable in 35 monthly installments of Rs.37,610/- each commencing from September, 2014
Status as on 31.03.2016 : Balance No. of Installments -16
- 28 **TATA Capital F S L Vehicle Loan-TATA 2518 Vehicle 5:**
This Loan is repayable in 45 monthly installments of Rs.52,230/- each commencing from August, 2014
Status as on 31.03.2016 : Balance No. of Installments -25
- 29 **TATA Capital F S L Vehicle Loan-TATA 2518 Vehicle 6:**
This Loan is repayable in 45 monthly installments of Rs.52,230/- each commencing from August, 2014
Status as on 31.03.2016 : Balance No. of Installments -25
- 30 **TATA Capital F S L Vehicle Loan-TATA 1109 Vehicle 2:**
This Loan is repayable in 45 monthly installments of Rs.34,718/- each commencing from August, 2014
Status as on 31.03.2016 : Balance No. of Installments -25

Unsecured Business Loans from Banks & Financial Institutions:

From Banks:

- 1 **RBL Bank Limited**
Rate of Interest: @ 17.50% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 37 monthly installments of Rs. 91,641 /- each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -31

From Financial Institutions:

- 2 **Bajaj Finserv Limited**
Rate of Interest: @ 19.50% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs.97,994 /- each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -30
- 3 **Capital First Limited**
Rate of Interest: @ 19.25% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 1,48,602 /- each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -30

- 4 **Capital First Limited**
Rate of Interest: @ 19.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 73,313-
each commencing from January, 2014
Status as on 31.03.2016 : Balance No. of Installments -9
- 5 **Edelweiss Retail Finance Limited**
Rate of Interest: @ 19.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 61 monthly installments of Rs. 78,508/-
each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -55
- 6 **Fullerton India Credit Company Limited**
Rate of Interest: @ 19.50% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 37 monthly installments of Rs. 94,279/-
each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -31
- 7 **HDB Financial Services Limited**
Rate of Interest: @ 21.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 56,513/-
each commencing from November, 2013
Status as on 31.03.2016 : Balance No. of Installments -7
- 8 **Religare Finevest Limited**
Rate of Interest: @ 18.30% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 111,619/-
each commencing from November, 2015
Status as on 31.03.2016 : Balance No. of Installments -31
- 9 **Religare Finevest Limited**
Rate of Interest: @ 19.30% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 86,195/-
each commencing from February, 2015
Status as on 31.03.2016 : Balance No. of Installments -22

- 10 **Shriram City Union Finance Limited**
Rate of Interest: @ 18.50% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 25 monthly installments of Rs. 102,772/-
each commencing from October, 2015
Status as on 31.03.2016 : Balance No. of Installments -19
- 11 **Religare Finevest Limited**
Rate of Interest: @ 16.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 1 monthly installment of Rs. 25,66,667/-
each commencing from May, 2016
Status as on 31.03.2016 : Balance No. of Installments -1
- 12 **Religare Finevest Limited**
Rate of Interest: @ 16.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 1 monthly installment of Rs. 10,26,667/-
each commencing from May, 2016
Status as on 31.03.2016 : Balance No. of Installments -1
- 13 **Religare Finevest Limited**
Rate of Interest: @ 16.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 1 monthly installment of Rs. 14,83,635/-
each commencing from May, 2016
Status as on 31.03.2016 : Balance No. of Installments -1

39 Note: Contingent Liabilities:

Sl. No.	Name of the Statute	Nature of Dues	Disputed Amount	Period	Forum, where the dispute is pending	Amount deposited towards disputed demand amount	Remarks
1	Income Tax Act, 1961	Income Tax	23,35,802	2012-13	The Commissioner of Income Tax (Appeals)	10,00,000	Rs.5 lakhs paid on 17.06.2016
2	Income Tax Act, 1961	Interst on Income Tax	11,69,502	2012-13			Rs.5 lakhs paid on 02.08.2016
3	Income Tax Act, 1961	Penalty		2012-13	ITO, Ward 2(4), Hyderabad		Penalty proceedings initiated u/s 271 (1) (C) but the issue is stand before The commissioner of Income Tax (Appeals). Hence amount cannot be quantified.
4	Income Tax Act, 1961	Income Tax		2013-14	ITO, Ward 2(4), Hyderabad		Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified.
5	Income Tax Act, 1961	Income Tax		2014-15	ITO, Ward 2(4), Hyderabad		Notice received u/s 143 (2), dated 26.07.2016. Assessment not yet completed. Hence amount cannot be quantified.
6	APVAT Act, 2005	VAT		02.04.2014 to 30.06.2016	CTO, Autonagar, Vijayawada		Notice served under VAT 310, dated 15.07.2016. Assessment not yet completed. Hence amount cannot be quantified.
7	VAT Act, 2005	VAT		2012-13 to 2015-16	AC-Audit, Punjagutta		Notice served under VAT 304, dated 17.08.2016. Assessment not yet completed. Hence amount cannot be quantified.
8	EPF & MP Act, 1952	PF		01.01.2009 to 31.10.2013	Asst PF Commissioner (PD Cell - I)		Notice served u/s 14B, dated 28.07.2016. Assessment not yet completed. Hence amount cannot be quantified.

Note : 40 Retirement Benefits :

The Gratuity liability is recognised in the books of accounts based on Actuarial Valuation in accordance with the Revised AS-15.

The Process and Assumptions taken for the purpose calculation of Gratuity is as follows :

Particulars	“ As at 31.03.2016 Amount In Rs. “	“As at 31.03.2015 Amount In Rs.”
Opening defined benefit obligation	75,819	40,570
Interest cost	6,066	3,246
Current services cost	48,495	16,879
Benefits paid	-	-
Actuarial (gains)/losses on obligation	11,413	15,124
Closing defined benefit obligation	1,41,793	75,819
Assumptions :		
Date of Valuation	31.03.2016	31.03.2015
Retirement age	60 years	60 years
Future Salary Rise	6.70%	5.20%
Rate of Discounting	8.00%	8.00%
Attrition Rate	14.00%	8.60
Mortality Table	LIC (2006-08)	LIC (2006-08)
Av Balance Services	23.96 Years	26.70 Years
GRATUITY LIABILITY		
Short Term Liability	-	-
Long Term Liability	1,41,793	75,819
TOTAL NET LIABILITY	1,41,793	75,819

Particulars	As at 31.03.2016 Amount in Rs.	As at 31.03.2015 Amount in Rs.
-------------	-----------------------------------	-----------------------------------

Note : 41 Capital Commitments

- | | | | |
|-----|--|----------|-----------|
| (a) | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 6,02,413 | 50,34,746 |
| (b) | Uncalled liability on shares and other investments partly paid | - | - |
| (c) | Other commitments (specify nature) | - | - |
- 42 “a) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Polarcube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- b) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.”
- 43 In the opinion of the Board, current assets, loans and advances are stated at a value, which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.
- 44 Some of the balances in Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.
- 45 The company has filed Revised Income Tax Returns pertaining to FY 2013-14 and FY 2014-15 claiming Exemption 80IB (11A) of Income Tax Act, 1961 and for FY 2012-13, submitted during the Assessment. During the Assessment for FY 2012-13, AO not considered the 80IB (11A) claim, hence company filed Appeal before CIT, Appeals.

The details of MAT Credit Entitlement and IT Refund Due are as follows;

Financial Year	MAT Credit Entitlement	IT Refund Due
FY 2012-13	11,52,164	8,88,934
FY 2013-14	5,03,719	3,68,242
FY 2014-15	19,88,858	2,61,673
	36,44,741	15,18,849

However, these were not credited to Profit & Loss Statement on prudent basis.

- 46 These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013.
- 47 The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.

As per my report of even date.

For GV & Co.,

Chartered Accountants

Sd/-

Grandhi Vittal

Proprietor

Member Ship No.206462

Firm Regn No. 012875S

Place : Hyderabad

Date : 01.09.2016

For and on behalf of the Board of Directors

Sd/-

Adusumilli Sri Nagaveer

Managing Director

Sd/-

Adusumilli Vasavi

Additional Director

Sd/-

Banda Mahalakshmi

Chief Financial Officer

Sd/-

Shilpa Kotagiri

Company Secretary

TANVI FOODS (INDIA) LIMITED

(CIN: U15433TG2007PLC053406)

Registered Office: Door No.7-2-4/D, Old Canteen Building Sanathnagar Industrial Estate,
Opp: SBH, Sanathnagar Hyderabad -500018

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Tanvi Foods (INDIA) Limited.

I hereby record my presence at the Eighth Annual General Meeting of the shareholders of Tanvi Foods (INDIA) Limited held on Friday, 30th September, 2016 at 11.00 A.M. at Door No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH, Sanathnagar, Hyderabad -500018.

Reg. Folio No. / Client ID	
DP ID	
No. of Shares	

Name & Address of Member

--

Signature of Shareholder/Proxy/Representative
(Please Specify)

**TANVI FOODS (INDIA) LIMITED
(CIN: U15433TG2007PLC053406)**

Registered Office: Door No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH, Sanathnagar, Hyderabad -500018

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	U15433TG2007PLC053406
Name of the company	TANVI FOODS (INDIA) LIMITED
Registered office	Door No.7-2-4/D, Old Canteen Building Sanathnagar Industrial Estate, Opp: SBH, Sanathnagar Hyderabad -500018
Name of the member(s)	
Registered Address	
Email Id	
Folio No / Client ID	DP ID :

Name of the Member(s): _____

Registered address: _____

E-mail Id : _____

Folio No. / DP ID No / Client ID No: _____

I/We, being the member(s) of _____ Shares of Supra Trends Limited, here by appoint:

1. Name:: _____ E-mail Id: _____
 Address: _____
 Signature: _____
 Or failing him

2. Name:: _____ E-mail Id: _____
 Address: _____
 Signature: _____
 Or failing him

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 8th Annual General Meeting of the Company to be held on Friday, 30th September, 2016 at 11.00 A.M. at Door No.7-2-4/D, Old Canteen Building, Sanathnagar Industrial Estate, Opp: SBH, Sanathnagar, Hyderabad -500018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business		FOR	AGAINST
1.	To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.		
2.	To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2016 and the Report of Auditors thereon.		
3.	To appoint a Director in place of Mrs. A. Sarada, who retires by rotation and being eligible offers herself for re-appointment.		
4.	To appoint the Statutory Auditors and to fix their remuneration.		
Special Business			
5.	To appoint Mr. A. Sri Nagaveer as the Director of the Company.		

Signed this..... day of..... 2016

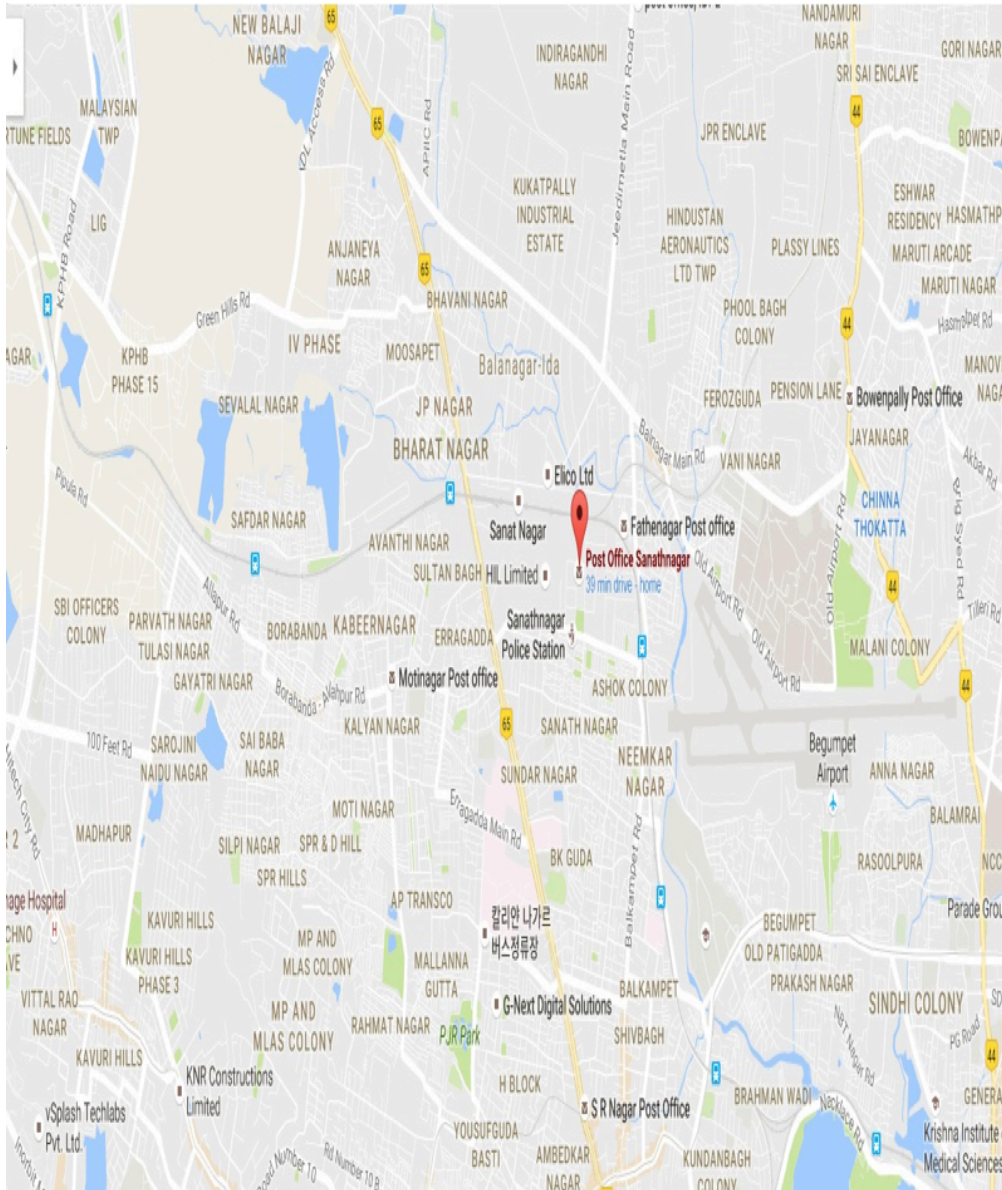
Signature of shareholder:_____

Signature of Proxy holder(s):_____

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP



If undelivered please return to:

TANVI FOODS(INDIA) LIMITED

(CIN: U15433TG2007PLC053406)

RegdOffice : Door No.7-2-4/D, Old Canteen

Building, Sanathnagar Industrial Estate,

Opp:SBH, Sanathnagar Hyderabad-500018