

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**5.2 Details of Securities and Term of repayment of loan**

**SECURED**

**1) Term Loan From Banks:**

- i) Term Loan from Bank includes loan taken from Punjab National Bank. The loan is secured by way of Hypothecation of Plant, Machinery & Equipments etc. of the Company. The loan is further secured by personal guarantee of Mr Atul Mehra, Mr. P.N. Mehra and Mr. M. K. Singh . Period of maturity of loan is 5 years and 6 months. The loan is repayable in quarterly installments and present rate of interest on loan is Base Rate+1.75%.
- ii) Term Loan from Bank includes loan taken from Punjab National Bank. The loan is secured by equitable mortgage of Land & Building of the company. The loan is further secured by personal guarantee of Mr Atul Mehra, Mr. P.N. Mehra and Mr. M. K. Singh. Period of maturity of loan is 5 years and 6 months. The loan is repayable in quarterly installments and present rate of interest on loan is Base Rate+1.75%.
- iii) Vehicle loans are from HDFC Bank Limited and are secured by hypothecation of Vehicle. Period of maturity for loans is 3 years. The loans are repayable in monthly installments.
- iv) Vehicle loan is from IDFC First Bank Limited and is secured by hypothecation of Vehicle. Period of maturity for loan is 3 years. The loan is repayable in 36 monthly installments and present rate of interest on loan is 12.5%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22
Punjab National Bank (Plant & Machinery)	115.29	127.29	0.00
Punjab National Bank (Building)	6.98	7.71	0.00
HDFC Bank Limited	13.10	14.31	2.57
IDFC First Bank Limited	10.25	11.62	13.13
<b>Total Term Loan from Bank</b>	<b>145.62</b>	<b>160.93</b>	<b>15.70</b>

**2) Term Loans From Other Parties:**

- i) Vehicle loans from others parties is from Kotak Mahindra Prime Limited and are secured by hypothecation of Vehicles. Period of maturity for loans varies between 2 years to 3 years and number of repayment installments is ranging between 24 to 36 months.
- ii) Vehicle loan from others parties is from Renault Finance and is secured by hypothecation of Vehicles. Period of maturity for loan is 2 years and repayable in 24 monthly installments.

The repayment obligation in future of above loans is as under:-

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21
Vehicle Loans from Other Parties	43.77	22.67
Vehicle Loans from Other Parties	1.47	1.03
<b>Total Term Loan from Other Parties</b>	<b>45.24</b>	<b>23.70</b>

**UNSECURED**

**1) Term Loan From Bank:**

- a) Term Loan from Bank includes loan taken from HDFC Bank Limited. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 15%.
- b) Term Loan from Bank includes loan taken from Kotak Mahindra Bank. The loan is secured by personal guarantee of Mr. Atul Mehra, Director of the Company and Mrs. Sonia Mehra. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 16%.
- c) Term Loan from Bank includes loan taken from Axis Bank Limited. The loan is secured by personal guarantee of Mr. Atul Mehra, Director of the Company. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 15%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21
HDFC Bank Limited	9.96	0.00
Kotak Mahindra Bank	21.02	0.00
Axis Bank Limited	10.07	10.47
<b>Total Term Loan from Bank</b>	<b>41.05</b>	<b>10.47</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**2) Term Loans From Other Parties:**

- a) Term Loan from Other Parties includes loan taken from Bajaj Finserv Limited. Period of maturity of loan is 2 years. The loan is repayable in monthly installments and present rate of interest on loan is 16%.
- b) Term Loan from Other Parties includes loan taken from Tata Capital Financial Services Limited. Period of maturity of loan is 2 years. The loan is repayable in monthly installments and present rate of interest on loan is 16.25%.
- c) Term Loan from Other Parties includes loan taken from United Petro Finance Limited. Period of maturity of loan is 3 years. The loan is repayable in monthly installments and present rate of interest on loan is 16.00%.

The repayment obligation in future of above loans is as under:

(Rs. In Lakhs)		
Particulars	F.Y. 2019-20	F.Y. 2020-21
Bajaj Finserv Limited	11.11	0.00
Tata Capital Financial Services Limited	36.56	17.68
United Petro Finance Limited	37.73	13.91
<b>Total Term Loan from Other Parties</b>	<b>85.40</b>	<b>31.59</b>

**6 Deferred Tax Liabilities**

**(Net) Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Deferred Tax Liability**

i) On account of differences in written down value of fixed assets -      561,500.00

**Deferred Tax Assets**

i) On account of timing difference of expenses which are allowable under Income Tax Laws in subsequent years -      398,111.00

Deferred Tax Liability (Net) **-      163,389.00**

**7 Other Long-term**

**Liabilities Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

Advance for Capital Goods 17,500,000.00      17,100,000.00

**Total** **17,500,000.00      17,100,000.00**

**8 Long-term Provisions**

**Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Provision for employee benefits** Provision for Gratuity 1,600,709.00      1,204,097.00

**Total** **1,600,709.00      1,204,097.00**

**9 Short-term Borrowings**

**Particulars**

**As at 31.03.2019**      **As at 31.03.2018**

**Secured**

Cash Credit from Punjab National Bank 245,758,036.57      192,571,565.66

Bank Cash Credit from Indusind Bank -      11,281,020.00

Bill Discounting from Yes Bank 34,576,898      44,469,734.08

**Unsecured**

Bill Discounting from Kotak Mahindra 22,324,044.90      28,189,592.76

Bank Cash Credit from Indusind Bank 29,954,399.00      -

Cash Credit from HDFC -      18,159,608.03

Bank From Related Parties 38,800,000.00      -

**Total** **371,413,378.91      297,192,520.53**

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**9.1 Cash Credit Limit from Punjab National Bank:**

- i) Secured by hypothecation of stocks, book debts, movable assets, fixed assets of the company and equitable mortgage of land of the company.
- ii) The said limit is further secured by way of personal guarantee of the directors of the Company.
- iii) The cash credit carries interest rate @ 9.80%.

**9.2 Bill Discounting Limit from Yes Bank**

- i) Secured by subservient charge by hypothecation of all current assets and movable fixed assets of the company.
- ii) The said limit is further secured by way of personal guarantee of the director and other.
- iii) The said limit carries interest rate @ 10.70% p.a.

**9.3 From Kotak Mahindra Bank**

Limit from Kotak Mahindra Bank is against Bill Discounted & is guaranteed by Mr. Atul Mehra, Director of the Company.

**9.4 Cash Credit Limit from Indusind Bank:**

- i) The said limit is secured by way of personal guarantee of Director Mr Atul Mehra and relative of director.
- ii) The loan is additionally secured by collateral security of immovable property of others.
- iii) The cash credit carries interest rate @ 9.30%.

**10 Trade Payables**

Particulars	As at 31.03.2019	As at 31.03.2018
Trade Payables		
(a) total outstanding dues of micro enterprises and small enterprises	598,621.00	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	11,744,589.92	15,053,656.55
<b>Total</b>	<b>12,343,210.92</b>	<b>15,053,656.55</b>

10.1 Following are the relevant disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006:

Description	As at March 31, 2019	As at March 31, 2018
a) The principal amount remaining unpaid to suppliers as at the end of accounting year	598,621.00	-
b) The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
c) The amount of interest paid by the company in terms of Section 16, along with the amount of payments made to the micro and small enterprise beyond the appointed date during the period	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the period but without adding the interest specified under this Act.	Nil	Nil
e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil

The above mentioned outstanding's are in normal course of business and the information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

**11 Other Current Liabilities**

Particulars	As at 31.03.2019	As at 31.03.2018
Current Maturities of Long-Term Debt (Refer Note 4 above)	31,732,249.48	25,788,885.12
Creditors for Capital Goods	835,764.32	1,953,339.32
Advance from Customers	5,372,896.82	7,804,958.77
Statutory Dues Payable	6,796,892.66	2,312,358.24
Other Payables	12,229,671.72	9,266,250.47
<b>Total</b>	<b>56,967,475.00</b>	<b>47,125,791.92</b>

**12 Short-Term Provisions**

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for Income Tax (Net of Taxes Paid)	2,475,789.13	1,527,954.13
Provision for employee benefits	1,093,096.00	402,186.00
<b>Total</b>	<b>3,568,885.13</b>	<b>1,930,140.13</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**14 Non Current Investments**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Non-Trade Investments</b>		
Investment in Equity Instruments (Unquoted)	10,050,500.00	50,500.00
<b>Total</b>	<b>10,050,500.00</b>	<b>50,500.00</b>

14.1 Script wise detail is given in Annexure-I

**15 Long Term Loans & Advances**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Unsecured, Considered Goods</b>		
Security Deposits	12,996,273.00	12,751,273.00
MAT Credit Entitlement	11,106,698.63	8,428,102.63
Capital Advances	32,859,751.00	32,559,751.00
<b>Total</b>	<b>56,962,722.63</b>	<b>53,739,126.63</b>

15.1 Security Deposit includes security deposit of Rs. 120.00 lakhs given to a company in which Director of the Company is member (Previous Year Rs.120 lacs)

**16 Deferred Tax Assets (Net)**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax Liability</b>		
i) On account of differences in written down value of fixed assets	-	-
<b>Deferred Tax Assets</b>		
i) On account of differences in written down value of fixed assets	297,048.00	-
ii) On account of timing difference of expenses which are allowable under Income Tax Laws in subsequent years	534,381.00	-
<b>Deferred Tax Asset (Net)</b>	<b>831,429.00</b>	<b>-</b>

**17 Current Investments**

Particulars	As at 31.03.2019	As at 31.03.2018
(Valued at cost or market value, whichever is lower)		
Investment in Mutual Funds	-	2,500,000.00
<b>Total</b>	<b>-</b>	<b>2,500,000.00</b>

17.1 Script wise detail is given in Annexure-II

**18 Inventories**

Particulars	As at 31.03.2019	As at 31.03.2018
Raw Materials	110,619,879.31	344,029,124.78
Work-in-Progress	652,367.00	643,340.00
Finished Goods	530,341,100.79	140,689,635.67
Packing Material & Stores	1,984,800.00	2,069,400.00
<b>Total</b>	<b>643,598,147.10</b>	<b>487,431,500.45</b>

**19 Trade Receivables**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Trade receivables outstanding for a period exceeding six months from the date they were due for payment</b>		
Unsecured, Considered Goods	21,946,484.25	20,626,843.67
<b>Other Trade receivables</b>		
Unsecured, Considered Goods	179,465,625.42	198,482,594.74
<b>Total</b>	<b>201,412,109.67</b>	<b>219,109,438.41</b>

19.1 Trade Receivable includes debt due from Company in which Director is a Member.

19,700,000.00 19,700,000.00

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**20 Cash and Bank Balances**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>Cash &amp; Cash Equivalents:</b>		
Cash in Hand	2,142,652.97	2,679,693.21
<b>Balance with Banks:</b>		
(i) In Current Account	3,210,434.23	15,269,550.40
(ii) In Term Deposit	5,569,631.96	3,477,822.55
<b>Total</b>	<b>10,922,719.16</b>	<b>21,427,066.16</b>

20.1 Term Deposit account with more than 12 months maturity Rs. 12,61,163.00/-

20.2 Term Deposit of Rs. 55,69,631.96/- Pledged against margin money/ security.

**21 Short Term Loans and Advances**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>Unsecured, Considered Goods</b>		
Security Deposit	36,047,887.51	38,446,637.51
Advance to Suppliers	72,617,317.62	53,438,844.00
MAT Credit Entitlement	-	3,200,000.00
Other Advances	14,467,657.87	22,415,770.21
<b>Total</b>	<b>123,132,863.00</b>	<b>117,501,251.72</b>

21.1 Security Deposit includes security deposit of Rs. 355.00 lakhs given to Director of the Company (Previous Year 355.00 lacs)

**22 Other Current Assets**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Prepaid Expenses	2,016,366.16	3,113,957.71
<b>Total</b>	<b>2,016,366.16</b>	<b>3,113,957.71</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**23 Revenue from operations**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Sale of Products	3,652,051,598.20	3,318,644,001.17
Other Operating Income	-	-
<b>Total</b>	<b>3,652,051,598.20</b>	<b>3,318,644,001.17</b>

**23.1 Detail of Products sold:-**

Milk & Milk Products	3,650,761,680.20	3,314,438,301.17
Other Products	1,289,918.00	4,205,700.00
<b>Total</b>	<b>3,652,051,598.20</b>	<b>3,318,644,001.17</b>

**24 Other Income**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Interest Income	1,198,978.82	975530.55
Profit on Sale of Fixed Assets	309,798.68	965,132.37
Profit on Sale of Investment	308,429.34	592,045.82
Sundry Liabilities Written Back	8,517,956.50	1,756,190.74
Misc Income	192,684.92	148,281.10
<b>Total</b>	<b>10,527,848.26</b>	<b>4,437,180.58</b>

**25 Cost of Material Consumed**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Opening Stock	344,029,124.78	283,235,454.08
Add: Purchases (Includes Freight & Expenses thereon)	3,564,529,691.72	3,140,250,008.66
	3,908,558,816.50	3,423,485,462.74
Less: Closing Stock	110,619,879.31	344,029,124.78
<b>Total</b>	<b>3,797,938,937.19</b>	<b>3,079,456,337.96</b>

**25.1 Detail of Material Consumed**

Milk & Milk Products	3,790,288,911.99	3,066,088,326.23
Other Products	7,650,025.20	13,368,011.73
<b>Total</b>	<b>3,797,938,937.19</b>	<b>3,079,456,337.96</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**26 Changes in Inventories of Finished Goods & Work-in-Progress.**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b><u>Inventories at the beginning of the year/period</u></b>		
Work-in-Progress	643,340.00	1,800,600.00
Finished Goods	140,689,635.67	142,334,153.78
	<b>141,332,975.67</b>	<b>144,134,753.78</b>
<b><u>Inventories at the end of the year/period</u></b>		
Work-in-Progress	652,367.00	643,340.00
Finished Goods	530,341,100.79	140,689,635.67
	<b>530,993,467.79</b>	<b>141,332,975.67</b>
<b>Net (Increase) /Decrease</b>	<b>(389,660,492.12)</b>	<b>2,801,778.11</b>

**27 Employee Benefit Expenses**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Salaries and Wages	27,593,485.00	20,518,700.00
Contribution to Provident & Other Funds	708,765.00	412,111.00
Staff Welfare Expenses	2,968,929.00	2,128,528.17
Gratuity	607,069.00	5,325.00
<b>Total</b>	<b>31,878,248.00</b>	<b>23,064,664.17</b>

**28 Finance Cost**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Interest Expenses		
i) On Borrowings	40,347,582.20	46,652,912.81
ii) Others	71,062.08	61,640.00
Other Borrowing Cost	592,655.27	2,280,347.67
<b>Total</b>	<b>41,011,299.55</b>	<b>48,994,900.48</b>

**29 Depreciation & Amortisation Expense**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Depreciation	19,338,015.31	23,040,344.42
<b>Total</b>	<b>19,338,015.31</b>	<b>23,040,344.42</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

**30 Other Expenses**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
<b>i) <u>Manufacturing Expenses:</u></b>		
Consumption of Stores & Spare Parts	3,385,086.65	3,279,081.26
Consumption of Packing Materials	9,350,129.47	9,299,709.61
Power & Fuel Consumed	13,659,073.52	18,524,379.48
Other Manufacturing Exp.	376,356.00	524,948.50
	<b>26,770,645.64</b>	<b>31,628,118.85</b>
<b>ii) <u>Administrative Expenses</u></b>		
Communication Expenses	492,027.69	680,984.32
CSR Expenditure (Refer Note No. 32)	637,730.00	1,183,000.00
Rent	4,222,926.00	805,173.61
Rates & Taxes	270,149.84	605,789.35
Insurance	3,089,782.06	3,470,735.50
Legal, Professional & Consultancy Charges	9,695,887.98	2,912,642.44
Payment to Auditors	300,000.00	350,000.00
Printing & Stationery	500,835.00	298,112.00
Travelling & Conveyance	13,056,039.46	10,758,102.74
Donation	771,000.00	5,100.00
Repairs to Machinery	814,469.42	847,572.04
Repairs to Buildings	613,845.81	47,478.00
Repairs & Maintenance (Others)	2,807,514.01	1,139,574.25
Other Administrative Exp.	5,008,598.13	3,130,053.81
	<b>42,280,805.40</b>	<b>26,234,318.06</b>
<b>iii) <u>Selling &amp; Distribution Expenses</u></b>		
Advertisement & Publicity Expenses	2,568,962.48	2,739,764.27
Commission	1,586,779.00	1,846,236.00
Consignment Sales Expenses	-	12,161.00
Freight & Cartage	14,312,113.00	12,825,524.84
	<b>18,467,854.48</b>	<b>17,423,686.11</b>
<b>Total</b>	<b>87,519,305.52</b>	<b>75,286,123.02</b>
<b>30.1 <u>Auditors' remuneration and expenses</u></b>		
As Auditor	250,000.00	250,000.00
For Certification and other charges	50,000.00	100,000.00
<b>Total</b>	<b>300,000.00</b>	<b>350,000.00</b>



**TASTY DAIRY SPECIALITIES LIMITED**

**NOTES ON FINANCIAL STATEMENT**

<b>31 Earnings per Share</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Net Profit as per Profit & Loss Account (in Rs.)	59,453,847.01	53,438,616.59
Weighted average number of Equity Shares for EPS Calculation. (in No.)	20,430,000	15,639,699
Basic EPS. (in Rs.)	2.91	3.42
Diluted EPS (in Rs.)	2.91	3.42

<b>32 Corporate Social Responsibility (CSR)</b>	<b>As at 31.03.2018</b>	
	<b>As at 31.03.2019</b>	
a) Gross amount required to be spend by the company during the year as per Section 135 of Companies Act,2013 read with Schedule VII thereof	1,272,793.00	1,183,000.00
b) The company has spend Rs. 12,48,390.00 towards Corporate Social Responsibility which includes such expenses incurred out of unspend amount of earlier year.		

**32.2 The various head which the CSR expenditure were incurred in cash is detailed as follows**

<b>PARTICULARS</b>	<b>Relevant clause of schedule vii to the Companies Act,2013</b>	<b>F.Y. 2018-2019</b>	<b>F.Y. 2017-2018</b>
Making Available Safe drinking water	i	341,046.00	674,315.00
Eradicating hunger-Providing Skimmed Milk power,Biscuit & tea	i	137,497.00	82,668.00
Special Education to Progressive Farmer ,NGO's ,Vetenarians and Dairy Farm Owners	ii	389,795.00	296,752.00
Promoting Education by distribution of bags and stationaries	ii	91,580.00	
Protection of flora and fauna ,animals welfare-Cattel Health Check up	iv	278,342.00	78,385.00
Promoting health care including preventive health care	i	10,130.00	51,816.00
		<b>1,248,390.00</b>	<b>1,183,936.00</b>

**33 Contingent Liabilities and Commitments: Not Provided For In Respect of:**

**I Contingent Liabilities**

<b>PARTICULARS</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Demands being disputed by the Company:		
a) Income Tax Demand	255,730.00	418,930.00
b) Central Sales Tax Demand	519,268.00	519,268.00
Claims against the Company not acknowledged as debts:		
a) Income Tax Demand on processing of TDS Returns	54,184.00	-

The company has initiated steps for revising the TDS forms to remove various defects due to which demands were raised by authorities and is confident that the demand will be substantially reduced after these rectification.

**II Commitments**

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil (P.Y. Nil)
- (b) Corporate guarantee given by the Company Rs. Nil (P.Y. Nil)

- III** (a) Long term Loans and Advances includes payments made to Uttar Pradesh State Industrial Development Corporation (UPSIDC) of Rs. 49,26,748/-towards installment of premium, interest and other charges on four lease hold plots of land allotted. UPSIDC has made demand against dues toward installment of premium, interest and other charges against these plots. Company has contested these demands and the matter will be settled with UPSIDC on final execution of lease deed and possession of plots. As per latest notices received from UPSIDC there is total demand of Rs. 1,29,92,799/- against these plots. UPSIDC has further given notice for cancellation of above plots. Necessary action has been taken for restoration of the allotment of the plots by the company.

(b) Long Term Loans & Advances also includes payment made to Uttar Pradesh State Industrial Development Corporation (UPSIDC) Rs.

1,54,29,790.00 towards Installment of Premium and Other Charges against Plot D-5, UPSIDC Industrial Area Jainpur, Kanpur Dehat, UP allotted by UPSIDC. UPSIDC has given notice for cancellation of the plot due to delay in implementation of project, for which plot was allotted. UPSIDC has further made demand of Rs. 42,68,853.00 for restoration levy. Necessary action has been taken by the company for the restoration of the allotment of plot. Company has taken effective steps towards implementation of project for which allotment was made.

- 34 Balance in the accounts of Trade receivables, Advance, Security Deposits and Trade Payables has in some cases not been confirmed by the respective parties and are subject to confirmation by them.
- 35 In the opinion of the board, Current Assets, Loans & Advances have value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- 36 Figures of Previous year have been regrouped whenever found necessary to make them comparable with that of current year.
- 37 The required disclosure in Respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity of Employee benefits as per Accounting Standard 15 is disclosed as per Annexure-III.
- 38 The Company has only one business segment i.e. Dairy Products; hence segment reporting as defined in Accounting Standard -17 is not applicable.
- 39 On the basis of review carried out by the management, there was no impairment loss on fixed assets during the year.
- 40 As per AS-18, the Company's related parties and transactions with them are disclosed as per Annexure-IV.

	<u>As at 31.03.2019</u>	<u>As at 31.03.2018</u>
41 Expenditure in foreign currency	1,414,786.70	826,435.03
42 Earnings in foreign currency	-	-

As per our separate report of even date attached herewith.

FOR ATUL GARG & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.01544C

FOR AND ON BEHALF OF THE BOARD

(ATUL GARG)  
PARTNER  
M.NO.070757

(ATUL MEHRA)  
CHAIRMAN &  
WHOLE TIME DIRECTOR  
DIN: 00811607

(MAHENDRA KUMAR SINGH)  
DIRECTOR  
DIN: 02727150

PLACE: KANPUR  
Dated: 30.05.2019

(RAKESH KUMAR YADAV)  
CHIEF FINANCE OFFICER

(NISHI)  
COMPANY SECRETARY  
M.NO.50043

## **TASTY DAIRY SPECIALITIES LIMITED**

### **NOTE-1 CORPORATE INFORMATION**

Tasty Dairy Specialities Limited (" the company") having CIN No-L15202UP1992PLC014593 is a public company and incorporated under the provision of Company Act 1956 and has its registered office at Jainpur,Kanpur Dehat, Uttar Pradesh, India.Its shares are listed on BSE-SME Platform in India .The company is engaged in procurement and processing of Milk and Manufacture of various value added products namely Ghee,Butter,Milk Power and other Milk Products.

### **NOTE-2 SIGNIFICANT ACCOUNTING POLICIES**

#### **1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under historical cost convention, on accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 and comply with the Generally Accepted Accounting Principles (GAAP) in India and the accounting standard specified in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

#### **2 USE OF ESTIMATES**

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of the assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

#### **3 REVENUE RECOGNITION**

Sale is recognized when the significant risks and reward of ownership of the goods have passed to the customer. Sales are net of sales returns, trade discounts, rebate, Value Added Tax, Sales Tax and Goods & Service Tax.

##### **a) Interest income**

Interest income is recognised on time proportion basis.

##### **b) Dividends**

Dividends income is recognised when the company's right to receive dividend is established by the reporting date.

#### **4 PROPERTY, PLANT & EQUIPMENTS**

Fixed Assets are stated at cost less Accumulated depreciation. Cost Include all expenses incurred to bring the assets to its present location and condition. Expenditure during construction/erection period is included under Capital Work-in-Progress and allocated to the respective fixed assets on completion of construction / erection.

#### **5 DEPRECIATION**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

#### **6 INVENTORIES**

Raw material ,Components, Stores & Spares and Packing Material are valued at cost or net realizable value which ever is lower. Cost represents purchase price and other direct cost and is determined on FIFO cost basis.

Finished goods and goods in process are carried at lower of cost or net realisable value. Damaged /Defective stocks are valued at net realizable value.

## **7 INVESTMENTS**

Investments are either classified current or long-term based on Management's intention at the time of acquisition:-Current investments are carried at lower of cost and net realizable value.

Long term investment are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

Cost includes acquisition price and directly attributable acquisition charges such as brokerage, fee and duties.

## **8 TAXATION**

a) Tax on income for the current period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of Income Tax Act, 1961.

b)

Deferred Tax is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Assets is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be adjusted in future.

## **9 BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

## **10 CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

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

## **11 RETIREMENT & OTHER BENEFITS**

a) Company's contribution to Provident Fund and Employee's State Insurance Fund are charged to Profit & Loss Account.

b) Company's liability towards defined benefit plan is determined using the projected unit credit method which considers each period of service as giving rise to additional unit of benefit entitlement and measure each unit separately to build up the final obligation. Actuarial gain and losses are recognised immediately in the profit and loss account as income or expenses. Obligation measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date or government bonds where the currency and terms of the Government are consistent with the currency and estimates of the defined benefit obligation.

## **12 IMPAIRMENT OF ASSETS**

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognized in the account in the relevant year.

## **13 EARNING PER SHARE**

The earning considered in ascertaining the Company's Earning Per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential diluted equity shares

## **14 CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferral or accruals of past or future cash receipts or payment. The cash flows from regular operating, investing and financing activities of the Company are segregated.

## **15 PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS**

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

Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **16 MAT CREDIT ENTITLEMENT**

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent that there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

#### **17 FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the profit and loss account.

## TASTY DAIRY SPECIALITIES LIMITED, KANPUR

Note-13

### PROPERTY, PLANT & EQUIPMENTS AS ON 31.03.2019

PARTICULARS	<----- GROSS BLOCK ----->				<----- DEPRECIATION ----->			<----- NET BLOCK ----->		
	BALANCE AS ON 01.04.2018	ADDITIONS	DEDUCTION	TOTAL	UP TO THE	FOR THE	ADJUSTMENT	TOTAL	W.D.V.	W.D.V.
		DURING THE YEAR	DURING THE YEAR	AS ON 31.03.2019	END OF PREV. YEAR	YEAR		AS ON 31.03.2019	AS ON 31.03.2019	AS ON 31.03.2018
Leasehold Land	7,625,769.50	-	-	7,625,769.50	-	-	-	-	7,625,769.50	7,625,769.50
Freehold Land	6,438,825.00	-	-	6,438,825.00	-	-	-	-	6,438,825.00	6,438,825.00
Building	68,534,982.19	-	-	68,534,982.19	35,102,408.09	3,186,395.81	-	38,288,803.90	30,246,178.29	33,432,574.10
Building (Flat)	16,225,501.00	-	-	16,225,501.00	1,502,023.75	716,547.13	-	2,218,570.88	14,006,930.12	14,723,477.25
Plant & Machinery	176,633,141.64	796,423.74	-	177,429,565.38	113,247,208.67	12,044,287.59	-	125,291,496.26	52,138,069.12	63,385,932.97
Furniture & Fixture	1,421,984.52	250,000.00	-	1,671,984.52	983,582.20	166,163.21	-	1,149,745.42	522,239.10	438,402.32
Electric Fitting & Installation	2,502,123.95	-	-	2,502,123.95	2,261,308.81	83,189.06	-	2,344,497.87	157,626.08	240,815.14
Effluent Treatment Plant	78,238.90	-	-	78,238.90	63,119.05	3,051.18	-	66,170.23	12,068.67	15,119.85
Computer	2,606,236.02	81,628.79	-	2,687,864.81	2,417,742.59	74,121.09	-	2,491,863.68	196,001.13	188,493.43
Office Equipment	3,302,146.63	75,032.14	-	3,377,178.77	2,803,879.27	183,475.58	-	2,987,354.84	389,823.93	498,267.36
Lab Equipment	386,507.96	-	-	386,507.96	350,904.83	12,311.77	-	363,216.60	23,291.36	35,603.13
Vehicle	24,756,643.01	2,821,029.00	2,412,206.00	25,165,466.01	16,404,521.57	2,868,472.89	1,152,004.68	18,120,989.77	7,044,476.24	8,352,121.44
<b>TOTAL (RS.)</b>	<b>310,512,100.32</b>	<b>4,024,113.67</b>	<b>2,412,206.00</b>	<b>312,124,007.99</b>	<b>175,136,698.82</b>	<b>19,338,015.31</b>	<b>1,152,004.68</b>	<b>193,322,709.45</b>	<b>118,801,298.54</b>	<b>135,375,401.50</b>
<b>Capital Work in progress</b>										
Plant & Machinery under installation	4,656,551.50	300,000.00	-	4,956,551.50	-	-	-	-	4,956,551.50	4,656,551.50
<b>TOTAL (RS.)</b>	<b>4,656,551.50</b>	<b>300,000.00</b>	<b>-</b>	<b>4,956,551.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,956,551.50</b>	<b>4,656,551.50</b>
<b>GRANDTOTAL (RS.)</b>	<b>315,168,651.82</b>	<b>4,324,113.67</b>	<b>2,412,206.00</b>	<b>317,080,559.49</b>	<b>175,136,698.82</b>	<b>19,338,015.31</b>	<b>1,152,004.68</b>	<b>193,322,709.45</b>	<b>123,757,850.04</b>	<b>140,031,953.00</b>
Previous Year (Rs.)	316,291,364.08	7,438,971.15	8,561,683.41	315,168,651.82	158,223,170.18	23,040,344.42	6,126,815.78	175,136,698.82	140,031,953.00	

**TASTY DAIRY SPECIALITIES LIMITED**

**NON- CURRENT INVESTMENT ( AT COST )**

**Annexure - I**

S.NO.	SCRIPT	FACE VALUE	NUMBERS		AMOUNT	
			AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
	<b>Shares (Unquoted)</b>					
1	Kanpur Ind. Dvp. Co.-Operative Estate Ltd.		-	-	500.00	500.00
2	Stock Options Express Private Limited (Equity Shares)	10.00	5000	5000	50,000.00	50,000.00
3	Salvation Developers Limited (Equity Shares)	1.00	10000000	-	10,000,000.00	-
	<b>Total</b>		<b>10,005,000.00</b>	<b>5,000.00</b>	<b>10,050,500.00</b>	<b>50,500.00</b>

**TASTY DAIRY SPECIALITIES LIMITED**

**CURRENT INVESTMENT ( AT COST OR NRV, WHICHEVER IS LOWER )**

**Annexure-II**

S.NO.	Mutual Funds (Quoted)	UNITS		MARKET VALUE		COST	
		AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
1	BSL Corporate Bond Fund	-	211,325.35	-	2,734,676.80	-	2,500,000.00
	<b>Total</b>	-	<b>211,325.35</b>	-	<b>2,734,676.80</b>	-	<b>2,500,000.00</b>



**TASTY DAIRY SPECIALITIES LIMITED**

**FINANCIAL YEAR 2018-19**

**Annexure-III**

**Disclosure of Employee Benefit:**

**(i) In respect of Defined Benefit Scheme (Based on Actuarial Valuation) of Gratuity:**

	<b>2018-19</b>	<b>2017-2018</b>
<b>(A) Change in Obligation over the year ended 31.03.2019</b>		
Present Value of defined obligation at the beginning of the period	1204097	1479608
Interest Cost	93318	114670
Current Service Cost	163747	142266
Benefits Paid (If any)	0	0
Actuarial (Gains)/ Losses	139547	(532447)
Present Value of defined obligation at the end of the period	1600709	1204097
<b>(B) Expenses recognised during the year 31.03.2019</b>		
Current Service cost	163747	142266
Interest Cost	93318	114670
Actuarial (gain)/loss recognised in the period	139547	(532447)
Expenses to be recognised in the statement of P/L	396612	(275511)
<b>(C) Principal Actuarial Assumptions</b>		
Mortality Table	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate
Discount rate (per annum)	7.75%	7.75%
Rate of Escalation in Salary (per annum)	5.00%	5.00%
Withdrawal Rate (per annum)	5.00%	5.00%

**(ii) In respect of Defined Contribution Plan:**

	<b>2018-19</b>	<b>2017-2018</b>
Details of contribution to defined plan recognised as expense during the period are as under:		
Employer Contribution's to Provident Fund	341794.00	294323.00

**TASTY DAIRY SPECIALITIES LIMITED**
**Annexure-IV**
**RELATED PARTY DISCLOSURES:**

As per accounting standard 18, the disclosures of transactions with the related parties are given below:

**i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:**
**a) Individuals owing, directly or indirectly, an interest in voting power that gives them control or significant influence-**

- Mrs. Sonia Mehra

**b) Key Managerial Personnel-**

- Mr. Atul Mehra
- Mr. Mahendra Kumar Singh
- Ms. Nishi Sheikh
- Mr. Rakesh Kumar Yadav

**c) Relatives of Key Managerial Personnel & other related parties.**

- Mr. Prem Nandan Mehra (Father of Mr. Atul Mehra)
- Mrs. Veena Mehra (Mother of Mr. Atul Mehra)
- Mr. Arpit Mehra (Son of Mr. Atul Mehra)
- Mrs. Devika Mehra (Daughter-in-law of Mr. Atul Mehra)
- Ms. Sonalika Mehra (Daughter of Mr. Atul Mehra)

**d) Enterprises commonly controlled or influenced by major shareholders/ directors/key managerial personnel of the Company.**

- Verifresh Dairies Ltd.
- Cima Dairy and Foods Ltd.
- Cima Foods Pvt. Ltd.
- Stock Options Xpress Pvt. Ltd.
- Grow Home Developers Pvt. Ltd.
- Bhiwadi Milk Products Pvt. Ltd.
- Agrim Foods LLP

ii)	Nature of Transactions	Individuals owing, directly or indirectly, an interest in voting power that gives them control or significant influence	Key Managerial Personnel	Relatives of Key Managerial Personnel	Others
1	<b>Sales</b>				
	-Agrim Foods LLP				521.52 (534.74)
2	<b>Purchases</b>				
	-Agrim Foods LLP				201.76 (94.79)
3	<b>Rent paid</b>				
	-Mrs. Sonia Mehra	1.13 (1.08)			
	-Mr. Atul Mehra		2.67 (2.42)		
4	<b>Remuneration paid</b>				
	-Mrs. Sonia Mehra	36.00 (36.00)			
	-Mr. Atul Mehra		60.00 (60.00)		
	-Ms. Nishi Sheikh		2.41 (0.93)		
	-Mr. Mahendra Kumar Singh		3.16 (2.65)		
	-Mr. Kawalpreet Arora		0.00 (0.53)		
	-Mr. Arpit Mehra			30.00 (30.00)	
	-Mrs. Devika Mehra			4.80 (4.80)	
	-Mr. Prem Nandan Mehra			1.44 (1.44)	
	-Mrs. Veena Mehra			1.44 (1.44)	
	-Mr. Rakesh Kumar Yadav		4.20 (3.36)		
5	<b>Interest Income</b>				

	-Verifresh Dairies Ltd.				8.27 (7.01)
<b>6</b>	<b>Rental Income</b>				
	-Agrim Foods LLP				0.20 (0.00)

<b>7</b>	<b>Balances as at 31st March, 2019</b>				
	<b>Receivable</b>				
(i)	Trade Receivables				
	-Bhiwadi Milk Products Private Limited				197.00 (197.00)
	-Agrim Foods LLP				96.98 (30.61)
(ii)	Security Deposits				
	-Mr. Atul Mehra		355.00 (355.00)		
	-Bhiwadi Milk Products Private Limited				120.00 (120.00)
(iii)	Loans & Advances				
	-Verifresh Dairies Ltd.				90.11 (92.13)
	-Grow Homes Developers Pvt. Ltd.				0.50 (0.50)
	<b>Payable</b>				
(i)	Unsecured Loans				
	-Mr. Atul Mehra		388.00 (0.00)		
(ii)	<b>Other Payables</b>				
	-Mrs. Sonia Mehra	3.17 (0.13)			
	-Mr. Atul Mehra		3.67 (0.36)		
	-Mr. Arpit Mehra			0.01 (0.19)	
	-Mrs. Devika Mehra			0.38 (2.28)	