



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF POLARCUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED**

**Report on the Audit of the Financial Statements Opinion**

We have audited the accompanying financial statements of **POLARCUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2019, the profit and total comprehensive income, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no Key audit matters to report.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of Companies Act 2013, 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.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the Accounting estimates made by management, 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.



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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the department of company affairs, in terms of section 143 (11) of the companies Act, 2013, and on the basis of our examination of the books and records as we considered appropriate and according to the information and explanation given to us, we give in the "Annexure B" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Companies Act 2013, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c) The Balance Sheet and Statement of Profit and Loss and Cash flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financials comply with the Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act, 2013.

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; 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) There are no pending litigations for or against the Company which would impact its financial position.

ii) The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.

iii) There are no amounts pending that are required to be transferred to Investor Education and Protection Fund.

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRN No.008801S/S200060)

R

R Srinivasu  
Partner

M.no:224033



**Date:**30/05/2019

**Place:** Hyderabad.

## **ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of POLARCUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **POLARCUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.



## **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 statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion:**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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 NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRN No.008801S/S200060)



**R Srinivasu**  
Partner  
M.no:224033

Date: 30-05-2019  
Place: Hyderabad.

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of POLARCUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED of even date)**

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed Provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. As explained to us, the company is running a cold storage ware house hence there no inventory for this business. Thus, paragraph 3(ii) of the Order is not applicable to the company
- iii. The Company has not granted any loans, secured or unsecured to companies, firms or other Parties covered in the register maintained under section 189 of the Companies Act. Thus, Clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.



- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- viii. Based on our Audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions, banks or debenture holders.
- ix. Money raised by way of term loan were applied for the purpose for which it was raised. The Company has not raised moneys by way of initial public offer or further public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.





- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For NSVR & ASSOCIATES LLP.,**  
Chartered Accountants  
(FRNo.008801S/S200060)

R



**R Srinivasu**  
Partner  
M.no:224033

Date: 30-05-2019  
Place: Hyderabad.

**PART I - Form of BALANCE SHEET**  
**M/s POLAR CUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED**  
**Balance Sheet as at 31.03.2019**

Particulars	Refer Note No.	As at 31.03.2019	As at 31.03.2018
1	2	3	4
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	4,450,000	4,450,000
(b) Reserves and surplus	2	1,081,768	632,369
		<b>5,531,768</b>	<b>5,082,369</b>
<b>2 Non-current liabilities</b>		-	-
<b>3 Current liabilities</b>			
(a) Short-term borrowings	3	-	-
(b) Trade payables	4	1,257,875	2,222,100
(c) Other current liabilities	5	345,346	294,469
(d) Short-term provisions	6	127,853	131,548
		1,731,074	2,648,117
<b>TOTAL</b>		<b>7,262,842</b>	<b>7,730,485</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>	7	2,095,495	2,550,407
(i) Tangible assets			
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-current investments			
(c) Deferred tax assets (net)		133,287	123,223
(d) Long-term loans and advances		-	-
(e) Other non-current assets			
		<b>2,228,782</b>	<b>2,673,630</b>
<b>2 Current assets</b>			
(a) Bills Receivables			
(b) Inventories			
(c) Trade receivables	8	3,976,696	2,196,854
(d) Cash and cash equivalents	9	288,023	1,620,537
(e) Short-term loans and advances	10	617,030	1,120,001
(f) Other current assets	11	152,311	119,464
		<b>5,034,060</b>	<b>5,056,856</b>
<b>TOTAL</b>		<b>7,262,842</b>	<b>7,730,485</b>
<b>Notes forming part of the financial statements</b>	<b>1 to 18</b>		

This is the Balance Sheet referred to in our report of even date.

**For NSVR & Associates LLP.,**  
Chartered Accountants  
**FRN:008801S/S200060**

**R. Srinivasu**  
(Partner)  
M.No:224033

**For and on behalf of the board**  
**M /s. POLAR CUBE COLD STORAGE SOLUTIONS (P) LTD**

**Sarada Paturi**  
Director  
DIN:01800079

**Sri Nagaveer Adusumilli**  
Director  
DIN:02096695


Place:Hyderabad  
Date:30.05.2019

**PART II - Form of STATEMENT OF PROFIT AND LOSS**  
**M/s POLAR CUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED**  
**Profit and loss statement for the year ended 31.03.2019**

	Particulars	Refer Note No.	As at 31.03.2019	As at 31.03.2018
I.	Revenue from operations	12	6,860,783	5,754,084
II.	Other income	13	414,813	75,040
			<b>7,275,596</b>	<b>5,829,124</b>
<b>III.</b>	<b>Total Revenue (I + II)</b>			
IV.	Expenses:			
	Direct Expenses	14	1,911,967	1,939,478
	Employee Cost	15	2,649,626	1,673,674
	Administrative & Other Expenses	16	1,642,604	1,168,311
	Depreciation	7	454,913	567,321
	Finance Cost	17	7,820	2,275
	<b>Total expenses</b>		<b>6,666,930</b>	<b>5,351,059</b>
<b>V.</b>	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		608,666	478,065
VI.	Exceptional items		-	-
<b>VII.</b>	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>608,666</b>	<b>478,065</b>
VIII.	Extraordinary Items		-	-
<b>IX.</b>	<b>Profit before tax (VII- VIII)</b>		<b>608,666</b>	<b>478,065</b>
X	Tax expense:			
	(1) Current tax		169,331	131,548
	(2) Tax for Previous Year		-	-
	(2) Deferred tax		-10,065	14,508
<b>XI</b>	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>449,399</b>	<b>332,008</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
<b>XIV</b>	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		-	-
<b>XV</b>	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>449,399</b>	<b>332,008</b>
XVI	Earnings per equity share:			
	(1) Basic		1.01	0.75
	(2) Diluted		1.01	0.75
	<b>Notes forming part of the financial statements</b>	<b>1 To 18</b>		

This is the Profit & Loss account referred to in our report of even date.

**For NSVR & Associates LLP.,**  
Chartered Accountants  
**FRN:008801S/S200060**


  
**R. Srinivasu**  
(Partner)  
M.No:224033



**For and on behalf of the board**  
**M /s. POLAR CUBE COLD STORAGE SOLUTIONS (P) LTD**

  
**Sarada Paturi**  
Director  
DIN:01800079



  
**Sri Nagaveer Adusumulli**  
Director  
DIN:02096695



Place:Hyderabad  
Date:30.05.2019

**PART III - Cash Flow statement**  
**M/s POLAR CUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED**  
**Cash flow statement for the period ended 31st March 2019**

Particulars	As at 31/03/2019	As at 31/03/2018
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net profit before taxation, and extraordinary items	608,666	478,065
Adjusted for :		
Baddebts	-	7,768
Finance Costs to P&L A/c	7,820	2,275
Depreciation	454,913	567,321
<b>Operating profits before working capital changes</b>	<b>1,071,399</b>	<b>1,055,429</b>
<b>Changes in current assets and liabilities</b>		
Inventories		
Sundry debtors	-1,779,842	91,984
Loans and advances and Other current assets	470,124	959,401
Current liabilities	-917,043	-671,196
Cash generated from operations	-1,155,362	1,435,618
Income tax paid	-169,331	-131,548
<b>Net cash generated from operating activities</b>	<b>-1,324,693</b>	<b>1,304,070</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets and change in capital wip	-	-
Long Term Loans and advances	-	-
<b>Net cash used in investing activities</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Secured and Unsecured Loans	-	-
Interest paid	-7,820	-2,275
Increase in share Capital	-	-
<b>Net cash generated in financing activities</b>	<b>-7,820</b>	<b>-2,275</b>
D. Net increase / (decrease) in cash and cash equivalents	-1,332,513	1,301,795
E. Cash and cash equivalents at the beginning of the year	1,620,537	318,742
<b>F. Cash and cash equivalents at the end of the year</b>	<b>288,023</b>	<b>1,620,537</b>

As per our report of even date

**For NSVR & Associates LLP.,**  
Chartered Accountants  
FRN:008801S/S200060

**R. Srinivasu**  
(Partner)  
M.No:224033



**For and on behalf of the board**  
M/s. POLAR CUBE COLD STORAGE SOLUTIONS (P) LTD

**Sarada Paturi**  
Director  
DIN:01800079

**Sri Nagaveer Adusumulli**  
Director  
DIN:02096695

Place:Hyderabad  
Date:30.05.2019

**NOTE 1**

<b>Share Capital</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
<b>Authorised</b> 445000 Equity Shares of `10 each	4,450,000	4,450,000
<b>Issued</b> 445000 Equity Shares of `10 each	4,450,000	4,450,000
<b>Subscribed &amp; Paid up</b> 445000 Equity Shares of `10 each	4,450,000	4,450,000
<b>Subscribed but not fully Paid up</b> NIL Equity Shares of `NA each, not fully paid up	-	-
<b>Total</b>	<b>4,450,000</b>	<b>4,450,000</b>

**NOTE 1 A**

<b>Particulars</b>	<b>Equity Shares 31.03.2019</b>		<b>Equity Shares 31.03.2018</b>	
	<b>Number</b>	<b>Amount(Rs)</b>	<b>Number</b>	<b>Amount(Rs)</b>
Shares outstanding at the beginning of the year	445,000	4,450,000	445,000	4,450,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	445,000	4,450,000	445,000	4,450,000

**NOTE 1 B**

100% of Equity Shares are held by M/s.Tanvi Foods (India) Limited Of the company.

**NOTE 1C****Details of equity shareholders (if more than 5%)**

<b>S.No</b>	<b>Name of Shareholder</b>	<b>As at 31-03-2019</b>		<b>As at 31-03-2018</b>	
		<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
1	M/s.TANVI FOODS (INDIA) LIMITED	444,995	100.00	444,995	100.00
2	Mr.A.Sri Nagaveer (Registered owner on behalf of the beneficial owner M/s.Tanvi Foods (India) Limited)	5	0.00	5	0.00
	<b>Total</b>	<b>445,000</b>	<b>100</b>	<b>445,000</b>	<b>100</b>



**NOTE 2**

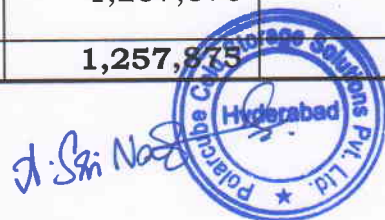
<b><u>Reserves and Surplus</u></b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
<b>b. Surplus</b>		
Opening balance	632,369	300,360
(+) Net Profit/(Net Loss) For the current year	449,399	332,008
(+) Transfer from Reserves		
(-) Proposed Dividends		
(-) Interim Dividends		
(-) Transfer to Reserves		
(-/+ ) Adjustments		
Closing Balance	<b>1,081,768</b>	<b>632,369</b>
<b>TOTAL</b>	<b>1,081,768</b>	<b>632,369</b>

**Note 3**

<b><u>Short Term Borrowings</u></b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
<b><u>Secured</u></b>		
<b><u>Unsecured</u></b>		
<b>(a) Loans repayable on demand</b>		
From banks		
From Others		
(of the above, _____ is guaranteed by Directors and / or others)		
<b>(b) Loans and advances from related parties</b>		
<b>(c) Deposits</b>		
<b>(d) Other loans and advances (specify nature)</b>		
Total	-	-
<b>In case of continuing default as on the balance sheet date in repayment of loans and interest with respect to</b>		
1. Period of default		
2. Amount		
<b>Total</b>		

**NOTE 4**

<b>Trade Payables</b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
Dues to Micro, Small and Medium Enterprises *		
Dues to Others	1,257,875	2,222,100
<b>Total</b>	<b>1,257,875</b>	<b>2,222,100</b>

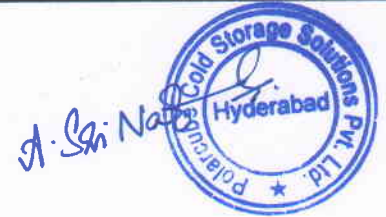


**Note 5**

<b>Other Current Liabilities</b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
Duties & Taxes	102,158	80,961
TDS Payable	23,887	6,500
Provisions	-	-
Audit Fees Payable	30,000	30,000
Employee Benefits Payable	189,301	177,008
<b>Total</b>	<b>345,346</b>	<b>294,469</b>

**Note 6**

<b>Short-term provisions</b>	<b>Year Ended 31.03.2019</b>	<b>Year Ended 31.03.2018</b>
	<b>INR</b>	<b>INR</b>
Income tax payable	127,853	131,548
<b>Total</b>	<b>127,853</b>	<b>131,548</b>



**M/s POLAR CUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED**

Note 7

S No	Fixed Assets	Gross Block				Accumulated Depreciation				Net Block			
		01/04/2018	31/03/2019	01/04/2018	31/03/2019	For the Year	31/03/2019	31/03/2019	31/03/2017	Rs	Rs		
		Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs		
a	<b>Tangible Assets*</b>												
	Cold Room	6,800,000	6,800,000	4,251,700	4,705,663	453,963	4,705,663	2,094,337	2,548,300				
	Office Equipment	22,500	22,500	20,392	21,342	950	21,342	1,158	2,108				
	<b>Total</b>	<b>6,822,500</b>	<b>6,822,500</b>	<b>4,272,092</b>	<b>4,727,005</b>	<b>454,913</b>	<b>4,727,005</b>	<b>2,095,495</b>	<b>2,550,408</b>				
b	<b>Intangible Assets</b>												
	Goodwill	-	-	-	-	-	-	-	-				
	<b>Total</b>	-	-	-	-	-	-	-	-				
c	<b>Capital Work In Progress</b>												
	Intangible assets under development	-	-	-	-	-	-	-	-				
	<b>Total</b>	-	-	-	-	-	-	-	-				
	<b>Total</b>	<b>6,822,500</b>	<b>6,822,500</b>	<b>4,272,092</b>	<b>4,727,005</b>	<b>454,913</b>	<b>4,727,005</b>	<b>2,095,495</b>	<b>2,550,408</b>				





**Note 8**

Trade receivables	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Period not Exceeding 6 Months	3,976,696	2,196,854
Period Exceeding 6 Months		
<b>Total</b>	<b>3,976,696</b>	<b>2,196,854</b>

**Note 9**

Cash and cash equivalents	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
a. Balances with banks		-
-Axis Bank	152,754	1,342,093
b. Cash on hand	135,270	278,444
c. Others (specify nature)		-
<b>Total</b>	<b>288,023</b>	<b>1,620,537</b>

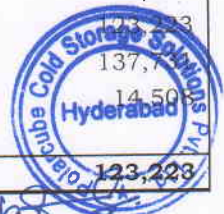
**Note 10**

Short-term loans and advances	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Loans and Advances	617,030	1,120,001
<b>Total</b>	<b>617,030</b>	<b>1,120,001</b>

**Note 11**

Other Current Assets	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Balances with government authorities		
TDS	152,311.00	119,464.00
Electricity Charges-Advance		0
<b>Total</b>	<b>152,311</b>	<b>119,464</b>

Deffered Tax Liabilites	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
<b>Opening balance</b>		
WDV as per Income Tax	2,574,600	3,028,941
WDV as per Companies Act	2,095,495	2,550,407
Difference	479,105	478,534
Deffered Tax Asset	133,287	137,100
At the beginning of the year	123,223	14,500
Deffered tax Liability Charged during the year	-10,065	
	<b>133,287</b>	<b>123,223</b>



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**Note 12 Direct Income**

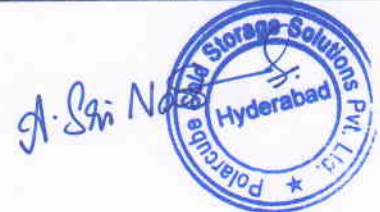
Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Freezer Income	6,860,783	5,754,084
<b>Total</b>	<b>6,860,783</b>	<b>5,754,084</b>

**Note 13 Other Income**

Other Income	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Interest Income (in case of a company other than a Dividend Income)		
Net gain/loss on sale of investments		
Sub let Income	256,800	72,000
Other non-operating income (net of expenses directly attributable to such income)	158,013	3,040
<b>Total</b>	<b>414,813</b>	<b>75,040</b>

**Note 14 Direct Expenses**

Direct Expenses	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Electricity Charges FK	1,651,527	1,699,156
Cold Room maintainence	260,440	240,322
	<b>1,911,967</b>	<b>1,939,478</b>



**Note 15 Employee Cost**

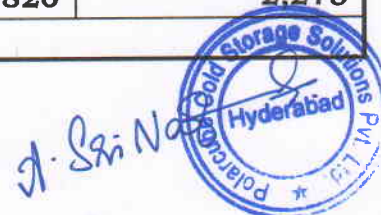
Employee Cost	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Salaries	2,578,753	1,584,861
Staff Welfare	7,236	15,340
Contribution to Other Funds	63,637	73,473
<b>Total</b>	<b>2,649,626</b>	<b>1,673,674</b>

**Note 16 Administrative Expenses**

Administration Expenses	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Office Maintanence	6,805	99,313
Printing & Stationery	6,160	625
Rates and Taxes	91,439	-
Rent	1,155,975	880,500
Internet & Telephone charges	3,923	19,803
Transporation Expences	173,734	-
Advertisement Expences	-	10,000
Postage	3,860	2,370
Repairs and Maintanance	9,500	83,991
Insurance Expences	12,256	-
Labour Charges	40,500	-
ROC & Licence Fees	28,400	-
Audit Fees	30,000	30,000
Bad Debts	-	7,768
Petrol & Disel Expences	18,048	13,040
Electrical Items	43,186	20,902
Other Expences	18,819	-
Consultancy Charges	-	-
<b>Total</b>	<b>1,642,604</b>	<b>1,168,311</b>

**Note 17 Finance Cost**

Finance Cost	Year Ended 31.03.2019	Year Ended 31.03.2018
	INR	INR
Bank Charges	7,820	2,275
<b>Total</b>	<b>7,820</b>	<b>2,275</b>



## **NOTE 18**

### **M/s. Polar Cube Cold Storage Solutions Private Limited**

#### **I-Significant Accounting Policies.**

**a. Basis of Accounting:**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**b. 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 as at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

**c. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

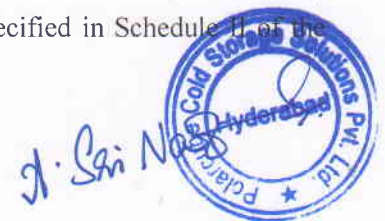
➤ **Income from operations**

The company follows mercantile system of accounting and recognizes the income on accrual basis.

**d. Fixed Assets and Depreciation**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is provided on written down value method at the rates specified in Schedule II of the Companies Act, 2013.



e. **Foreign Currency Transactions**

➤ **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

➤ **Conversion**

Foreign currency monetary items, if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

f. **Preliminary Expenditure:**

Preliminary Expenses are amortized during the first financial year.

g. **Income Taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

h. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

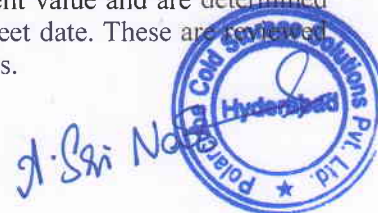
i. **Cash & Bank balances**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

j. **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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## II- EXPLANATORY NOTES

### 1. Managerial Remuneration

The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration levels prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with Companies operating in similar industries in India. Managerial remuneration was paid as set out below:

Name of the Person	Designation	2018-19	2017-18
Smt. M.Sravanthi	Director	-	-
<b>TOTAL</b>		-	-

### 2. Auditors' Remuneration

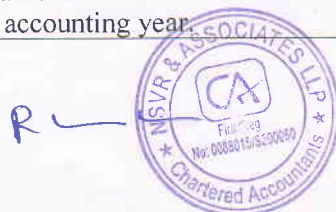
PARTICULARS	2018-19	2017-18
Statutory Audit	30,000	30,000
Tax Audit	-	-
<b>TOTAL</b>	<b>30,000</b>	<b>30,000</b>

**Note:** All amounts are stated exclusive of GST.

### 3. Disclosures under the Micro, Small and Medium Enterprises Act, 2006

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2019 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. In view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Particulars	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	NIL
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL



The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL
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#### 4. Unconfirmed balances of Receivable, Payables and Advances

Where written confirmation has not been obtained from the parties themselves, the management has certified them to be true and correct. The management does not anticipate any material changes in these amounts considered in the financial statements.

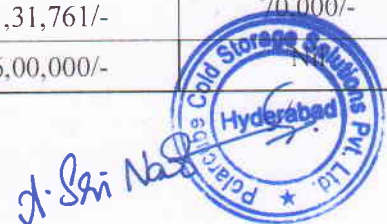
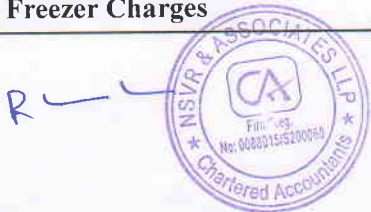
#### 5. Disclosure under AS – 18 : Related Party Disclosures

##### List of Related Parties and their Relationships:

Related party Transaction Firms/Company		
Sl. No.	Name of the Company	
1	M/s. Tanvi Foods India Limited	
2	M/s.Squarepeg Distributions services P Ltd.	
KEY MANAGEMENT PERSONNEL (KMP)		
Sl. No.	Name of the Person	Designation
1	Sri.A.Sri Nagaveer	Director
2	Smt.M.Sravanthi	Director
3	Smt. P.Sarada	Director

##### Transactions / Balances with Related Parties

NATURE OF TRANSACTION	SmtM.Sravanthi	M/s.Tanvi Foods (India) Limited	M/s.Squarepeg Distributions services P Ltd.
1. Director's Remuneration	-	-	-
2. Loans accepted	-	-	0
3. Loans repaid	-	-	0
4. Lease Rental Income	-	-	0
5. Advances Given	-	14,12,971/-	5,65,138/-
6. Advance Taken	-	1,31,761/-	70,000/-
6. Freezer Charges	-	6,00,000/-	



**Closing Balance with Related Parties (Debit / (Credit))**

Name of the Party	Amount in Rs (As at 31 <sup>st</sup> March 2019)
M/s. Tanvi Foods (India) Limited	20,02,210 Dr
M/s. Squarepeg Distributions services P Ltd.	19,08,134 Dr
Sri.A.Sri Nagaveer	Nil
Smt. P.Sarada	Nil
Smt .M.Sravanthi	Nil

**Note:** Related Party Relationships are as identified by the Company and relied upon by the Auditors

**\*\* the amount is excluding all taxes.**

**7. Notes towards obligation on Lease :-**

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

Particulars	2018-19	2017-18
<b>Future minimum lease payments</b>		
not later than one year	19,67,831	5,20,000/-
later than one year and not later than five years	10,39,106	Nil
later than five years	Nil	Nil

**8. Disclosure under AS -20 : Earnings Per Share**

PARTICULARS	2018-19	2017-18
Profit/(Loss) after tax (net profit attributable to Equity Shareholders)	4,49,399	3,32,008
Weighted average number of equity shares outstanding during the year	4,45,000	4,45,000
<b>Earnings per share (Basic &amp; Diluted)</b>	<b>1.01</b>	<b>0.75</b>

**9. Foreign Exchange Earned:**

Receipt of Foreign Currency  
Payment of Foreign Currency

Rs. Nil

Rs. Nil





**10. Disclosure under AS – 22 : Accounting for Taxes on Income**

**Major components of Deferred Tax, arising on account of Timing Differences**

PARTICULARS	As at 31 <sup>st</sup> March, 2018 (in Rs.)
<b>Deferred Tax Asset as on 01-04-2018</b>	<b>1,23,223/-</b>
Depreciation & Amortization	10,065/-
Expenses disallowed as per the Income Tax Act, 1961	-
Previous year expenses now allowed	-
<b>Net Deferred Tax Assets as at 31.03.2019</b>	<b>1,33,287/-</b>

In accordance with "Accounting Standard 22", the Company has recognized in its Profit & Loss Account a sum of Rs. 14,508/- as Deferred Tax.

**11. Disclosure under AS – 29 : Provisions, Contingent Liabilities and Contingent Assets**

Contingent Liabilities- Nil

**12. Comparatives and Disclosures:**

The previous year figures have been regrouped, reworked, rearranged and reclassified wherever necessary.


**M/s. NSVR&Associates LLP.,**  
Chartered Accountants  
FRN:FRN:008801S/S200060

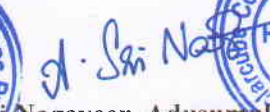
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**R.Srinivasu**  
Partner  
M.No:224033



**For and on behalf of the Board**  
M/s Polar Cube Cold Storage Solutions (Pvt.) Ltd.

  
**Sarada Paturi**  
Director  
DIN :01800079

  
**Sri Nagaveer Adusumilli**  
Director  
DIN:02096695

Date: 30-05-2019  
Place: Hyderabad