

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. P. Ravinder Rao	-- Chairman & Managing Director	(DIN 01445527)
2. Mr. N. Venugopal	-- Non - Executive Director	(DIN 05271638)
3. Mr. G. V. Kamath	-- Independent Director	(DIN 00333643)
4. Mr. Y Satish Kumar	-- Independent Director	(DIN 01310502)
5. Mrs. D Vanaja Kumari	-- Independent Director	(DIN 07151205)
6. Mr. K A Narasimha Raju	-- Executive Director cum CFO	(DIN 02383452)

REGISTERED OFFICE

Plot No. 29, HACP Colony,
Kharkhana Road,
Secunderabad, Telangana – 500009.
Ph No 040-30228228

STATUTORY AUDITORS

M.M. Reddy & Co

Chartered Accountants
Hyderabad.

BANKERS

Bank of Maharashtra, Secunderabad
HDFC, Pet Basheerabad
State Bank of India, Tellapu Branch
HSBC, Begumpet

AUDIT COMMITTEE

Mr. G V Kamath	-	Chairman
Mr. D Vanaja Kumari	-	Member
Mr. Y Satish Kumar	-	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Y Satish Kumar	-	Chairman
Mr. G V Kamath	-	Member
Mr. N Venugopal	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. G V Kamath	-	Chairman
Mr. N Venugopal	-	Member
Mr. Y Satish Kumar	-	Member

RISK MANAGEMENT COMMITTEE

Mr. G V kamath	-	Member
Mr. Y Satish Kumar	-	Chairman
Mr. N Venugopal	-	Member

INDEPENDENT DIRECTORS

Mr. G V Kamath	-	Member
Mr. Y Satish Kumar	-	Chairman
Mrs. D Vanaja Kumari	-	Member

RISK MANAGEMENT COMMITTEE

Mr. G V Kamath	-	Member
Mr. Y Satish Kumar	-	Chairman
Mr. N Venugopal	-	Member

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Niche Technologies Pvt. Ltd.
D-511,5th Floor, Bagree Market,
71, Biplabi Rash Behari Basu Road
(Formerly Canning Street)
Kolkata-700001

LISTED AT	:	BSE Limited
ISIN	:	INE392H01018
WEBSITE	:	www.taazastores.com
INVESTOR E-MAIL ID	:	info@taazastores.com
CORPORATE IDENTITY NUMBER	:	L51109TG2001PLC072561

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Shareholders of Taaza International Limited will be held on Saturday, the 29th of September, 2018 at 10.30 a.m. at Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2018, the Statement of Profit & Loss and Cash Flow Statement (including the consolidated financial statements) for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. N. Venu Gopal, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. RE-APPOINTMENT OF MR. P. RAVINDER RAO (DIN 01445527) AS MANAGING DIRECTOR OF THE COMPANY:

To consider and if, thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force and Articles of Association of the Company, the consent of the members of the company be and is hereby accorded to reappoint, Mr. P. Ravinder Rao (DIN 01445527) as Managing Director of the Company for a period of three years with effect from 13.08.2018 to 12.08.2021 and to pay a remuneration of Rs. 1,50,000 p.m.as recommended by the Nomination and remuneration committee.”

“RESOLVED FURTHER THAT in terms of Schedule V of the Companies Act, 2013, as amended from time to time, the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits”.

“RESOLVED FURTHER THAT in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Mr. P. Ravinder Rao, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time”.

“RESOLVED FURTHER THAT the Board is here by authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

4: RE-APPOINTMENT OF MR. GANESH VITHAL KAMATH (DIN: 00333643) AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if, thought fit to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ganesh Vithal Kamath (DIN: 00333643), Director of the Company whose term expires on 31.03.2019 be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term from 01.04.2019 to 31.03.2024.”

RESOLVED FURTHER THAT the Board is here by authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

5: RE-APPOINTMENT OF MR. SATISH KUMAR YERNENI (DIN: 01310502) AS INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if, thought fit to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Satish Kumar Yerneni (DIN: 01310502) Director of the Company whose term expires on 31.03.2019 be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term from 01.04.2019 to 31.03.2024.”

“RESOLVED FURTHER THAT the Board is here by authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

For and on behalf of the Board

Taaza International Limited

Sd/-

P Ravinder Rao

Chairman & Managing Director

DIN: 01445527

Place : Secunderabad

Date : 13.08.2018

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2018 to 29.09.2018 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. Recent regulations require submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/Registrar and Share Transfer Agents (Niche Technologies Private Ltd.)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Niche Technologies Private Ltd Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
15. Members may also note that the Notice of the 18th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.taazastores.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@taazastores.com.
16. Voting through Electronic Means (E-Voting Facility)

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 18th Annual General Meeting scheduled to be held Saturday, the 29th day of September 2018 at 10:30 a.m. at Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009, Telangana

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorized Agency to provide e-voting facilities.

The e-voting facility will be available during the following voting period:
Commencement of e-voting: From 26.09.2018 at 9:00 a.m.
End of e-voting: Up 28.09.2018 at 5:00 p.m.

The cut-off date (i.e. the record date) for the purpose of e-voting is 22.09.2018.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 13.08.2018 for the AGM scheduled to be held on Saturday, the 29th day of September 2018 at 10:30 a.m. at Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009, Telangana, which is enclosed herewith and is also made available on the website of the Company www.taazastores.com. Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 18th Annual General Meeting of the Company dated 13.08.2018.

Procedure and instructions for e-voting

The instructions for shareholders voting electronically are as under:

 - (i) The voting period begins on 09.00 a.m. on 26.09.2018 and will end at 05.00 p.m. on 28.09.2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22.09.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.

- (iv) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p>
OR Date of Birth (DOB)	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN Taaza International Limited to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
17. Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
18. Mr. Vivek Surana, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
19. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.taazastores.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock exchange.
20. Since the Company is required to provide members facility to cast their vote by electronic means, shareholders of the Company holding shares either in physical form or in dematerialized

form, as on the cut-off date of 22.09.2018 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

21. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
22. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.
23. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
24. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board

Taaza International Limited

Sd/-

P. Ravinder Rao

Chairman & Managing Director

(DIN: 01445527)

Place : Secunderabad

Date : 13.08.2018

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013]

ITEM NO.3:

Mr. P. Ravinder Rao (DIN: 01445527) was earlier appointed as Managing Director of the Company for a period of five years on 13.08.2013.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 13.08.2018, approved the re-appointment of Mr. P. Ravinder Rao (DIN: 01445527) as Managing Director of the with Company for a term of three years commencing from 13.08.2018 to 12.08.2021.

The Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 3.

Save and except Mr. P. Ravinder Rao (DIN: 01445527) Managing Director, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Information in accordance with Schedule V of Companies Act, 2013

I. GENERAL INFORMATION

1 Nature of Industry :	Bio Pesticides, Bio Fertilizers and Pulses and Trading of Building Material		
2 Date or expected date of commencement of commercial operations in the year	2001		
3 In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects:	Not Applicable		
4 Financial performance based on given indications:			
Particulars	2017-18 (Amount in Rs.)	2016-17 (Amount in Rs.)	2015-16 (Amount in Rs.)
Turnover	550,487,060	1,183,053,720.48	3,254,694,095
Net profit/loss after Tax	1,756,269	(11,974,284)	2,711,860
5. Foreign investments or collaborations, if any:	The Company has two subsidiaries namely M/s.Taaza International PTE Limited in Singapore and M/s Taaza General Trading FZC in Dubai		

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details: Mr. P. Ravinder Rao is a Graduate and looks after the Management and Administration of the Company.
2. Past Remuneration: 18,00,000 per annum
3. Recognition or awards : Not Applicable
4. Job Profile and his suitability: Keeping in view his contribution towards the Company, it is proposed to re-appoint him as the Managing Director of the Company.
5. Remuneration proposed:
As set out in the resolutions for the item No.3 the remuneration to Mr. P. Ravinder Rao, Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors.
6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

Taking into consideration of the size of the Company, the profile of Mr. P. Ravinder Rao and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed, he is holding 16,73,835 shares in the company

III. OTHER INFORMATION:

1. Reasons for inadequate profits: The Company is in the mode of expansion of the business which generally requires spending lot of money upfront leading to minimal profits in the initial years. All this expenditure will result in to revenues over a period of next two to three years.
2. Steps taken or proposed to be taken for improvement: Necessary efforts are being made to increase the clientele who in turn contribute for the growth of the business as well as the profitability.
3. Expected increase in productivity and profit in measurable terms: The company is committed to build the business operations within budget and considering that the business operates on a going concern basis, it is believed that financial position of the company will improve considerably in the coming years.

ITEM NO.4:

Mr. Ganesh Vithal Kamath is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 25.08.2014. Mr. Ganesh Vithal Kamath is the Chairman of the Audit Committee and Stakeholders Relationship Committee and a member of the Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Ganesh Vithal Kamath is a Graduate in Fisheries and Science.

Mr. Ganesh Vithal Kamath's term as an Independent Director of the company ends on 31.03.2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Ganesh Vithal Kamath Sharma being eligible and offering himself for re-appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2024. A notice has been received from a member proposing Mr. Ganesh Vithal Kamath as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Ganesh Vithal Kamath fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ganesh Vithal Kamath as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Ganesh Vithal Kamath as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ganesh Vithal Kamath, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO.5:

Mr. Satish Kumar Yerneni is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 25.08.2014. Mr. Satish Kumar Yerneni is the Chairman

of the Nomination and Remuneration Committee and member of Audit Committee and Stakeholders Relationship Committee of the Board of Directors of the Company.

Mr. Satish Kumar Yerneni is a Certified Associate of Indian Institute of Bankers.

Mr. Satish Kumar Yerneni's term as an Independent Director of the company ends on 31.03.2019. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Satish Kumar Yerneni being eligible and offering himself for re-appointment is proposed to be appointed as an Independent Director for five consecutive years for a term upto 31st March, 2024. A notice has been received from a member proposing Mr. Satish Kumar Yerneni as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Satish Kumar Yerneni fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Satish Kumar Yerneni as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Satish Kumar Yerneni as an Independent Director, for the approval by the shareholders of the Company. Except Mr. Satish Kumar Yerneni, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

For and on behalf of the Board

Taaza International Limited

Sd/-

P Ravinder Rao

Chairman & Managing Director

DIN: 01445527

Place : Secunderabad

Date : 13.08.2018

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the 18th Board's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2018 has been as under: Rs. in lakhs

Particular	Standalone		Consolidated	
	2017-2018	2016-2017	2017-2018	2016-2017
Total Income	5504.87	11830.54	6359.88	15323.70
Total Expenditure	5493.40	11802.87	6345.12	15275.42
Profit Before Tax	11.47	27.67	14.76	48.28
Provision for Tax	-6.09	8.92	-6.09	8.92
Profit after Tax	17.56	-119.74	20.85	-99.13

2. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Boards' Report. (i.e. 13.08.2018)

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Boards' Report there was no change in the nature of Business.

4. DIVIDEND:

The Board has not recommended dividend for the year 2017-2018.

5. RESERVES:

The Company has not carried any amount to the reserves.

6. BOARD MEETINGS:

The Board of Directors duly met four (4) times on 30.05.2017, 31.08.2017, 13.12.2017, and 13.02.2018.

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received declarations from Mr. G V Kamath, Mr. Y Satish Kumar and Mrs. D. Vanaja Kumari, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

8. DIRECTORS OR KMP APPOINTED OR RESIGNED.

Mr. N. Venu Gopal retires by rotation and being eligible offers himself for re-appointment.

No Directors or Key Managerial Personnels have resigned during the year. As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:-:

Name of the Director	N. Venu Gopal	Ravinder Rao Polsani	Ganesh Vithal Kamath	Satish Kumar Yerneni
Date of Birth	08.03.1976	05/05/1965	11.11.1962	09.06.1960
Qualification	MBA	Graduate	Graduated in Fisheries Science	Certified Associate of Indian Institute of Bankers
Expertise in specific functional areas	Marketing	Management & Administration	Technical Advisor	Financial Advisor
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL	NIL	NIL
No. of Shares held in the Company	3,60,420	16,73,835	NIL	NIL
Inter se relationship with any Director	NIL	NIL	NIL	NIL

FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website www.taazastores.com.

9. COMPOSITION OF AUDIT COMMITTEE:

I. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

II. The terms of reference of the Audit Committee include a review of the following:

- ✍ Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- ✍ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ✍ Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ✍ Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- ✍ Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;

5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 7. Any related party transactions
 - ✍ Reviewing the company's financial and risk management's policies.
 - ✍ Disclosure of contingent liabilities.
 - ✍ Reviewing with management, external and internal auditors, the adequacy of internal control systems.
 - ✍ Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - ✍ Discussion with internal auditors of any significant findings and follow-up thereon.
 - ✍ Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - ✍ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - ✍ Reviewing compliances as regards the Company's Whistle Blower Policy.
- III. The previous Annual General Meeting of the Company was held on 25.09.2017 and Chairman of the Audit Committee, attended previous AGM.
- IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Regulation 27 of SEBI (LODR) Regulations 2015 relating to the composition of the Audit Committee.

During the financial year 2017-18, (4) four meetings of the Audit Committee were held on the 30.05.2017, 31.08.2017, 13.12.2017, 13.02.2018.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. G V Kamath	Chairman	NED(I)	4	4
Mr.D VanajaKumari	Member	NED(I)	4	4
Mr.Y Satish Kumar	Member	NED(I)	4	4

NED (I): Non-Executive Independent Director

V. NOMINATION & REMUNERATION COMMITTEE

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

The details of remuneration paid to the Executive and Non-Executive Directors for the financial year 2017-18 are given below:

Mr. P. Ravinder Rao - Managing Director has drawn a remuneration of Rs. 18,00,000/- per annum for the year ended 31.03.2018.

None of the Directors is drawing any Commission, Perquisites, Retirement benefits etc.,

During the year, the Nomination and Remuneration committee meeting was held on 13.02.2018.

The details of composition of the Committee are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
Mr. Y Satish Kumar	Chairman	NED(I)	1	1
Mr.N Venugopal	Member	NED(I)	1	1
Mr. G V Kamath	Member	NED(I)	1	1

NED (I): Non Executive Independent Director

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & 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.

2. Terms and References:

2.1 **"Director"** means a director appointed to the Board of a Company.

1.2 **"Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and reg. 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on 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.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- ☉ General understanding of the company's business dynamics, global business and social 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.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- ☉ shall possess a Director Identification Number;
- ☉ shall not be disqualified under the Companies Act, 2013;
- ☉ shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- ☉ shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- ☉ shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals 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, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and reg. 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors "as specified in Schedule IV to the companies Act, 2013.

2.3 Other Directorships/ Committee Memberships

3.3.1 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 Director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 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.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 **“Director”** means a Director appointed to the Board of the company.

2.2 **“key managerial personnel”** means

(i) The Chief Executive Office or the managing director or the manager;

(ii) The company secretary;

(iii) The whole-time director;

(iv) The chief finance Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

2.3 **“Nomination and Remuneration Committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and reg. 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and Key Managerial Personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

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

(iv) Retirement benefits

(v) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 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 as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof..

3.3. Remuneration to other employees

3.3.1 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.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. G V Kamath	Chairperson	NED(I)
Mr. N Venugopal	Member	NED(I)
Mr. Y Satish Kumar	Member	NED(I)

NED (I): Non Executive Independent Director

B) Powers:

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called info@taazastores.com for complaints/grievances.

VII. RISK MANAGEMENT COMMITTEE

A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. Y Satish Kumar	Chairman	NED(I)
Mr.G V Kamath	Member	NED(I)
Mr.N. Venugopal	Member	NED(I)

NED (I) : Non Executive Independent Director

B) RISK MANAGEMENT POLICY:

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

10. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to 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) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

As on 31st March, 2018 the Company has two subsidiaries namely M/s.Taaza International PTE Limited in Singapore and M/s Taaza General Trading FZC in Dubai. The Financial performance of the subsidiary companies is mentioned in Form AOC- 1 in accordance with Section 129(3) of the Companies Act, 2013 which is annexed to this report.

Further, audited financial statements together with related information and other reports of each of the subsidiary companies, have also been placed on the website of the Company at www.taazastores.com

13. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.

During the year, no company has become or ceased to be its subsidiaries, joint ventures or associate company.

14. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 annexed as a part of this Annual Report.

15. STATUTORY AUDITORS:

The members of the company in accordance with section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. MM Reddy & Co., as Statutory Auditors of the company for a period of 5 years in the AGM held on 30.09.2014 to hold office up to the conclusion of 19th Annual General Meeting of the company to be held in the financial year 2018-19 which was subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been omitted.

16. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There have been no frauds reported by the auditors u/s 143(12).

17. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by Mr Vivek Surana, Practicing Company Secretary is annexed to this Report as an annexure.

18. QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2018 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2018 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks except that the Company does not have a Company Secretary and Internal auditor and the Company is in the process of appointing suitable candidates for the above posts.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

- | | | |
|---|---|-----|
| 1. Research and Development (R&D) | : | NIL |
| 2. Technology absorption, adoption and innovation | : | NIL |

C. Foreign Exchange Earnings and Out Go:

- | | | |
|---------------------------|---|-----|
| Foreign Exchange Earnings | : | Nil |
| Foreign Exchange Outgo | : | Nil |

20. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

21. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

22. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received noticed for inefficiency or inadequacy of such controls. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets

are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

23. INSURANCE:

The Company does not have any major fixed assets and accordingly it is not required to take any insurance policy.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments covered under section 186 of the Companies Act, 2013 during the year under review.

25. CREDIT & GUARANTEE FACILITIES:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company, from Bank of Maharashtra.

26. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

27. RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis.

Your Directors draw attention of the members to Note 26 to the financial statement which sets out related party disclosures.

28. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

29. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 a ratio of remuneration of P. Ravinder Rao, Managing Director of the Company) to the median remuneration of employees is 15:1

30. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as envisaged in SEBI LODR Regulations is Not Applicable.

31. SECRETARIAL STANDARDS

The Company is in compliance with the applicable secretarial standards.

32. EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

- | | |
|--|------|
| 1. Issue of sweat equity share | : NA |
| 2. Issue of shares with differential rights | : NA |
| 3. Issue of shares under employee's stock option scheme | : NA |
| 4. Disclosure on purchase by company or giving of loans by it for purchase of its shares | : NA |
| 5. Buy back shares | : NA |
| 6. Disclosure about revision | : NA |
| 7. Preferential Allotment of Shares | : NA |

33. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

34. CEO/ CFO Certification

The Managing Director and CFO certification of the financial statements for the year 2017-18 is annexed in this Annual Report.

35. EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing a remuneration of Rs. 1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

36. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.

The evaluation procedure followed by the company is as mentioned below:

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.
- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.

- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the Board are assessed include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member are also provided to them in a confidential manner. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvement are put in place.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints at the beginning of the year: Nil
- No. of complaints received : Nil
- No. of complaints disposed off : Nil

38. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

For and on behalf of the Board

Taaza International Limited

Sd/-

P Ravinder Rao

Chairman & Managing Director

DIN: 01445527

Sd/-

KA. Narasimha Raju

Director & CFO

DIN: 02383452

Place : Secunderabad

Date : 13.08.2018

CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2017-18

The shareholders

TAAZA INTERNATIONAL LIMITED

I, P. Ravinder Rao , Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board
Taaza International Limited

Sd/-
P Ravinder Rao
Chairman & Managing Director
DIN : 01445527

Place : Secunderabad

Date : 13.08.2018

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To
The Board of Directors

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2018 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

Place: Secunderabad
Date: 13.08.2018

Sd/-
KA. Narasimha Raju
Director & CFO
DIN: (02383452)

Sd/-
P Ravinder Rao
Chairman & Managing Director
(DIN: 01445527)

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

*** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.*

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT**a) Industry Structure, Development and Outlook**

The company's major sources of revenues are from Trading of Building Material, Bio Pesticides and Bio Fertilizers and pulses. These generate revenues and cash primarily by trading of Building material and Bio-pesticides & Bio fertilizers through distribution division. The company has geographic area of Telangana and adjacent states. A key element showcasing India's economic rise is the considerable changes in the country's building and construction industry. The building materials sector in India is a key constituent of the country's construction industry. Driven by recent growth in the infrastructure and the construction industry, the building material sector has recorded considerable growth over the last few years. Furthermore, India's economic performance and rapid increase in per capita income signal excellent growth prospects for this sector.

b.) Opportunities and Threats.

However, the ability of the building materials sector to respond effectively to the demands will depend on investor and business confidence. Several of the factors influencing business confidence are in fact within the influence of the infrastructure related government departments, while others factors (such as interest rates, mining rights, labour regulations, transportation systems, power generation, crime) are under the influence of other government and semi-government departments and organisations.

Although the distribution of building and construction materials is private sector driven, government has a role in facilitating an enabling environment for private sector delivery. This results in a need for a partnership between government and the business sector, namely, government facilitating an enabling environment for private sector delivery, living up to its delivery commitments, and creating a climate for business confidence; and the threat

Local manufacturers of cement will face increased international competition if a proposed relaxation of a technical barrier to trade in the current compulsory standard for the product is pushed through. This follows the SA Bureau of Standards (SABS) being requested earlier this year by the trade and industry department to take over responsibility for the regulation of cement by means of a compulsory standard.

c) Business performance and Segment Reporting

The revenue from operations for the year ended 31st March, 2018 was Rs. 550,468,031 as compared to Rs. 1,183,002,756 for the previous year ending 31st March, 2017. The Profit before tax for the year ended 31st March, 2018 was Rs. 1,146,901 as compared to Rs. 2,767,081 for the year ending 31st March, 2017. The Profit after Tax stood at Rs. 1,756,269 for the year ending 31st March, 2018 as compared to the Loss after Tax Rs. 11,974,284 for the previous year ending 31st March, 2017.

The company is engaged in the trading business, which as per Accounting Standard 17 is considered the only reportable business.

d.) Outlook:

Presently the outlook is very promising.

e.) Risks and Concerns:

a) The product is at once subjected to local, national and international competition.

- b) Any adverse change in the policies of the Government, Recession etc may further adversely affect the profitability.
- f) Internal Control System and its adequacy

The Company has a proper and adequate internal control system commensurate with its size and nature of business to meet the following objectives:

- ◆ Providing assurance regarding the effectiveness and efficiency of operations;
- ◆ Efficient use and safeguarding of resources;
- ◆ Compliance with policies, procedures and applicable laws and regulations; and.
- ◆ The Audit Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them time to time.
- ◆ Risk assessment reports received from various departments are reviewed periodically and steps are initiated for elimination whenever needed.

g) Discussion on Financial Performance with respect to Operational Performance.

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factor.

h) Human resources and Industrial relations

The Company has a group of able and experienced employees. The Company believes that the quality of its employees is the key to its success in the long run. The Company continues to have cordial relations with its employees and provides personal development opportunities for all round exposure to them. Further, we also encourage individual and team awards to sustain and institutionalize the various workforce practices. This helped in giving lots of encouragement to the workforce who have been striving hard to achieve various goals.

(i) Disclosure of Accounting Treatment:

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

MGT 9

Extract of Annual Return

as on the Financial Year 31.03.2018

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

I.	REGISTRATION AND OTHER DETAILS:	
i.	CIN	L51109TG2001PLC072561
ii.	Registration Date	12.02.2001
iii.	Name of the Company	M/s. Taaza International Limited
iv.	Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company
v.	Address of the Registered office and contact details	Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009, Telangana, India
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Niche Technologies Pvt. Ltd. D-511,5th Floor, Bagree Market, 71, Biplabi Rash Behari Basu Road (Formerly Canning Street) Kolkata-700001 Ph No. : (033) 2235 7270-71 /2234 3576

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1	Trading of Building Material	9953	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

S. No.	Name and Address of the Company	CIN/GLN	Subsidiary Company	Holding/ Subsidiary /Associate	Applicable Section
1	Taaza International PTE Limited	---	Subsidiary Company	90%	2(87)
2	Taaza General Trading FZC	--	Subsidiary Company	90%	2(87)

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

Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

A. Promoters

(1) Indian	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	Demat
Individual/ HUF	2618272	0	2618272	36.07	2618272	0	2618272	36.07	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1) :-	2618272	0	2618272	36.07	2618272	0	2618272	36.07	0
(2) Foreign									
a) NRIs -									
Individuals	0	0	0	0	0	0	0	0	0
b) Other -									
Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2618272	0	2618272	36.07	2618272	0	2618272	36.07	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp.	107861	130	107991	1.49	121442	130	121572	1.68	0.19
i) Indian									
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholder holding nominal share capital up to Rs. 1 lakh	418945	16485	435430	5.99	407000	16485	423485	5.835	-0.164
ii) Individual shareholders holding nominal share capital in excess of Rs 1lakh	4051676	0	4051676	55.823	4032645	0	4032645	55.561	-0.262
c) Others (specify)									
1. NRI									
2. Clearing Members	1600	0	1600	0.02	1600	0	1600	0.02	0
	43141	0	43141	0.59	60536	0	60536	0.83	0.24
Sub-total (B)(2):-	4623223	16615	4639838	63.926	4623223	16615	4639838	63.926	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	4623223	16615	4639838	63.926	4623223	16615	4639838	63.926	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	7241495	16615	7258110	100.000	7241495	16615	7258110	100	0.00

ii) Shareholding of Promoters								
Sl No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Anuradha Gottumukkala	63620	0.877	0.000	63620	0.877	0.000	0.000
2.	Chandrasekhar Nadimpalli	94267	1.299	0.000	94267	1.299	0.000	0.000
3.	Deepti Vishal Nadimpalli	121000	1.667	0.000	121000	1.667	0.000	0.000
4.	N Subhadra Devi	160000	2.204	0.000	160000	2.204	0.000	0.000
5.	N. Vishal	50000	0.689	0.000	50000	0.689	0.000	0.000
6.	Polsani Ravinder Rao	1673835	23.062	0.000	1673835	23.062	0.000	0.000
7.	Satyanarayana Prasad Gottumukkala	95130	1.311	0.000	95130	1.311	0.000	0.000
8.	Venugopal Namburu	360420	4.966	0.000	360420	4.966	0.000	0.000

iii) Change in Promoters' Shareholding (please specify, if there is no change) No Change					
SN	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		-		-	

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)					
Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	E SANDEEP RAO				
	a) At the Beginning of the Year	100000	1.378	--	--
	b) Changes during the year	[No Changes During The Year]			
2.	NAVEEN KUMAR CHENNAMANENI				
	a) At the Beginning of the Year	193021	2.659	--	--
	b) Changes during the year	[No Changes During The Year]			
3.	P B N MURTHY				
	a) At the Beginning of the Year	109251	1.505	--	--
	b) Changes during the year	[No Changes During The Year]			
4.	P SRINIVASARAO				
	a) At the Beginning of the Year	365543	5.036	--	--
	b) Changes during the year	[No Changes During The Year]			
5.	P V RAVI KUMAR				
	a) At the Beginning of the Year	1232304	16.978	--	--
	b) Changes during the year	--	--	--	--
	Date Reason	--	--	--	--
	05/05/2017 Transfer	821	0.011	1233125	16.990
	15/12/2017 Transfer	850	0.012	1233975	17.001
c) At the End of the Year	--	--	1233975	17.001	

6.	PABBATHI PRAVEEN KUMAR				
	a) At the Beginning of the Year	132438	1.825	--	--
	b) Changes during the year	--	--	--	--
	Date Reason				
	17/11/2017 Transfer	-22501	0.310	109937	1.515
	01/12/2017 Transfer	12031	0.166	121968	1.680
	15/12/2017 Transfer	6884	0.095	128852	1.775
	22/12/2017 Transfer	154	0.002	129006	1.777
	29/12/2017 Transfer	3432	0.047	132438	1.825
	c) At the End of the Year	--	--	132438	1.825
7	RAJUL PREMAL DOSHI				
	a) At the Beginning of the Year	161111	2.220	--	--
	b) Changes during the year		[No Changes During The Year]		
	c) At the End of the Year	--	--	161111	2.220
8	SATYANARAYANA PABBATHI				
	a) At the Beginning of the Year	106712	1.470	--	--
	b) Changes during the year	--	--	--	--
	Date Reason				
	12/01/2018 Transfer	-93470	1.288	13242	0.182
	02/02/2018 Transfer	34328	0.473	47570	0.655
	02/03/2018 Transfer	38440	0.530	86010	1.185
	c) At the End of the Year			86010	1.185
9	SRINIVAS YALAMARTHY				
	a) At the Beginning of the Year	100000	1.378	--	--
	b) Changes during the year		[No Changes During The Year]		
	c) At the End of the Year	--	--	100000	1.378
10	VENKAT NARESH MAJETI				
	a) At the Beginning of the Year	352003	4.850	--	--
	b) Changes during the year		[No Changes During The Year]		
	c) At the End of the Year	--	--	352003	4.850

(v) Shareholding of Directors and Key Managerial Personnel:					
SN	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	P Ravinder Rao				
	At the beginning of the year	1673835	23.06	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	-	-	1673835	23.06
2	N Venugopal				
	At the beginning of the year	360420	4.97	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	-	-	360420	4.97
3	Mr. G.V. Kamath				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Purchased offline	-	-	-	-
	At the End of the year	-	-	-	-
4.	Mr. Y. Satish Kumar				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Purchased offline	-	-	-	-
	At the End of the year	-	-	-	-
5.	Mrs. D. Vanaja Kumari				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	-	-	-	-
6.	Mr. Appala Narsimha Raju				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):				
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due	12554618	--	--	12554618
Total (i+ii+iii)	12554618	--	--	12554618
Change in Indebtedness during the financial year	(8330222)	--	--	(8330222)
Addition				
Reduction				
Net Change	(8330222)	--	--	(8330222)
Indebtedness at the end of the financial year				
i) Principal Amount	42,24,396	--	--	42,24,396
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	42,24,396	--	--	42,24,396

VI. 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 MD/WTD/ Manager:			Total Amount
		P Ravinder Rao, MD			
1.	Gross salary	18,00,000			18,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit				
	- Others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total (A)	1800000	-	-	18,00,000
7.	Ceiling as per the Act				

B. Remuneration to other directors

S.No.	Particulars of Remuneration	Name of Directors				Total Amount
		A. Narsimha Raju	G V Kamath	Y Satish Kumar	Mrs. D Vanaja Kumari	
					
	Total (1)	--	--	-	--	
	Other Non-Executive Directors • Fee for attending board / committee meetings • commission • Others, please specify-	-	-	-	--	
	Total (2)	-	-	-	--	
	Total (A) = (1 + 2)	-	-	-	--	
	Total Managerial Remuneration	-	-	-	--	
	Overall Ceiling as per the Act	-	-	-	--	

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

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			(C. Bhandhavi)		
1.	Gross salary	-		-	Rs.1,35,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		Rs.1,35,000 (Resigned w.e.f. 21-12-2017)	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-			
2.	Stock Option		-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	Rs.1,35,000	-	Rs.1,35,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties (Punishment or Compounding of offences for the year March 31, 2018)

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FORM NO. AOC-2

(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 arm's length transactions under third proviso thereto: NIL

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

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: Form shall be signed by the persons who have signed the Board's report.

Form AOC - 1

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

1. Name of the Subsidiaries: Taaza International PTE Limited & M/s Taaza General Trading FZC in Dubai
2. Reporting Period: 01.04.2017 to 31.03.2018
3. Reporting Currency: Indian Rupee

S. No.	Particulars	M/s. Taaza International PTE Limited	M/s Taaza General Trading FZC in Dubai
		Amount in Rupees	Amount In Rupees
1.	Share Capital:		
2.	Reserves and surplus for the year ending		
3.	Total Assets		
4.	Total Liabilities		
5.	Investments		
6.	Turnover (Income)		
7.	Profit / loss before Taxation		
8.	Provision for Taxation		
9.	Profit / loss after Taxation		
10.	Proposed Dividend		
11.	% of Shareholding		

1. Names of Subsidiaries which are yet to commence operation : NA
2. Names of subsidiaries which have been liquidated or sold during the year : NA

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-
M Madhusudhana Reddy
Partner
Membership No. 213077

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-
P. Ravinder Rao
Managing Director
Sd/-

Sd/-
N.Venugopal
Director

Sd/-
K A Narasimha Raju
Director cum CFO

Place : Secunderabad
Date : 13.08.2018

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NIL

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Net worth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

STATEMENT SHOWING THE DETAILS PURSUANT TO SEC. 197 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Rule 5 (1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

Sl. Particulars No.	Details
1. The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.	The ratio of remuneration of P. Ravinder Rao, Managing Director of the Company to the median remuneration of employees is 15:1
2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	NIL
3. The percentage increase in the median remuneration of employees in the financial year.	2%
4. The number of employees on the rolls of the company.	8
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase already made in the salaries of employees is 2% and is in line with the average percentile increase in managerial remuneration.
6. Affirmation that the remuneration is as per the remuneration policy of the company.	Yes

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To the Members of
TAAZA INTERNATIONAL LIMITED.

Report on the financial Statements

We have audited the accompanying standalone financial statements of TAAZA INTERNATIONAL LIMITED('the Company'), which comprise the balance sheet as at 31st March 2018, 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.

Managements Responsibility for the 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.

Auditors 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its Profit and its cash flows for the 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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 did not have any pending litigations as at 31st March, 2018.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.

For **M M REDDY & Co.**,
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)

Partner

M.No.213077

Place: Hyderabad

Date : 30.05.2018

ANNEXURE-A TO THE AUDITORS' REPORT

The Annexure-A referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the Year ended 31 March 2018, we report that:

1. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
c. The title deeds of the immovable property are held in the name of the company.
2. The physical verification of the inventory excluding stocks with third parties has been conducted at reasonable intervals by the management during the year. In our opinion the frequency of the verification is reasonable.
3. 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.
4. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
5. The Company has not accepted any deposits from the public.
6. Reporting under clause 3(vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. 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, employees' state insurance, duty of excise income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable..
c. According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks. The company has not issued any debentures.

9. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and terms loans during the year.
10. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
11. The company has paid/ provided managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the act.
12. The company is not Nidhi Company and the Nidhi Rules, 2014 not applicable to it. Accordingly the provisions of Clause 3(Xii) of order not applicable to the company.
13. The company has entered transactions with the related parties and complied with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards.
14. According to information and explanations given to us and based on our examinations of the records of the company, the company has not preferential allotment / private placement of shares or fully or partly convertible debenture's during the year.
15. The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the provisions of Clause 3(xv) of order not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **M M REDDY & Co.,**
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner
M.No.213077

Place: Hyderabad
Date : 30.05.2018

ANNEXURE 'B' TO THE INDEPENDENT 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 TAAZA INTERNATIONAL LIMITED("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 my / our audit. We conducted my 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 l/we have obtained is sufficient and appropriate to provide a basis for my /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 March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **M M REDDY & Co.**,
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner
M.No.213077

Place: Hyderabad
Date : 30.05.2018

Independent Auditors' Report

To
The Members,
TAAZA INTERNATIONAL LIMITED

Report on the Standalone IND AS financial statements

We have audited the accompanying Standalone IND AS financial statements of M/S TAAZA INTERNATIONAL LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (Including other comprehensive income), the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as 'Standalone IND AS financial statements').

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 Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. 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 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 Standalone IND AS financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Standalone IND AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity 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 section 143(11) of the Act, we give in the Annexure –A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters 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;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **M M REDDY & Co.,**
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)

Partner

M.No.213077

Place: Hyderabad

Date : 29.05.2018

Annexure – A to the Independent Auditors' Report:

The Annexure referred to the Independent auditors' report to the members of the company on the Standalone IND AS financial statements for the year ended 31 March 2018, we report that

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) A major portion of fixed assets have been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification.
(c) The title deeds of the immovable property are held in the name of the company.
- ii. The inventory has been physically verified by the management during the year at reasonable intervals; no material discrepancies were noticed on such verification and have been properly dealt with in the books of account.
- 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, 2013.
- 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 and investments made.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 is 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 is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and no undisputed amounts payable were outstanding as at 31st March, 2018 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Service Tax or duty of customs or duty of excise or value added tax or cess as at 31st March, 2018 which have not been deposited on account of a dispute.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3 (viii) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Companies (Auditor's Report) Order, 2016 is not applicable.

- x. According to the information and explanations given to us, no 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. The company has not paid or provided any managerial remuneration during the year. Accordingly, paragraph 3 (xi) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- 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 Companies (Auditor's Report) Order, 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment of equity share converted in to equal number equity shares of the company. The requirement of Section 42 and all the other applicable provisions of the Companies Act, 2013 and SEBI Regulations were complied with.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **M M REDDY & Co.,**
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner
M.No.213077

Place: Hyderabad
Date : 29.05.2018

Annexure - B to the Independent 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. TAAZA INTERNATIONAL LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the Standalone IND AS 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M M REDDY & Co.**,
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner
M.No.213077

Place: Hyderabad
Date : 29.05.2018

Taaza International Limited

Balance Sheet as at 31.03.2018

(Amount in Rupees)

PARTICULARS	Note No's	As at 31.03.2018	As at 31.03.2017	As at 1.04.2016
I ASSETS :				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	2,10,10,783	2,23,90,248	2,37,56,742
(b) Capital work-in-progress		-	-	-
(c) Goodwill		-	-	-
(d) Other Intangible Assets		-	-	-
(e) Intangible Assets under development		-	-	-
(f) Biological Assets		-	-	-
(g) Financial assets				
(i) Investments	3	86,67,576	86,67,576	2,86,67,576
(ii) Other Financial Assets	4	47,53,720	47,53,720	19,17,720
(h) Deferred tax assets (net)		-	-	-
(i) Other non-current assets	5	-	-	-
(2) Current assets				
(a) Inventories	6	3,52,50,920	3,17,62,000	3,09,60,000
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables	7	30,87,26,698	33,70,07,929	32,30,74,439
(iii) Cash and cash equivalents	8	94,99,828	35,99,366	1,45,36,802
(iv) Bank Balances other than (iii) above		-	-	-
(v) Loans and advances	9	2,33,07,887	2,18,34,562	1,54,25,777
(vi) Investments held for Sale		-	-	-
(c) Other current assets	10	40,74,246	64,05,387	1,92,561
TOTAL ASSETS		<u>41,52,91,657</u>	<u>43,64,20,787</u>	<u>43,85,31,617</u>
II EQUITY AND LIABILITIES:				
(1) Equity				
(a) Equity Share Capital	11	7,25,81,100	7,25,81,100	7,25,81,100
(b) Other Equity				
(ii) Reserves and Surplus	12	4,06,55,677	3,88,99,408	5,08,73,692
(2) Liabilities				
(A) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	-	1,11,992	13,84,062
(b) Deferred tax liabilities (Net)	14	-1,86,493	12,13,381	12,73,857
(c) Long Term Provisions	15	7,80,300	7,80,300	7,80,300
(B) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	42,24,396	1,25,54,618	1,82,52,319
(ii) Trade Payables	17	28,90,24,841	29,75,45,312	27,92,71,898
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	18	-	-	-
(c) Provisions	19	82,11,835	1,27,34,677	1,41,14,389
(d) Current tax liabilities(Net)		-	-	-
TOTAL EQUITY AND LIABILITIES		<u>41,52,91,657</u>	<u>43,64,20,787</u>	<u>43,85,31,618</u>

Significant accounting policies and notes to accounts

1 to 32

As per our report of even date

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-

M Madhusudhana Reddy

Partner

Membership No. 213077

Place : Hyderabad

Date : 30.05.2018

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-

P. Ravinder Rao

Managing Director

Sd/-

K A Narasimha Raju

CFO

Sd/-

N.Venugopal

Director

**Statement of Changes in Equity
For the year ended 31 March 2018**

a. Equity share capital

(Amount in Rs.)

	Amount
Balance as at the 1 April 2016	72,581,100
Changes in equity share capital during 2016-17	-
Balance as at the 31 March 2017	72,581,100
Changes in equity share capital during 2017-18	-
Balance as at the 31 March 2018	72,581,100

b. Other equity

(Amount in Rs.)

	Reserves and surplus				Items of Other comprehensive income (OCI)	Total
	General Reserve	Capital Reserve	Securities Premium Reserve	Retained earnings	Others	
Balance at 1 April 2016	1,443,435	-	4,400,000	45,030,257	-	50,873,692
Total comprehensive income for the year ended 31 March 2017						
Profit or loss				(11,974,284)	-	(11,974,284)
Other comprehensive income(net of tax)				-	-	-
Total comprehensive income				(11,974,284)	-	(11,974,284)
Transactions with owners in their capacity as owners directly in equity						
	-			-	-	-
Balance at 31 March 2017	1,443,435	-	4,400,000	33,055,973	-	38,899,408
Total comprehensive income for the year ended 31 March 2018						
Profit or loss				1,756,269	-	1,756,269
Other comprehensive income(net of tax)				-	-	-
Total comprehensive income				1,756,269	-	1,756,269
Transactions with owners in their capacity as owners						
	-			-	-	-
Balance at 31 March 2018	1,443,435	-	4,400,000	34,812,242	-	40,655,677

As per our report of even date

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-

M Madhusudhana Reddy

Partner

Membership No. 213077

Place : Hyderabad

Date : 30.05.2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

(Amount in Rupees)

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	11,46,901	(1,10,82,309)
Adjustment for:		
Depreciation and Amortisation	13,79,465	13,77,394
Preliminary Expenses Written off	-	-
Interest Earned	-	-
Cash Flows from Operations before changes in assets and liabilities (I)	<u>25,26,367</u>	<u>(97,04,914)</u>
Movements in Working Capital:		
(Increase)/ Decrease in trade receivables	2,82,81,231	(1,39,33,490)
(Increase)/Decrease in other Current Assets	23,31,141	(62,12,825)
(Increase) / Decrease in Inventories	(34,88,920)	(8,02,000)
(Increase) / Decrease in Loans and Advances	-14,73,325	64,08,785
(Increase) / Decrease in Trade Payables	(85,20,472)	1,82,73,414
(Increase) / Decrease in Short Term Provision	(53,13,347)	(23.32,163)
Increase/(Decrease) in Other current liabilities	-	-
Change in Working Capital (II)	<u>1,18,16,309</u>	<u>(1.14.15,850)</u>
Changes in non current assets and liabilities		
Decrease/(Increase) in loans & advances	-	(28.36,000)
Decrease/(Increase) in Long Term Provisions	-	-
Decrease/(Increase) in Other non Current Assets	-	-
Changes in non current assets and liabilities (III)	<u>-</u>	<u>(28,36,000)</u>
Cash Generated From Operations (I+II+III)	<u>1,43,42,676</u>	<u>(2,39,56,764)</u>
Less: Taxes paid	-	-
Net Cash from operating activities(A)	<u>1,43,42,676</u>	<u>(2,39,56,764)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Fixed assets and Capital Work In progress	-	(10,900)
Bank Balances not considered as Cash and Cash equivalents	-	-
Investment in equity Shares	-	2,00,00,000
Net cash used in Investing activities (B)	<u>-</u>	<u>1,99,89,100</u>
C.CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Borrowings	(84,42,214)	(69,69,772)
Interest paid	-	-
Net cash Flow from Financing Activities (C)	<u>(84,42,214)</u>	<u>-69,69,772</u>
Net Increase/(Decrease) in cash & cash equivalents [A+B+C]	59,00,462	(1,09,37,436)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>35,99,366</u>	<u>1,45,36,802</u>
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	<u>94,99,828</u>	<u>35,99,366</u>

As per our report of even date

For M M REDDY & CO.,
 Firm Registration Number : 010371S
 Chartered Accountants
 Sd/-
M Madhusudhana Reddy
 Partner
 Membership No. 213077
 Place : Hyderabad
 Date : 30.05.2018

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-
P. Ravinder Rao
 Managing Director
 Sd/-
K A Narasimha Raju
 CFO

Sd/-
N.Venugopal
 Director

1. Significant Accounting Policies & Notes annexed to and forming part of the Consolidated financial Statements

1.1. Basis for preparation of financial statements:

a) Compliance with Indian Accounting Standards (Ind As)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013. Up to the year ended March 31, 2018, the Group prepared financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Group first Ind As financial statements. The date of transition to Ind As is April 1, 2016.

b) First time adoption

In accordance with Ind As 101 on First-time adoption of Indian Accounting Standards, the Group has prepared its first Ind As financial statements which include:

- (i) Three Balance sheets namely, the opening Balance Sheet as at 1st April, 2016

(The transition date) by recognizing all assets and liabilities whose recognition is required by Ind As, not recognizing assets or liabilities which are not permitted by Ind As, by reclassifying assets and liabilities from previous GAAP as required by Ind As and applying Ind As in measurement of recognized assets and liabilities; and Balance Sheets as at March 31, 2018 and 2017; and

- (ii) Two Statements each of profit and loss; cash flows and changes in equity for the years ended March 31, 2018 and 2017 together with related notes.

The same accounting policies have been applied for all the periods presented except when the Group has made use of certain exceptions.

The financial statements have been prepared on the historical cost basis except for certain instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities have been classified as current or non-current as per the Group normal operating as per the Group normal operating cycle and other criteria set out in the schedule III of the Act. The Group has determined its operating cycle as twelve months for the purpose of current-noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees which is also its functional currency. All amounts have been rounded – off to the nearest rupees, unless otherwise indicated.

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- ★ Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

- ★ Exposure, or rights, to variable returns from its involvement with the investee, and
- ★ The ability to use its power over the investee to affect its returns The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The acquisition accounting is used by the group to account for business combinations.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Use of estimates and judgment

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

1.2. Property, Plant and Equipment & Depreciation

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the companies act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Transition to Ind AS: On Transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per previous GAAP which in case of the Company, corresponds with carrying costs measured in accordance with Ind AS 16 Property, plant and equipment.

1.3 Impairment of non-financial assets

The Group non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

1.4 Intangible assets

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

1.5 Inventory

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Stores and consumables are valued at cost arrived at on FIFO basis or net realisable value, whichever is lower

1.6 Foreign currencies transactions and translations

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

1.7 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (other than employee benefits) 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.

1.8 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest Income

Interest income from a financial asset is recognised using effective interest rate method. However, in respect of certain financial assets where it is not probable that the economic benefits associated with the transaction will flow to the entity and amount of revenue cannot be measured reliably, in such cases interest income is not recognised.

1.9 Dividend Income

Dividends will be recognised when the Group right to receive has been established

1.10 Employee benefits

1.10.1 Short term employee benefits

The undiscounted amount of short term employee benefits are expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

1.10.2 Defined benefit plans

a) Gratuity

In accordance with the Payment of Gratuity Act, 1972, Group provides for gratuity, a defined retirement plan (the "Gratuity Plan") covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee salary and the tenure of employment. Liability with regard to the Gratuity Plan are determined by actuarial

valuation as of the balance sheet date, based upon which, the Group contributes the ascertained liabilities to Insurer.

b) Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Group make monthly contributions to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee's salary.

c) Employee State Insurance Fund

Eligible employees (whose gross salary is less than ₹ 15,000 per month) are entitled to receive benefit under employee state insurance fund scheme. The employer makes contribution to the scheme at a predetermined rate (presently 4.75%) of employee's gross salary. The Group has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India. Monthly contributions are charges to income in the year it is incurred.

1.11 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

1.12 Leases

Leases are classified as finance lease whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

1.13 Borrowing costs

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

1.14 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owner of the Group.
- By the weighted number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.15 Financial Instruments

i. Financial assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through profit or loss (FVTPL)

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

c) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. Investments in subsidiaries

The Group has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

ii. Financial Liabilities

A. Initial recognition

All financial liabilities are recognized at fair value.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.16 First time adoption of Ind As

Transition to Ind As

The Group has adopted Ind As with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening reserves as at 1st April, 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind As and Schedule III.

a) Exemptions from retrospective application

i. Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

Notes on Accounts
NOTE NO. 2: PROPERTY, PLANT AND EQUIPMENT :

(Amount in Rs.)

	Land	Computers	Furniture and Fixtures	Plant & Machinery	Vehicles	Office Equipment	Total
Deemed cost (gross carrying amount)							
Balance at 1 April 2016	1,61,60,760	8,11,919	8,29,786	-	78,81,572	10,58,520	2,67,42,557
Additions	-	-	-	-	-	10,900	10,900
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2017	1,61,60,760	8,11,919	8,29,786	-	78,81,572	10,69,420	2,67,53,457
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2018	1,61,60,760	8,11,919	8,29,786	-	78,81,572	10,69,420	2,67,53,457
Accumulated depreciation at 1 April 2016	-	1,47,458	2,71,021	-	22,72,838	2,94,498	29,85,815
Depreciation for the year	-	2,57,135	78,830	-	9,36,331	1,05,099	13,77,394
Balance at 31 March 2017	-	4,04,593	3,49,850	-	32,09,169	3,99,597	43,63,209
Depreciation for the year	-	2,57,135	78,830	-	9,36,331	1,07,170	13,79,465
Balance at 31 March 2018	-	6,61,728	4,28,680	-	41,45,499	5,06,767	57,42,674
Carrying amounts(net)							
At 1 April 2016	1,61,60,760	6,64,461	5,58,765	-	56,08,734	7,64,022	2,37,56,742
At 31 March 2017	1,61,60,760	4,07,326	4,79,936	-	46,72,403	6,69,823	2,23,90,248
At 31 March 2018	1,61,60,760	1,50,191	4,01,106	-	37,36,073	5,62,653	2,10,10,783

Notes to Accounts

NOTE NO: 3 NON CURRENT INVESTMENTS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(A) Investment In Subsidiary Company carried at Cost Taaza International Limited, Singapore (At cost)	86,67,576	86,67,576	86,67,576
(B) Investment In Other Companies carried at Cost Investment in equity shares of IP Constructions Limited	-	-	2,00,00,000
	86,67,576	86,67,576	2,86,67,576

NOTE NO: 4 other Non Current Financial Assets

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Other Deposites	47,53,720	47,53,720	19,17,720
	47,53,720	47,53,720	19,17,720

NOTE NO: 5 Other non current assets

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
MISCELLANEOUS EXPENDITURE			
Preoperative Expenses	-	-	-
Less : Written off	-	-	-
	-	-	-

NOTE NO: 6 INVENTORIES :

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Stocks	3,52,50,920	3,17,62,000	3,09,60,000
	3,52,50,920	3,17,62,000	3,09,60,000

NOTE NO : 7 Trade receivables

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Outstanding for a period exceeding six months from the date they are due for payment*Unsecured, considered good	35,26,427	46,25,397	46,25,397
(b) Outstanding for a period not exceeding six months Unsecured, considered good	30,52,00,271	33,23,82,532	31,84,49,042
	30,52,00,271	33,23,82,532	31,84,49,042

NOTE NO: 8 CASH AND CASH EQUIVALENTS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Balance with banks	89,32,549	13,99,325	15,31,315
(b) Cheques in Hand	-	-	-
(c) Cash on Hand	5,67,278	22,00,041	1,30,05,487
	94,99,828	35,99,366	1,45,36,802

NOTE NO: 9 Short Term Loans and advances

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Advance to Supplies	23,307,887	2,17,10,708.01	1,53,01,922.65
Other amounts receivable	-	1,23,854	1,23,854
	23,307,887	2,18,34,562	1,54,25,777

Notes on Accounts
NOTE NO: 11: EQUITY SHARE CAPITAL:

	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Authorised 10000000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000	100,000,000	10,00,00,000	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid up 7258110 Equity Shares of Rs.10/- each	7,25,81,100	7,25,81,100	72,581,100	7,25,81,100	7,25,81,100	7,25,81,100
Total	7,25,81,100	7,25,81,100	72,581,100	7,25,81,100	7,25,81,100	7,25,81,100

Foot note:

(a) Reconciliation of the number of shares outstanding as at March 31, 2018, March 31, 2017 and April 1, 2016:

	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Equity Shares outstanding at the beginning of the year	72,58,110	7,25,81,100	72,58,110	7,25,81,100	72,58,110	7,25,81,100
Addition during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	72,58,110	7,25,81,100	72,58,110	7,25,81,100	72,58,110	7,25,81,100

Details of Shareholders holding more than 5 % shares:

	As At March 31, 2018			As At March 31, 2017			As At April 1, 2016		
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	
1 G.V.B.Narayanamma	4,81,758	6.64%	4,81,758	6.64%	4,81,758	6.64%	4,81,758	6.64%	
2 P. Ravinder Rao	16,73,835	23.06%	16,73,835	23.06%	16,73,835	23.06%	16,73,835	23.06%	
3 P.V.Ravi Kumar	12,33,975	17.00%	12,32,304	16.98%	11,26,153	16.98%	11,26,153	16.98%	

(c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

NOTE NO: 10 OTHER CURRENT ASSETS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
GST Receivable	10,35,816	-	-
Other advances	28,04,000	64,00,000	-
VAT Input receivable	-	-	1,87,175
Income tax Refund	2,34,430	-	-
TDS Receivable	-	5,387	5,387
	40,74,246	64,05,387	1,92,561

NOTE NO: 12 Reserves and Surplus

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Securities Premium:	44,00,000	44,00,000	44,00,000
(b) General Reserve:	14,43,435	14,43,435	14,43,435
(c) Capital Reserve - Forfeiture of shares	-	-	-
(d) Retained earnings:			
Opening balance	3,30,55,973	4,50,30,257	4,23,18,397
(+) Net profit during the year	17,56,269	(1,19,74,284)	27,11,860
Closing balance	3,48,12,242	3,30,55,973	4,50,30,257
(e) Other Comprehensive income:	-	-	-
Total (a+b+c+d+e)	40,655,677	3,88,99,408	5,08,73,692

NOTE NO: 13 Long Term Borrowings

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Vehicle Loan from HDFC	-	1,11,992	13,84,061.8
	-	1,11,992	13,84,062

NOTE NO: 14 Deferred tax liabilities (Net)

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Opening Balance	12,13,381	12,73,857	13,34,334
Provision for Deferred Tax Liabilities	(13,99,874)	(60,477)	-60,477
	(1,86,493)	12,13,381	12,73,857

NOTE NO: 15 Long Term Provisions

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Provision for gratuity	7,80,300	7,80,300	7,80,300
	7,80,300	7,80,300	7,80,300

NOTE NO: 16 Short Term Borrowings

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Loans repayable on demand			
Cash Credit from Bank of Maharashtra	42,24,396	1,25,54,618	1,62,67,320.1
From banks (Corporate Credit Cards)	-	-	19,84,999.1
	42,24,396	1,25,54,618	1,82,52,319.2

NOTE NO: 17 Trade Payables

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Dues to Micro, Small and Medium Enterprises			
Sundry Creditors	28,83,89,595	29,72,53,169	27,89,79,755
Expenses payable	6,35,246	2,92,143.00	2,92,143.00
	28,90,24,841	29,75,45,312	27,92,71,898

NOTE NO: 18 OTHER CURRENT LIABILITIES:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Other payables	-	-	-
	-	-	-
	-	-	-
	-	-	-

NOTE NO: 19 Short Term Provisions

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Provision for Income tax	27,44,425	33,51,939	59,04,874
TDS Payable	4,75,006	59,806	85,229
Unpaid Dividend for the year 2010-11	33,19,865	51,23,047	51,23,047
Unpaid Dividend tax for the year 2010-11	12,05,481	12,05,481	12,05,481
PF & ESI Payable	87,617	1,93,748	68,115
Service tax payable	7,463	7,463	2,46,780
VAT payable	30,562	9,45,808	-
Others Provisions	3,41,416	18,47,384	14,80,863
	82,11,835	1,27,34,677	1,41,14,389

NOTE NO: 20 Other Income

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Non Operating Income		
Finance Income on		
Deposits with bank	19,029	-
Others	-	50,964
	19,029	50,964

NOTE NO: 21 Operating Expenses

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Opening Cost	3,17,62,000	3,09,60,000
Add: Material Purchases	52,84,59,092	1,09,10,86,320
Less: Closing Stock	3,52,50,920	3,17,62,000
	52,49,70,172.38	1,09,02,84,319.74

NOTE NO: 22 EMPLOYEE BENEFITS EXPENSE:

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
(a) Salaries & Wages	26,08,690	32,43,276
(b) Staff welfare expenses	5,94,553	3,15,212
	32,03,243	35,58,488

NOTE NO: 23 Finance Cost

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Interest on Cash Credit	13,08,464	17,81,537
Interest on LC/BG Discount	98,72,884	6,63,63,204
Interest on Vehicle Loans	-	83,330
	1,11,81,349	6,82,28,071

NOTE NO: 24 OTHER EXPENSES:

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Packing & forwarding Charges	18,80,235	81,44,560
Repairs & maintenance	3,25,975	3,79,839
Sales & marketing expenses	3,04,000	2,13,137
Power & fuel	1,60,939	3,34,558
General office expenses	4,23,576	16,26,859
Interest on Tax	7,73,221	-
Director Remuneration	18,00,000	18,00,000
Auditors remuneration	59,000	57,500
Retainer ship fee	1,40,700	1,34,832
Professional & Commission Charges	3,67,350	8,14,601
Printing & Stationary	34,451	78,828
Rent, rates & taxes	15,03,374	17,27,988
Communication expenses	23,948	1,76,914
Travelling & Conveyance	8,09,161	13,48,750
	86,05,930	1,68,38,366

25. Contingent Liabilities not provided for is :

S.No.	Particulars	31.03.2018	31.03.2017
1	Bill Discounted Under LC	-	18,12,59,174
2	Bill Discounted under BG	-	28,00,00,000

26. Related Party Disclosures

As per Ind As 24 the disclosure of transactions with the related parties are given below

Key Management Personnel (Directors)

Ravinder Rao Polsani Managing Director

Directors Remunerations

	FY 2017-18	FY 2016-17
P. RaviinderRao	Rs.18,00,000	Rs.18,00,000

27. Auditors remuneration:

Particulars	2017-18 (Rupees)	2016-17 (Rupees)
Audit Fee	59,000	57,500
Total	59,000	57,500

28. The Board of Directors assesses the financial performance of the Company and make strategic Decisions. The Company has only one reportable segment i.e "trading of hardware and agriculture inputs" and hence no separate disclosures are required under Ind AS 108.

29. Earnings per share (EPS):

The details of number of Equity shares used in calculating Basic and Diluted earnings per share are set out below:

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Weighted average Equity shares for computing Basic EPS	7,25,81,100	7,25,81,100
Dilutive impact of Share Warrants	-	-
Weighted average Equity shares for computing Diluted EPS	7,25,81,100	7,25,81,100
Profit After Tax	17,56,269	(1,19,74,284)
Earnings per Share	0.02	0.04

30. The Group has not received any information from any of the supplier of their being Micro, Small and medium enterprises. Hence, the amounts due to Micro, Small and Medium enterprises outstanding as on 31-03-2018 was Rs. Nil

31. Balances in respect of trade payables, various advances and trade receivables are subject to confirmation from the respective parties.

32. First Time Ind As adoption Reconciliations

Effect of Ind As adoption on the balance sheet as at 31st March, 2018 and 1st April, 2017:

Particulars	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind As	As per Ind As	Previous GAAP	Effect of transition to Ind As	As per Ind As
ASSETS:						
Non-current assets						
(a) Property, Plant and Equipment	2,10,10,783	-	2,10,10,783	2,23,90,248	-	2,23,90,248
(b) Intangible Assets under development	-	-	-	-	-	-
(c) Financial assets						
(i) Investments	-	-	-	-	-	-
(ii) Other Financial Assets	47,53,720	-	47,53,720	47,53,720	-	47,53,720
(d) Deferred tax assets (net)	-	-	-	-	-	-
Current assets						
(a) Inventories	3,52,50,920	-	3,52,50,920	3,17,62,000	-	3,17,62,000
(b) Financial assets						
(i) Loans and advances	2,33,07,887	-	2,33,07,887	3,66,80,272	-	3,66,80,272
(ii) Trade receivables	41,40,08,491	-	41,40,08,491	43,79,43,490	-	43,79,43,490
(iii) Cash and cash equivalents	1,07,12,703	-	1,07,12,703	49,78,614	-	49,78,614
(c) Other current assets	51,16,326	-	51,16,326	64,05,387	-	64,05,387
TOTAL ASSETS	51,41,60,829	-	51,41,60,829	54,49,13,730	-	54,49,13,730
EQUITY AND LIABILITIES:						
Equity						
(a) Equity Share Capital	7,25,81,100	-	7,25,81,100	7,25,81,100	-	7,25,81,100
(b) Other Equity						
(i) Share Warrants	-	-	-	-	-	-
(ii) Reserves and Surplus	8,38,73,787	-	8,38,73,787	8,21,35,709	-	8,21,35,709
(c') Non-Controlling Interests	56,36,373	-	56,36,373	57,80,896	-	57,80,896
Liabilities						
A Non Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	-	-	-	1,11,992	-	1,11,992
(b) Provisions	7,80,300	-	7,80,300	7,80,300	-	7,80,300
(c) Deferred tax liabilities (Net)	(1,86,493)	-	(1,86,493)	12,13,381	-	12,13,381
B Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	42,24,396	-	42,24,396	1,25,54,618	-	1,25,54,618
(ii) Trade Payables	33,35,03,221	-	33,35,03,221	34,93,19,694	-	34,93,19,694
(b) Other current liabilities	12,953	-	12,953	32,32,449	-	32,32,449
(c) Provision	1,37,35,190	-	1,37,35,190	1,72,03,592	-	1,72,03,592
TOTAL EQUITY AND LIABILITIES	51,41,60,829	-	51,41,60,829	54,49,13,730	-	54,49,13,730

Effect of Ind as adoption on the Statement of Profit and loss:

Particulars	Year ended 31st March, 2018		
	Previous GAAP	Effect of transition to Ind As	As per Ind As
I. Revenue from operations	63,59,68,852	-	63,59,68,852
II. Other Income	19,029	-	19,029
III. Total Income (I+II)	63,59,87,881	-	63,59,87,881
EXPENSES		-	
Cost of raw material and components consumed	60,78,06,961	-	60,78,06,961
Employee benefit expense	32,03,243	-	32,03,243
Depreciation and amortization Expense	13,79,465	-	13,79,465
Finance Cost	1,17,98,963	-	1,17,98,963
Other expenses	1,03,22,867	-	1,03,22,867
Total expenses (IV)	63,45,11,500	-	63,45,11,500
Profit/(loss) before tax (III-IV)	14,76,381	-	14,76,381
Tax expense:		-	
(1) Current tax	7,90,506	-	7,90,506
(2) Deferred tax	(13,99,874)	-	(13,99,874)
Net profit for the period	20,85,749	-	20,85,749

As per our report of even date attached

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-
M Madhusudhana Reddy
Partner
Membership No. 213077

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-
P. Ravinder Rao
Managing Director

Sd/-
N.Venugopal
Director

Sd/-
KA Narasimha Raju
Executive Director cum CFO
DIN NO : 02383452

Place : Hyderabad
Date : 30.05.2018

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members,

TAAZA INTERNATIONAL LIMITED

Report on the Consolidated Ind AS financial statements

We have audited the accompanying Consolidated Ind AS financial statements of **TAAZA INTERNATIONAL LIMITED** ('the Holding Company'), and its subsidiaries (collectively referred to as "the Group") which comprise the consolidated Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements")

Management's Responsibility for the Consolidated Ind AS 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 of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under. 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 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 Consolidated Ind AS financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Consolidated Ind AS, of the financial position of the Company as at 31st March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, the statement of Cash flows and the changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, relevant rules issued there under.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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. 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;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Other Matter

(a) The accompanying consolidated financial statements include total assets of Rs. 9,88,69,173/- as at March 31, 2018, and total revenues Rs.8,55,00,821/- and net cash outflows of Rs.1,66,372/- for the year ended on that date, in respect of 2 subsidiary, which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **M M REDDY & Co.,**
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner, M.No.213077

Place: Hyderabad
Date : 30.05.2018

ANNEXURE - A TO THE INDEPENDENT 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 TAAZA INTERNATIONAL LIMITED ("the Company") as of 31st March 2018 in conjunction with our audit of the Consolidated Ind AS 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Hyderabad

Date : 30.05.2018

For **M M REDDY & Co.,**
Chartered Accountants
Firm Registration No.010371S
(M Madhusudhana Reddy)
Partner, M.No.213077

Consolidate Balance Sheet as at 31.03.2018

(Amount in Rupees)

PARTICULARS	Note No's	As at 31.03.2018	As at 31.03.2017	As at 1.04.2016
I ASSETS :				
(1) Non-current assets				
(a) Property, Plant and Equipment	2	2,10,10,783	2,23,90,248	2,37,56,742
(b) Capital work-in-progress		-	-	-
(c) Goodwill		-	-	-
(d) Other Intangible Assets		-	-	-
(e) Intangible Assets under development		-	-	-
(f) Biological Assets		-	-	-
(g) Financial assets				
(i) Investments	3	-	-	2,00,00,000
(ii) Other Financial Assets	4	47,53,720	47,53,720	19,17,720
(h) Deferred tax assets (net)		-	-	-
(i) Other non-current assets	5	-	-	-
(2) Current assets				
(a) Inventories	6	3,52,50,920	3,17,62,000	3,09,60,000
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables	7	41,40,08,491	43,79,43,490	44,00,19,391
(iii) Cash and cash equivalents	8	1,07,12,703	49,78,614	1,53,02,425
(iv) Bank Balances other than (iii) above		-	-	-
(v) Loans and advances	9	2,33,07,887	3,66,80,272	2,46,96,190
(vi) Investments held for Sale		-	-	-
(c) Other current assets	10	51,16,326	64,05,387	1,92,561
TOTAL ASSETS		<u>51,41,60,829</u>	<u>54,49,13,730</u>	<u>55,68,45,030</u>
II EQUITY AND LIABILITIES:				
(1) Equity				
(a) Equity Share Capital	11	7,25,81,100	7,25,81,100	7,25,81,100
(b) Other Equity				
(i) Reserves and Surplus	12	8,38,73,787	8,21,35,709	9,29,33,945
(c) Not Controlling Interest		56,36,373.65	5,78,896	56,50,224
(2) Liabilities				
(A) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	-	1,11,992	13,84,062
(b) Deferred tax liabilities (Net)	14	-1,86,493	12,13,381	12,73,857
(c) Long Term Provisions	15	7,80,300	7,80,300	7,80,300
(B) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	42,24,396	1,25,54,618	1,82,52,319
(ii) Trade Payables	17	33,35,03,221	34,93,19,694	34,74,68,077
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	18	12,953	32,32,449	24,06,757
(c) Provisions	19	1,37,35,190	1,72,03,592	1,41,14,389
(d) Current tax liabilities(Net)		-	-	-
TOTAL EQUITY AND LIABILITIES		<u>51,41,60,829</u>	<u>54,49,13,730</u>	<u>55,68,45,030</u>

Significant accounting policies and notes to accounts

1 to 32

As per our report of even date

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-

M Madhusudhana Reddy

Partner

Membership No. 213077

Place : Hyderabad

Date : 30.05.2018

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-

P. Ravinder Rao

Managing Director

Sd/-

K A Narasimha Raju

CFO

Sd/-

N.Venugopal

Director

**Statement of Changes in Equity
For the year ended 31 March 2018**

a. Equity share capital

(Amount in Rs.)

	Amount
Balance as at the 1 April 2016	72,581,100
Changes in equity share capital during 2016-17	-
Balance as at the 31 March 2017	72,581,100
Changes in equity share capital during 2017-18	-
Balance as at the 31 March 2018	72,581,100

b. Other equity

(Amount in Rs.)

	Reserves and surplus				Items of Other comprehensive income (OCI)	Total
	General Reserve	Capital Reserve	Securities Premium Reserve	Retained earnings	Others	
Balance at 1 April 2016	85,525	88,22,500	44,00,000	8,60,69,406	-	9,93,77,431
Total comprehensive income for the year ended 31 March 2017						
Profit or loss				(1,01,19,567)	-	(1,01,19,567)
Other comprehensive income(net of tax)				-	-	-
Total comprehensive income			-	(1,01,19,567)	-	(1,01,19,567)
Transactions with owners in their capacity as owners directly in equity	-		-	-	-	-
Balance at 31 March 2017	85,525	88,22,500	44,00,000	7,59,49,839	-	8,92,57,864
Total comprehensive income for the year ended 31 March 2018						
Profit or loss			-	20,52,950	-	20,52,950
Other comprehensive income(net of tax)			-	-	-	-
Total comprehensive income	-		-	20,52,950	-	20,52,950
Transactions with owners in their capacity as owners	-		-	-	-	-
Balance at 31 March 2018	85,525	88,22,500	44,00,000	7,80,02,790	-	9,13,10,815

As per our report of even date

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-

M Madhusudhana Reddy

Partner

Membership No. 213077

Place : Hyderabad

Date : 30.05.2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

(Amount in Rupees)

PARTICULARS	Year ended 31.03.2018	Year ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax	14,76,381	(90,21,512)
Adjustment for:		
Depreciation and Amortisation	13,79,465	13,77,394
Priori period expenses		2,49,390
Currency Translation Reserve	(3,14,872)	(9,28,059)
Minority Interest	(1,77,319)	(75,407)
Cash Flows from Operations before changes in assets and liabilities (I)	<u>23,63,655</u>	<u>(83,98,194)</u>
Movements in Working Capital:		
(Increase)/ Decrease in trade receivables	2,39,34,999	20,75,901
(Increase)/Decrease in other Current Assets	12,89,061	(6,21,2,825)
(Increase) / Decrease in Inventories	(34,88,920)	(8,02,000)
(Increase) / Decrease in Loans and Advances	1,33,72,384	1,19,84,081
(Increase) / Decrease in Trade Payables	(1,58,16,472)	18,51,616
(Increase) / Decrease in Short Term Provision	(42,58,908)	21,36,751
Increase/(Decrease) in Other current liabilities	(32,19,496)	8,25,692
Change in Working Capital (II)	<u>1,18,12,648</u>	<u>(1,21,08,946)</u>
Changes in non current assets and liabilities		
Decrease/(Increase) in loans & advances	-	(28,36,000)
Decrease/(Increase) in Long Term Provisions	-	-
Decrease/(Increase) in Other non Current Assets	-	-
Changes in non current assets and liabilities (III)	<u>-</u>	<u>(28,36,000)</u>
Cash Generated From Operations (I+II+III)	<u>1,41,76,303</u>	<u>(2,33,43,140)</u>
Less: Taxes paid	-	-
Net Cash from operating activities(A)	<u>1,41,76,303</u>	<u>(2,33,43,140)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Fixed assets and Capital Work In progress	-	(10,900)
Bank Balances not considered as Cash and Cash equivalents	-	-
Investment in equity Shares	-	2,00,00,000
Net cash used in Investing activities (B)	<u>-</u>	<u>1,99,89,100</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Borrowings	(84,42,214)	(69,69,772)
Changes in Minority interest	-	-
Net cash Flow from Financing Activities (C)	<u>(84,42,214)</u>	<u>69,69,772</u>
Net Increase/(Decrease) in cash & cash equivalents [A+B+C]	57,34,090	(1,03,23,811)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	49,78,613	1,53,02,425
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	<u>1,07,12,703</u>	<u>49,78,613</u>

As per our report of even date

For M M REDDY & CO.,
 Firm Registration Number : 010371S
 Chartered Accountants
 Sd/-
M Madhusudhana Reddy
 Partner
 Membership No. 213077
 Place : Hyderabad
 Date : 30.05.2018

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-
P. Ravinder Rao
 Managing Director
 Sd/-
K A Narasimha Raju
 CFO

Sd/-
N.Venugopal
 Director

1. Significant Accounting Policies & Notes annexed to and forming part of the Consolidated financial Statements

1.1. Basis for preparation of financial statements:

a) Compliance with Indian Accounting Standards (Ind As)

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind As) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013. Up to the year ended March 31, 2017, the Group prepared financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These are the Group first Ind As financial statements. The date of transition to Ind As is April 1, 2016.

b) First time adoption

In accordance with Ind As 101 on First-time adoption of Indian Accounting Standards, the Group has prepared its first Ind As financial statements which include:

- (i) Three Balance sheets namely, the opening Balance Sheet as at 1st April, 2016

(The transition date) by recognizing all assets and liabilities whose recognition is required by Ind As, not recognizing assets or liabilities which are not permitted by Ind As, by reclassifying assets and liabilities from previous GAAP as required by Ind As and applying Ind As in measurement of recognized assets and liabilities; and Balance Sheets as at March 31, 2018 and 2017; and

- (ii) Two Statements each of profit and loss; cash flows and changes in equity for the years ended March 31, 2018 and 2017 together with related notes.

The same accounting policies have been applied for all the periods presented except when the Group has made use of certain exceptions.

The financial statements have been prepared on the historical cost basis except for certain instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities have been classified as current or non-current as per the Group normal operating as per the Group normal operating cycle and other criteria set out in the schedule III of the Act. The Group has determined its operating cycle as twelve months for the purpose of current-noncurrent classification of assets and liabilities.

The financial statements are presented in Indian Rupees which is also its functional currency. All amounts have been rounded – off to the nearest rupees, unless otherwise indicated.

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

? Power over the investee (i.e. existing rights that give it the current ability to direct the relevant

activities of the investee)

? Exposure, or rights, to variable returns from its involvement with the investee, and

? The ability to use its power over the investee to affect its returns The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The acquisition accounting is used by the group to account for business combinations.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) Use of estimates and judgment

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

1.2. Property, Plant and Equipment & Depreciation

Items of Property, Plant and Equipment are stated at cost less accumulated depreciation.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for

its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Depreciation on the fixed assets has been provided based on useful lives as prescribed under part C of the schedule II of the companies act, 2013.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Transition to Ind AS: On Transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per previous GAAP which in case of the Company, corresponds with carrying costs measured in accordance with Ind AS 16 Property, plant and equipment.

1.3 Impairment of non-financial assets

The Group non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

1.4 Intangible assets

Intangible assets are amortized over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and

are treated as change in accounting estimates. The amortization expense on intangible assets with finite useful lives is recognized in profit or loss.

1.5 Inventory

Cost of inventories have been computed to include all costs of purchases (including materials), cost of conversion and other costs incurred, as the case may be, in bringing the inventories to their present location and condition.

Stores and consumables are valued at cost arrived at on FIFO basis or net realisable value, whichever is lower

1.6 Foreign currencies transactions and translations

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates, in case of monetary current assets and liabilities in foreign currency, are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

1.7 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (other than employee benefits) 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.

1.8 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable.

Interest Income

Interest income from a financial asset is recognised using effective interest rate method. However, in respect of certain financial assets where it is not probable that the economic benefits associated with the transaction will flow to the entity and amount of revenue cannot be measured reliably, in such cases interest income is not recognised.

1.9 Dividend Income

Dividends will be recognised when the Group right to receive has been established

1.10 Employee benefits

1.10.1 Short term employee benefits

The undiscounted amount of short term employee benefits are expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

1.10.2 Defined benefit plans

a) Gratuity

In accordance with the Payment of Gratuity Act, 1972, Group provides for gratuity, a defined retirement plan (the "Gratuity Plan") covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or

termination of employment, of an amount based on the respective employee salary and the tenure of employment. Liability with regard to the Gratuity Plan are determined by actuarial valuation as of the balance sheet date, based upon which, the Group contributes the ascertained liabilities to Insurer.

b) Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon is paid at retirement, death, incapacitation or termination of employment. Both the employee and the Group make monthly contributions to the Regional Provident Fund Commissioner equal to a specified percentage of the covered employee's salary.

c) Employee State Insurance Fund

Eligible employees (whose gross salary is less than ₹ 15,000 per month) are entitled to receive benefit under employee state insurance fund scheme. The employer makes contribution to the scheme at a predetermined rate (presently 4.75%) of employee's gross salary. The Group has no further obligations under the plan beyond its monthly contributions. These contributions are made to the fund administered and managed by the Government of India. Monthly contributions are charges to income in the year it is incurred.

1.11 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are off set only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

1.12 Leases

Leases are classified as finance lease whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight line basis over the period of the lease.

1.13 Borrowing costs

Borrowing costs incurred for obtaining assets which takes substantial period to get ready for their intended use are capitalized to the respective assets wherever the costs are directly attributable to such assets and in other cases by applying weighted average cost of borrowings to the expenditure on such assets. Other borrowing costs are treated as expense for the year.

Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method.

1.14 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owner of the Group.
- By the weighted number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.15 Financial Instruments

i. Financial assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

a) Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through profit or loss (FVTPL)

A Financial asset which is not classified as AC or FVOCI are measured at FVTPL e.g. investments in mutual funds. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

c) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose Objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

B. Investments in subsidiaries

The Group has accounted for its investments in subsidiaries at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

ii. Financial Liabilities

A. Initial recognition

All financial liabilities are recognized at fair value.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.16 First time adoption of Ind As

Transition to Ind As

The Group has adopted Ind As with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening reserves as at 1st April, 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind As and Schedule III.

a) Exemptions from retrospective application

i. Fair value as deemed cost exemption

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date.

Notes on Accounts
NOTE NO. 2: PROPERTY, PLANT AND EQUIPMENT :

(Amount in Rs.)

	Land	Computers	Furniture and Fixtures	Plant & Machinery	Vehicles	Office Equipment	Total
Deemed cost (gross carrying amount)							
Balance at 1 April 2016	16,160,760	811,919	829,786	-	78,81,572	10,58,520	2,67,42,557
Additions	-	-	-	-	-	10,900	10,900
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2017	1,61,60,760	8,11,919	8,29,786	-	78,81,572	1,0,69,420	2,67,53,457
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2018	1,61,60,760	8,11,919	8,29,786	-	78,81,572	10,69,420	2,67,53,457
Accumulated depreciation at 1 April 2016	-	1,47,458	2,71,021	-	22,72,838	2,94,498	29,85,815
Depreciation for the year	-	2,57,135	78,830	-	9,36,331	1,05,099	13,77,394
Balance at 31 March 2017	-	4,04,593	3,49,850	-	32,09,169	3,99,597	43,63,209
Depreciation for the year	-	2,57,135	78,830	-	9,36,331	1,07,170	13,79,465
Balance at 31 March 2018	-	6,61,728	4,28,680	-	41,45,499	5,06,767	57,42,674
Carrying amounts(net)							
At 1 April 2016	1,61,60,760	6,64,461	5,58,765	-	5,6,08,734	7,64,022	2,37,56,742
At 31 March 2017	1,61,60,760	4,07,326	4,79,936	-	46,72,403	6,69,823	2,23,90,248
At 31 March 2018	1,61,60,760	1,50,191	4,01,106	-	37,36,073	5,62,653	2,10,10,783

Notes to Accounts

NOTE NO: 3 NON CURRENT INVESTMENTS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(A) Investment In Other Companies carried at Cost			
Investment in equity shares of IP Constructions Limited	-	-	2,00,00,000
	-	-	2,00,00,000

NOTE NO: 4 other Non Current Financial Assets

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Other Deposites	47,53,720	47,53,720	19,17,720
	47,53,720	47,53,720	19,17,720

NOTE NO: 5 Other non current assets

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
MISCELLANEOUS EXPENDITURE			
Preoperative Expenses	-	-	-
Less : Written off	-	-	-
	-	-	-

NOTE NO: 6 INVENTORIES :

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Stocks	35,250,920	3,17,62,000	3,09,60,000
	35,250,920	3,17,62,000	3,09,60,000

NOTE NO : 7 Trade receivables

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Outstanding for a period exceeding six months from the date they are due for payment"Unsecured, considered good	35,26,427	46,25,397	46,25,397
(b) Outstanding for a period not exceeding six months Unsecured, considered good	4,104,82,064	43,33,18,093	43,53,93,994
	41,40,08,491	43,79,43,490	44,00,19,391

NOTE NO: 8 CASH AND CASH EQUIVALENTS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Balance with banks	1,01,45,424	2,778,572	2,296,937
(b) Cheques in Hand	-	-	-
(c) Cash on Hand	5,67,278	2,200,041	13,005,487
	1,07,12,703	4,978,614	15,302,425

NOTE NO: 9 Short Term Loans and advances

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Advance to Supplies	2,33,07,887	3,66,80,271.63	2,46,96,190.26
Other amounts receivable	-	-	-
	2,33,07,887	3,66,80,272	2,46,96,190

Notes on Accounts
NOTE NO: 11: EQUITY SHARE CAPITAL:

	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Authorised 10000000 Equity Shares of Rs.10/- each	10,00,00,000	10,00,00,000	10,00,00,000	10,00,00,000	10,00,00,000	10,00,00,000
Issued, Subscribed and Paid up 7258110 Equity Shares of Rs.10/- each	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100
Total	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100	7,25,81,100

Foot note:

(a) Reconciliation of the number of shares outstanding as at March 31, 2018, March 31, 2017 and April 1, 2016:

	As At March 31, 2018		As At March 31, 2017		As At April 1, 2016	
	Number	Amount in Rs.	Number	Amount in Rs.	Number	Amount in Rs.
Equity Shares outstanding at the beginning of the year	72,58,110	7,25,81,100	72,58,110	7,25,81,100	72,58,110	7,25,81,100
Addition during the year	-	-	-	-	-	-
Equity Shares outstanding at the end of the year	72,58,110	7,25,81,100	72,58,110	7,25,81,100	72,58,110	7,25,81,100

Details of Shareholders holding more than 5 % shares:

	As At March 31, 2018			As At March 31, 2017			As At April 1, 2016		
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	
1 G.V.B.Narayanamma	4,81,758	6.64%	4,81,758	6.64%	4,81,758	6.64%	4,81,758	6.64%	
2 P. Ravinder Rao	16,73,835	23.06%	16,73,835	23.06%	16,73,835	23.06%	16,73,835	23.06%	
3 P.V.Ravi Kumar	12,33,975	17.00%	12,32,304	16.98%	11,26,153	16.98%	11,26,153	16.98%	

(c) Terms and rights attached to the equity shares:

The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled for one vote per share. Distribution of dividends and repayment of capital, if any, by the company, shall be subject to the provisions of applicable laws.

NOTE NO: 10 OTHER CURRENT ASSETS:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
GST Receivable	10,35,816	-	-
Other advances	38,46,080	64,00,000	-
VAT Input receivable	-	-	1,87,175
Income tax Refund	2,34,430	-	-
TDS Receivable	-	5,387	5,387
	51,16,326	64,05,387	1,92,56

NOTE NO: 12 Reserves and Surplus

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
(a) Securities Premium:	44,00,000	44,00,000	44,00,000
(b) General Reserve:	14,43,435	14,43,435	14,43,435
(c) Capital Reserve - Forfeiture of shares	-	-	-
(d) Retained earnings:			
Opening balance	7,61,99,230	8,60,69,406	6,56,00,343
(+) Net profit during the year	20,52,950	(98,70,177)	2,04,69,063
Closing balance	7,82,52,180	7,61,99,230	8,60,69,406
(e) Currency Translation Reserve:	(2,21,828)	93,044.00	10,21,103.12
Total (a+b+c+d+e)	8,38,73,787	8,21,35,709	9,29,33,945

NOTE NO: 13 Long Term Borrowings

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Vehicle Loan from HDFC	-	1,11,992	13,84,061.8
	-	1,11,992	13,84,062

NOTE NO: 14 Deferred tax liabilities (Net)

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Opening Balance	12,13,381	12,73,857	13,34,334
Provision for Deferred Tax Liabilities	(13,99,874)	(60,477)	-60,477
	(1,86,493)	12,13,381	12,73,857

NOTE NO: 15 Long Term Provisions

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Provision for gratuity	7,80,300	7,80,300	7,80,300
	7,80,300	7,80,300	7,80,300

NOTE NO: 16 Short Term Borrowings

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Loans repayable on demand			
Cash Credit from Bank of Maharashtra	42,24,396	1,25,54,618	1,62,67,320.1
From banks (Corporate Credit Cards)	-	-	19,84,999.1
	42,24,396	1,25,54,618	1,82,52,319.2

NOTE NO: 17 Trade Payables

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Dues to Micro, Small and Medium Enterprises	33,28,67,975	34,93,19,694	34,74,68,077
Sundry Creditors	6,35,246		
Expenses payable			
	33,35,03,221	34,93,19,694	34,74,68,077

NOTE NO: 18 OTHER CURRENT LIABILITIES:

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Other payables	12,953	32,32,449	24,06,757
	-	-	-
	-	-	-
	12,953	32,32,449	24,06,757

NOTE NO: 19 Short Term Provisions

PARTICULARS	As at March 31, 2018 Amount in Rs.	As at March 31, 2017 Amount in Rs.	As at April 1st, 2016 Amount in Rs.
Provision for Income tax	27,44,425	33,51,939	59,04,874
TDS Payable	4,75,006	59,806	85,229
Unpaid Dividend for the year 2010-11	33,19,865	51,23,047	51,23,047
Unpaid Dividend tax for the year 2010-11	12,05,481	12,05,481	12,05,481
PF & ESI Payable	87,617	1,93,748	68,115
Service tax payable	7,463	7,463	2,46,780
VAT payable	30,562	9,45,808	-
Others Provisions	58,64,771	63,16,299	14,80,863
	1,37,35,190	1,72,03,592	1,41,14,389

NOTE NO: 20 Other Income

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Non Operating Income		
Finance Income on		
Deposits with bank	19,029	-
Others	-	1,39,41,980
	19,029	1,39,41,980

NOTE NO: 21 Operating Expenses

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Opening Cost	3,17,62,000	3,09,60,000
Add: Material Purchases	61,12,95,881	1,42,11,78,958
Less: Closing Stock	3,52,50,920	3,17,62,000
	60,78,06,961.27	1,42,03,76,957.86

NOTE NO: 22 EMPLOYEE BENEFITS EXPENSE:

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
(a) Salaries & Wages	26,08,690	71,31,876
(b) Staff welfare expenses	5,94,553	3,15,212
	32,03,243	74,47,088

NOTE NO: 23 Finance Cost

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Interest on Cash Credit	19,26,079	30,11,291
Interest on LC/BG Discount	98,72,884	6,63,63,204
Interest on Vehicle Loans	-	83,330
	1,17,98,963	6,94,57,825

NOTE NO: 24 OTHER EXPENSES:

PARTICULARS	Year ended March 31, 2018 Amount in Rs.	Year ended March 31, 2017 Amount in Rs.
Packing & forwarding Charges	18,80,235	81,44,560
Repairs & maintenance	3,25,975	3,79,839
Sales & marketing expenses	3,04,000	2,13,137
Power & fuel	1,60,939	3,34,558
General office expenses	21,40,513	16,26,859
Interest on Tax	7,73,221	-
Director Remuneration	18,00,000	18,00,000
Auditors remuneration	59,000	1,31,473
Retainer ship fee	1,40,700	1,34,832
Professional & Commission Charges	3,67,350	1,27,85,417
Printing & Stationary	34,451	78,828
Rent, rates & taxes	15,03,374	17,27,988
Communication expenses	23,948	1,76,914
Travelling & Conveyance	8,09,161	13,48,750
	1,03,22,867	2,88,83,155

25. Contingent Liabilities not provided for is :

S.No.	Particulars	31.03.2018	31.03.2017
1	Bill Discounted Under LC	-	18,12,59,174
2	Bill Discounted under BG	-	28,00,00,000

26. Related Party Disclosures

As per Ind As 24 the disclosure of transactions with the related parties are given below

Key Management Personnel (Directors)

Ravinder Rao Polsani	Managing Director
Pabbathi Badari Narayana Murthy	Director(Taaza International Pte.Ltd)
Jonnada Venkat Mallikarjuna Madhu	Director (Taaza International Pte.Ltd)

Directors Remunerations

	FY 2017-18	FY 2016-17
P. RaviinderRao	Rs.18,00,000	Rs.18,00,000

27. Auditors remuneration:

Particulars	2017-18 (Rupees)	2016-17 (Rupees)
Audit Fee	59,000	1,31,832
Total	59,000	1,31,832

28. The Board of Directors assesses the financial performance of the Company and make strategic Decisions. The Company has only one reportable segment i.e "trading of hardware and agriculture inputs" and hence no separate disclosures are required under Ind AS 108.

29. Earnings per share (EPS):

The details of number of Equity shares used in calculating Basic and Diluted earnings per share are set out below:

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Weighted average Equity shares for computing Basic EPS	7,25,81,100	7,25,81,100
Dilutive impact of Share Warrants	-	-
Weighted average Equity shares for computing Diluted EPS	7,25,81,100	7,25,81,100
Profit After Tax	20,52,950	(1,01,19,567)
Earnings per Share	0.03	0.04

30. The Group has not received any information from any of the supplier of their being Micro, Small and medium enterprises. Hence, the amounts due to Micro, Small and Medium enterprises outstanding as on 31-03-2018 was Rs. Nil

31. Balances in respect of trade payables, various advances and trade receivables are subject to confirmation from the respective parties.

32. First Time Ind As adoption Reconciliations

Effect of Ind As adoption on the balance sheet as at 31st March, 2018 and 1st April, 2017:

Particulars	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Previous GAAP	Effect of transition to Ind As	As per Ind As	Previous GAAP	Effect of transition to Ind As	As per Ind As
ASSETS:						
Non-current assets						
(a) Property, Plant and Equipment	2,10,10,783	-	2,10,10,783	2,23,90,248	-	2,23,90,248
(b) Intangible Assets under development	-	-	-	-	-	-
(c) Financial assets						
(i) Investments	-	-	-	-	-	-
(ii) Other Financial Assets	47,53,720	-	47,53,720	47,53,720	-	47,53,720
(d) Deferred tax assets (net)	-	-	-	-	-	-
Current assets						
(a) Inventories	3,52,50,920	-	3,52,50,920	3,17,62,000	-	3,17,62,000
(b) Financial assets						
(i) Loans and advances	2,33,07,887	-	2,33,07,887	3,66,80,272	-	3,66,80,272
(ii) Trade receivables	41,40,08,491	-	41,40,08,491	43,79,43,490	-	43,79,43,490
(iii) Cash and cash equivalents	1,07,12,703	-	1,07,12,703	49,78,614	-	49,78,614
(c) Other current assets	51,16,326	-	51,16,326	64,05,387	-	64,05,387
TOTAL ASSETS	51,41,60,829	-	51,41,60,829	54,49,13,730	-	54,49,13,730
EQUITY AND LIABILITIES:						
Equity						
(a) Equity Share Capital	7,25,81,100	-	7,25,81,100	7,25,81,100	-	7,25,81,100
(b) Other Equity						
(i) Share Warrants						
(ii) Reserves and Surplus	8,38,73,787	-	8,38,73,787	8,21,35,709	-	8,21,35,709
(c') Non-Controlling Interests	56,36,373	-	56,36,373	57,80,896	-	57,80,896
Liabilities						
(A) Non Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	-	-	-	1,11,992	-	1,11,992
(b) Provisions	7,80,300	-	7,80,300	7,80,300	-	7,80,300
(c) Deferred tax liabilities (Net)	(1,86,493)	-	(1,86,493)	12,13,381	-	12,13,381
(B) Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	42,24,396	-	42,24,396	1,25,54,618	-	1,25,54,618
(ii) Trade Payables	33,35,03,221	-	33,35,03,221	34,93,19,694	-	34,93,19,694
(b) Other current liabilities	12,953	-	12,953	32,32,449	-	32,32,449
(c) Provision	1,37,35,190	-	1,37,35,190	1,72,03,592	-	1,72,03,592
TOTAL EQUITY AND LIABILITIES	51,41,60,829	-	51,41,60,829	54,49,13,730	-	54,49,13,730

Effect of Ind as adoption on the Statement of Profit and loss:

Particulars	Year ended 31st March, 2018		
	Previous GAAP	Effect of transition to Ind As	As per Ind As
I. Revenue from operations	63,59,68,852	-	63,59,68,852
II. Other Income	19,029	-	19,029
III. Total Income (I+II)	63,59,87,881	-	63,59,87,881
EXPENSES		-	
Cost of raw material and components consumed	60,78,06,961	-	60,78,06,961
Employee benefit expense	32,03,243	-	32,03,243
Depreciation and amortization Expense	13,79,465	-	13,79,465
Finance Cost	1,17,98,963	-	1,17,98,963
Other expenses	1,03,22,867	-	1,03,22,867
Total expenses (IV)	63,45,11,500	-	63,45,11,500
Profit/(loss) before tax (III-IV)	14,76,381	-	14,76,381
Tax expense:		-	
(1) Current tax	7,90,506	-	7,90,506
(2) Deferred tax	(13,99,874)	-	(13,99,874)
Net profit for the period	20,85,749	-	20,85,749

As per our report of even date attached

For M M REDDY & CO.,
Firm Registration Number : 010371S
Chartered Accountants

Sd/-
M Madhusudhana Reddy
Partner
Membership No. 213077

For and on behalf of the Board of Directors of
TAAZA INTERNATIONAL LIMITED

Sd/-
P. Ravinder Rao
Managing Director

Sd/-
N.Venugopal
Director

Sd/-
KA Narasimha Raju
Executive Director cum CFO
DIN NO : 02383452

Place : Hyderabad
Date : 30.05.2018

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 : L51109TG2001PLC072561
Name of the company : M/s. Taaza International Limited
Registered office : Plot No. 29, HACP Colony, Kharkhana Road,
Secunderabad – 500009, Hyderabad.

Name of the member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
Address :
E-mail Id :
Signature:or failing him
2. Name :
Address :
E-mail Id :
Signature:or failing him
3. Name :
Address :
E-mail Id :
Signature:or failing him

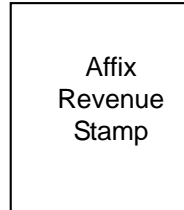
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company, to be held on Saturday, the 29th Day of September, 2018 at 10:30 AM at Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements (including consolidated financial statements) for the year ended 31.03.2018
2. Appointment of Mr. N. Venu Gopal, Director who retires by rotation
3. Re-appointment of Mr. P. Ravinder rao as Managing Director of the Company
4. Re-appointment of Mr. Ganesh Vithal Kamath as Independent Director of the Company
5. Re-appointment of Mr. Satish Kumar Yerneni as Independent Director of the Company

Signed this day of..... 2018

Signature of shareholder



Signature of Proxy holder(s)

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.

TAAZA INTERNATIONAL LIMITED

PLOT NO. 29, HACP COLONY, KHARKHANA ROAD, SECUNDERABAD, TELANGANA - 500009

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 18th Annual General Meeting of the members of the company to be held on Saturday, the 29th Day of September, 2018 at 10:30 AM at Plot No. 29, HACP Colony, Kharkhana Road, Secunderabad – 500009 and at any adjourned meeting thereof.

Shareholders/Proxy's Signature_____

Shareholders/Proxy's full name_____

(In block letters)

Folio No./ Client ID_____

No. of shares held_____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

ROUTE MAP TO BE INSERTED

