

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF  
**ORGANIC INDIA PRIVATE LIMITED**

**Report on the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of ORGANIC INDIA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended on that date including a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'standalone financial statements').

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, the profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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



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

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the Other Information and we do not express any form of assurance / conclusion thereon.

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

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

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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



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

**Report on Other Legal and Regulatory Requirements**

- 1 As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in 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 including Other Comprehensive Income, Statement of changes in Equity and the statement of Cash Flow 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.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B";
  - (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 has disclosed the impact, wherever necessary, of pending litigations on its financial position in its standalone financial statement.



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- ii. the Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For A PURI & ASSOCIATES**

Chartered Accountants

Registration Number: 009203N



**JYOTI SUBARWAL**

PARTNER

Membership Number: 080654

UDIN : 19080654AAAAAL 5030

Place: New Delhi

Date:

11 JUL 2019

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS OF ORGANIC INDIA PRIVATE LIMITED, FOR THE YEAR ENDED 31ST MARCH, 2019**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. a). The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b). All the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
c). As per information and explanation furnished by the management all the title deeds of immovable properties are held in the name of the Company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. Discrepancy noticed (if any) on physical verification of stocks by the management as compared to book records have duly been taken into account.
3. According to the information and explanations given to us, the Company has not, granted any loans to the parties covered in the register maintained under Section 189 of the Companies Act, 2013, hence, the provisions of clause 3(iii) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and securities.
5. According to the information and explanations given to us, the Company has not accepted any deposits covered by the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
6. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub Section (1) of Section 148 of the Companies Act 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have reviewed in this regard the Cost audit reports conducted by independent Cost Accountants for the previous year. However, the Cost audit for the current year is yet to be initiated.



7. a). According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, value added tax, central sales tax, service tax, goods and services tax, duty of customs, duty of excise, cess and other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at the balance sheet date for a period of more than six months from the date they became payable.

- b). According to the records of the Company, there are no dues outstanding of income tax, sales tax (including value added tax and central sales tax), service tax, goods and services tax, duty of customs or duty of excise on account of any dispute except as follows:

| Nature of Statute                                     | Year to which it relates | Amount unpaid (excluding interest) in Lakhs | Forum where dispute is pending      |
|---|--------------------------|---|-------------------------------------|
| Income Tax Act, 1961 (Income Tax Demands)             | Assessment Year 2012-13  | INR 940                                     | Commissioner of Income Tax (Appeal) |
| Income Tax Act, 1961 (Income Tax on Transfer Pricing) | Assessment Year 2013-14  | INR 6,250                                   | Commissioner of Income Tax (Appeal) |
| Commercial Tax, 2008 (VAT)                            | Assessment Year 2015-16  | INR 1,000,000                               | Additional Commissioner (Appeal)    |

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures during the year.
9. According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) but has availed term loans during the year and the said loans have been utilized for the purposes for which they were raised except for certain moneys not immediately required being put into temporary investments which the Company proposes to liquidate and utilize before the completion of the project.
10. Based upon the audit procedures and according to the information and explanations given by the management, we report that 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.



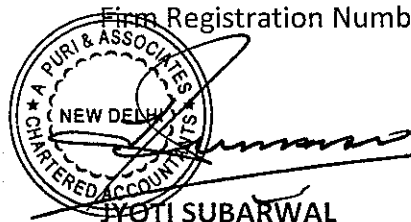
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11. Being a private limited company, the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company in respect managerial remuneration paid or provided.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable.
13. 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 Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has made private placement of shares during the period under review and the provisions of section 42 of the Companies Act, 2013 have been duly complied with and the funds raised has been utilized for the purposes for which the said funds were raised.
15. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the Order is not applicable.

For A PURI & ASSOCIATES

Chartered Accountants

Firm Registration Number: 009203N



JYOTI SUBARWAL

PARTNER

Membership Number: 080654

UDIN: 19080654 AAAAA L 5030

Place: New Delhi

Date: 11 JUL 2019



**ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS OF ORGANIC INDIA PRIVATE LIMITED, FOR THE YEAR ENDED 31ST MARCH, 2019**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section.

We have audited the internal financial controls with reference to financial statements of ORGANIC INDIA PRIVATE LIMITED ("the Company") as of 31<sup>st</sup> March, 2019 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 with reference to financial statements 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 (the "Guidance Note") 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted 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 Act, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included



obtaining an understanding of internal financial controls with reference to financial statements, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 the 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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

**For A PURI & ASSOCIATES**

Chartered Accountants

Firm Registration Number: 009203N



**NYOTI SUBARWAL**

PARTNER

Membership Number: 080654

UDIN: 19080654AAAAAL5030

Place: New Delhi

Date: 11 JUL 2019

ORGANIC INDIA PRIVATE LIMITED  
BALANCE SHEET  
AS AT 31 MARCH 2019

| <u>ASSETS</u>  | Notes | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|--|-------|--|--|
| <b>NON-CURRENT ASSETS</b>  |       |  |  |
| PROPERTY, PLANT AND EQUIPMENT  | 3a    | 11,866                                       | 4,101  |
| CAPITAL-WORK-IN PROGRESS   | 3a    | 319  | 3,286  |
| INTANGIBLE ASSETS  | 3b    | 384  | 278  |
| INTANGIBLE ASSETS UNDER DEVELOPMENT  | 3b    | 49   | 114  |
| <b>FINANCIAL ASSETS</b>  |       |  |  |
| INVESTMENT   | 4     | 8,955  | 5,222  |
| LOANS  | 5     | 680  | 732  |
| OTHERS   | 6     | 782  | 530  |
| DEFERRED TAX ASSETS (NET)  | 7     | -  | 38   |
| OTHER NON-CURRENT ASSETS   | 8     | 225  | 756  |
| <b>TOTAL NON-CURRENT ASSETS</b>  |       | <b>23,260</b>                                | <b>15,056</b>                                |
| <b>CURRENT ASSETS</b>  |       |  |  |
| INVENTORIES  | 9     | 5,213  | 3,677  |
| <b>FINANCIAL ASSETS</b>  |       |  |  |
| INVESTMENT   | 10    | -  | 918  |
| TRADE RECEIVABLES  | 11    | 8,871  | 6,894  |
| CASH AND CASH EQUIVALENTS  | 12    | 447  | 3,429  |
| BANK BALANCES OTHER THAN ABOVE   | 13    | 452  | 1,160  |
| LOANS  | 14    | 61   | 61   |
| OTHERS   | 15    | 6  | 209  |
| CURRENT TAX ASSETS (NET)   | 16    | 571  | 423  |
| OTHER CURRENT ASSETS   | 17    | 2,940  | 1,602  |
| <b>TOTAL CURRENT ASSETS</b>  |       | <b>18,561</b>                                | <b>18,373</b>                                |
| <b>TOTAL ASSETS</b>  |       | <b>41,821</b>                                | <b>33,429</b>                                |
| <b>EQUITY AND LIABILITIES</b>  |       |  |  |
| <b>EQUITY</b>  |       |  |  |
| EQUITY SHARE CAPITAL   | 18    | 7,992  | 7,819  |
| OTHER EQUITY   | 19    | 17,262                                       | 13,650                                       |
| <b>TOTAL EQUITY</b>  |       | <b>25,254</b>                                | <b>21,469</b>                                |
| <b>LIABILITIES</b>   |       |  |  |
| <b>NON-CURRENT LIABILITIES</b>   |       |  |  |
| <b>FINANCIAL LIABILITIES</b>   |       |  |  |
| BORROWINGS   | 20    | 5,024  | 6,639  |
| OTHER FINANCIAL LIABILITIES  | 21    | 269  | 227  |
| DEFERRED TAX LIABILITIES (NET)   | 22    | 254  | -  |
| OTHER NON CURRENT LIABILITIES  | 23    | 2  | 4  |
| PROVISIONS   | 24    | 159  | 122  |
| <b>TOTAL NON- CURRENT LIABILITIES</b>  |       | <b>5,708</b>                                 | <b>6,992</b>                                 |
| <b>CURRENT LIABILITIES</b>   |       |  |  |
| <b>FINANCIAL LIABILITIES</b>   |       |  |  |
| BORROWINGS   | 25    | 3,652  | 1,681  |
| TRADE PAYABLES   | 26    |  |  |
| TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES                      |       | 138  | -  |
| TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES |       | 2,181  | 1,235  |
| OTHER FINANCIAL LIABILITIES  | 27    | 4,517  | 1,832  |
| OTHER CURRENT LIABILITIES  | 28    | 358  | 210  |
| PROVISIONS   | 29    | 13   | 10   |
| <b>TOTAL CURRENT LIABILITIES</b>   |       | <b>10,859</b>                                | <b>4,968</b>                                 |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |       | <b>41,821</b>                                | <b>33,429</b>                                |

CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES

1 & 2

THE NOTES 1 TO 51 ARE AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

"AS PER OUR REPORT OF EVEN DATE"

FOR A PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NUMBER: 009203N

JYOTI SUBARWAL  
PARTNER  
MEMBERSHIP NUMBER: 080654

UDIN: 19080 654 AAAAAL

PLACE: NEW DELHI  
DATE:

11 JUL 2019



VIKRAM SINGH  
DIRECTOR  
DIN: 07153318

ALOK KUMAR  
COMPANY SECRETARY  
M. No. A26369

ON BEHALF OF BOARD OF DIRECTORS

DINESH KUMAR  
DIRECTOR  
DIN: 00124932

ABHINANDAN DHOKE  
CHIEF EXECUTIVE OFFICER

VIKASH  
CHIEF FINANCIAL OFFICER



ORGANIC INDIA PRIVATE LIMITED  
STATEMENT OF PROFIT & LOSS  
FOR THE YEAR ENDED 31 MARCH 2019

|   | Notes | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|---|-------|--|--|
| REVENUE FROM OPERATIONS   | 29    | 21,969   | 20,355   |
| OTHER INCOME  | 30    | 471  | 1,097  |
| <b>TOTAL INCOME</b>   |       | <b>22,440</b>  | <b>21,452</b>  |
| <b>EXPENSES</b>   |       |  |  |
| COST OF MATERIALS CONSUMED  | 31    | 5,713  | 6,781  |
| CHANGE IN INVENTORIES OF FINISHED GOODS, TRADED<br>GOODS AND WORK IN PROGRESS   | 32    | (395)  | (738)  |
| PURCHASES FOR RESALE  |       | 1,829  | 1,503  |
| EXCISE DUTY   |       | -  | 42   |
| EMPLOYEE BENEFITS EXPENSE   | 33    | 2,912  | 2,399  |
| FINANCE COSTS   | 34    | 336  | 133  |
| DEPRECIATION AND AMORTISATION EXPENSE   | 3     | 379  | 197  |
| OTHER EXPENSES  | 35    | 7,314  | 6,442  |
| <b>TOTAL EXPENSES</b>   |       | <b>18,088</b>  | <b>16,759</b>  |
| <b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>                                  |       | <b>4,352</b>   | <b>4,693</b>   |
| EXCEPTIONAL ITEMS   |       |  |  |
| IMPAIRMENT LOSS IN VALUE OF INVESTMENT  |       | -  | -  |
| <b>PROFIT BEFORE TAX</b>  |       | <b>4,352</b>   | <b>4,693</b>   |
| <b>TAX EXPENSE:</b>   |       |  |  |
| CURRENT TAX   |       | (1,066)  | (1,608)  |
| EARLIER YEARS TAX   | 36    | -  | 37   |
| DEFERRED TAX  |       | (311)  | (38)   |
| <b>PROFIT FOR THE YEAR</b>  |       | <b>2,975</b>   | <b>3,084</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b>   |       |  |  |
| <b>A. ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR<br/>LOSS</b>             |       |  |  |
| ACTUARIAL GAIN/LOSS ON PROVISION FOR GRATUITY                                   |       | 3  | 65   |
| INCOME TAX RELATING TO ITEMS THAT WILL NOT BE<br>RECLASSIFIED TO PROFIT OR LOSS |       | (1)  | (22)   |
| <b>B. ITEMS THAT WILL BE RECLASSIFIED FROM PROFIT OR<br/>LOSS</b>               |       |  |  |
| INCOME TAX RELATING TO ITEMS THAT WILL BE<br>RECLASSIFIED FROM PROFIT OR LOSS   |       | -  | -  |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>                                |       | <b>2,977</b>   | <b>3,127</b>   |
| <b>EARNINGS PER EQUITY SHARE</b>  | 39    |  |  |
| BASIC   |       | 3.76   | 3.95   |
| DILUTED   |       | 3.75   | 3.94   |

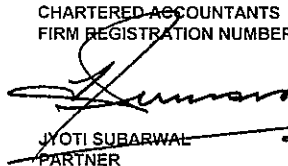
CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING  
POLICIES

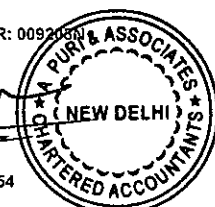
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THE NOTES 1 TO 51 ARE AN INTEGRAL PART OF THE STANDALONE FINANCIAL STATEMENTS

"AS PER OUR REPORT OF EVEN DATE"

FOR A PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NUMBER: 0092080

  
JYOTI SUBARWAL  
PARTNER  
MEMBERSHIP NUMBER: 080654



UDIN: 19080 654 AAAA15030

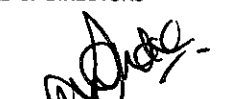
PLACE: NEW DELHI  
DATE:

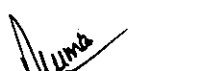
11 JUL 2019

ON BEHALF OF BOARD OF DIRECTORS

  
VIKRAM SINGH  
DIRECTOR  
DIN: 07153318

  
DINESH KUMAR  
DIRECTOR  
DIN: 00124932

  
ABHINANDAN DHOKE  
CHIEF EXECUTIVE OFFICER

  
ALOK KUMAR  
COMPANY SECRETARY  
M. No. A26369

  
VIKASH  
CHIEF FINANCIAL OFFICER



ORGANIC INDIA PRIVATE LIMITED  
Cash Flow Statement for the year ended 31 March 2019  
(All amounts are in Indian Rupees, unless otherwise stated)

|   | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>A. Cash flow from operating activities</b>                       |  |  |
| Net profit before tax but after exceptional items                   | 4,352  | 4,693  |
| Adjustments for non-cash items:                                     |  |  |
| Depreciation and amortisation                                       | 379  | 197  |
| Employee Stock Option Compensation Expense                          | 68   | 75   |
| Interest expense  | 336  | 133  |
| Interest income   | (246)  | (192)  |
| Loss on fixed assets sold/ discarded (net)                          | 121  | 16   |
| Loss on sale of investments   | 1  | 1  |
| Loss on sale of Govt Scrips   | 2  |  |
| Bad debts / advances written off                                    | 61   | 5  |
| Excess Provision Written Back                                       | (10)   | (1)  |
| Loss/(gain) arising on Derivatives measured at FVTPL                | (4)  | 18   |
| Loss from forward contracts   | 26   |  |
| Notional rent expense recognised                                    | -  | 4  |
| Net Gain arising on financial assets measured at FVTPL              | (117)  | (19)   |
| Provision/ Liability no longer required written back                | (7)  | (18)   |
| Provision for doubtful advance created/(written back)               | 47   | 62   |
| Provision for Sales Tax Form created/(written Back)                 | (2)  | 2  |
| Provision for asset retirement obligation written back              | 0  | 0  |
| Provision for Non Moving Inventory Written Back                     | -  | (44)   |
| Provision for gratuity & leave encashment                           | 42   | 15   |
| <b>Operating profit before working capital changes</b>              | <b>5,049</b>   | <b>4,947</b>   |
| Adjustments for changes in working capital :                        |  |  |
| (Increase)/decrease in trade receivables                            | (2,075)  | (1,638)  |
| (Increase)/decrease in inventories                                  | (1,536)  | (833)  |
| (Increase)/decrease in loans  | 64   | (41)   |
| (Increase)/decrease in other assets                                 | (1,104)  | (1,128)  |
| Increase/(decrease) in trade payables                               | 1,085  | 52   |
| Increase/(decrease) in financial liabilities                        | 676  | (22)   |
| Increase/(decrease) in other liabilities                            | 166  | 48   |
| <b>Cash generated from/(used in) operations</b>                     | <b>2,325</b>   | <b>1,015</b>   |
| Taxes (paid) / received (net of withholding taxes)                  | (1,214)  | (1,825)  |
| Prior period expenses   | -  | -  |
| <b>Net cash from/(used in) operating activities</b>                 | <b>1,111</b>   | <b>(810)</b>   |
| <b>B. Cash flow from investing activities</b>                       |  |  |
| Purchase of fixed assets (including capital work-in-progress)       | (4,134)  | (4,632)  |
| Proceeds from sale of fixed assets (including insurance claim rec.) | 36   | -  |
| Proceeds from sale of non-current investments                       | 921  | 1,299  |
| Purchase of investments   | (3,589)  | (2,360)  |
| Investments in bank deposits (with original maturity over 3 months) | 708  | (101)  |
| Proceeds from bank deposits (with original maturity over 12 months) | (230)  | 594  |
| Interest received (revenue)   | 359  | 341  |
| <b>Net cash from/(used in) investing activities</b>                 | <b>(5,929)</b>   | <b>(4,862)</b>   |
| <b>C. Cash flow from financing activities</b>                       |  |  |
| Proceeds from short-term borrowings                                 | 1,492  | 1,681  |
| Proceeds from long-term borrowings                                  | (564)  | 6,271  |
| Proceeds From Issue of Shares (Including Share Premium)             | 1,725  | 26   |
| Interest paid   | (334)  | (122)  |
| Dividend paid   | (782)  | (779)  |
| Dividend tax paid   | (161)  | (159)  |
| <b>Net cash from/(used in) financing activities</b>                 | <b>1,356</b>   | <b>6,918</b>   |
| <b>Net increase/(decrease) in cash &amp; cash equivalents</b>       | <b>(3,462)</b>   | <b>1,246</b>   |

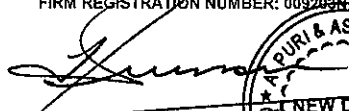


ORGANIC INDIA PRIVATE LIMITED  
 Cash Flow Statement for the year ended 31 March 2019  
 (All amounts are in Indian Rupees, unless otherwise stated)

|  | For the year ended<br>31 March 2019 | For the year ended<br>31 March 2018 |
|--|-------------------------------------|-------------------------------------|
| Cash & cash equivalents - opening balance          | 3,429                               | 2,183                               |
| Cash & cash equivalents - closing balance          | (33)                                | 3,429                               |
| Net increase/(decrease) in cash & cash equivalents | (3,462)                             | 1,246                               |
| Cash on hand                                       | 7                                   | 5                                   |
| Balance with banks<br>- in current accounts        | 96                                  | 227                                 |
| Deposits with maturity of less than three months   | 344                                 | 3,197                               |
| Bank overdrafts used for cash management purpose   | (480)                               | -                                   |
| Total cash and cash equivalents                    | (33)                                | 3,429                               |

"AS PER OUR REPORT OF EVEN DATE"

FOR A PURI & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FIRM REGISTRATION NUMBER: 009203N

  
 JYOTI SUBARWAL  
 PARTNER  
 MEMBERSHIP NUMBER: 08055  
 UDIN: 19080654 AAAAAL5030

PLACE: NEW DELHI  
 DATE:


11 JUL 2019

ON BEHALF OF BOARD OF DIRECTORS

  
 VIKRAM SINGH  
 DIRECTOR  
 DIN: 07153318

  
 DINESH KUMAR  
 DIRECTOR  
 DIN: 00124932

  
 ABHINANDAN DHOKE  
 CHIEF EXECUTIVE OFFICER

  
 ALOK KUMAR  
 COMPANY SECRETARY  
 M. No. A26369

  
 VIKASH  
 CHIEF FINANCIAL OFFICER



ORGANIC INDIA PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST MARCH, 2019

A. EQUITY SHARE CAPITAL

| PARTICULARS                                     | (Amount in Lakhs) |
|---|-------------------|
| Balance as at 1 April 2017                      | 7,792             |
| Changes in Equity Share Capital during the year | 26                |
| Balance as at 31 March 2018                     | 7,819             |
| Changes in Equity Share Capital during the year | 173               |
| Balance as at 31 March 2019                     | 7,992             |

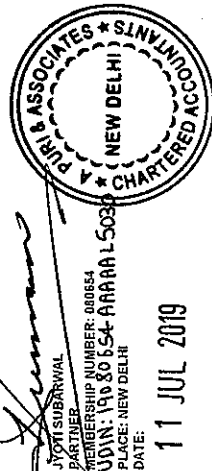
B. OTHER EQUITY

| PARTICULARS   | RESERVES & SURPLUS |                 |                          |                    | OTHER COMPREHENSIVE INCOME | TOTAL  |
|---|--------------------|-----------------|--------------------------|--------------------|----------------------------|--------|
|   | SECURITIES PREMIUM | GENERAL RESERVE | STOCK OPTION OUTSTANDING | RETAINED EARNINGS* |                            |        |
| Balance as at 1 April 2017  | 75                 | 140             | 49                       | 11,155             | (40)                       | 11,379 |
| Profit for the year   | -                  | -               | -                        | 3,084              | -                          | 3,084  |
| Employee Stock Options Compensation (Refer Note No. 47)   | -                  | -               | 82                       | -                  | -                          | 82     |
| Addition on account of issue of equity shares under Employees Share Purchase Scheme             | 54                 | -               | (54)                     | -                  | -                          | -      |
| Transfer from Retained Earnings   | -                  | 1               | -                        | (1)                | -                          | -      |
| Transfer to General Reserve on cancellation of options issued under Employees Stock Option Plan | -                  | 22              | (22)                     | -                  | -                          | -      |
| Re-measurements of the net defined benefit plans (net of tax)                                   | -                  | -               | -                        | 3,083              | 43                         | 3,209  |
| Total Comprehensive Income for this year  | 54                 | 23              | 6                        | (938)              | 43                         | (815)  |
| Dividends (including Corporate Dividend Tax)  | 129                | 163             | 55                       | 13,500             | -                          | 13,847 |
| Balance as at 31 March 2018   | 129                | 163             | 55                       | 13,250             | 3                          | 13,600 |
| Less: Effect of Adoption of new accounting standards  | -                  | -               | -                        | 2,875              | -                          | 2,875  |
| Profit for the year   | 129                | 163             | 55                       | 13,250             | 3                          | 13,600 |
| Employee Stock Options Compensation (Refer Note No. 47)   | -                  | -               | 76                       | -                  | -                          | 76     |
| Addition on account of issue of equity shares   | 1,552              | -               | -                        | -                  | -                          | 1,552  |
| Addition on account of issue of equity shares under Employees Stock Option Plan                 | 60                 | -               | (60)                     | -                  | -                          | -      |
| Transfer from Retained Earnings   | -                  | 1               | -                        | (1)                | -                          | -      |
| Transfer to General Reserve on cancellation of options issued under Employees Stock Option Plan | -                  | -               | -                        | -                  | -                          | -      |
| Re-measurements of the net defined benefit plans (net of tax)                                   | -                  | -               | -                        | -                  | 2                          | 2      |
| Total Comprehensive Income for the year   | 1,612              | 1               | 16                       | 2,974              | 2                          | 4,605  |
| Dividends (including Corporate Dividend Tax)  | -                  | -               | -                        | (943)              | -                          | (943)  |
| Balance as at 31 March 2019   | 1,741              | 164             | 71                       | 15,281             | 5                          | 17,262 |

\*Retained earnings includes INR 214 Lakhs (Previous Year 214 Lakhs) transferred from revaluation reserve on adoption of deemed cost on transition to Ind AS as it is not eligible for dividend being not in the nature of free reserves. Out of the said amount, the difference between depreciation provided on revalued amount and historical cost has been transferred to General Reserve amounting to INR 2 Lakhs/- up to 31st March 2019 (31st March 2018: INR 1 Lakh)

\*AS PER OUR REPORT OF EVEN DATE\*

FOR A PUNJ ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NUMBER: 0092030



NOTY SUBAIRWAL  
PARTNER  
MEMBERSHIP NUMBER: 000654  
UDIN: 19080154-ARRAAL5030  
PLACE: NEW DELHI  
DATE:

11 JUL 2019

ON BEHALF OF BOARD OF DIRECTORS

*(Signature)*  
DINESH KUMAR  
DIRECTOR  
DIN: 00124932

*(Signature)*  
VIKRAM SINGH  
DIRECTOR  
DIN: 07153318

*(Signature)*  
ALOK KUMAR  
COMPANY SECRETARY  
M. No. A26369

*(Signature)*  
ABHINAV DIXIT  
CHIEF EXECUTIVE OFFICER

*(Signature)*  
VIKASH  
CHIEF FINANCIAL OFFICER





**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**1. Company Overview**

ORGANIC INDIA PRIVATE LIMITED ('the Company') domiciled in India was incorporated under the provisions of the Companies Act, 1956, on 17th February 1997. The Company is engaged in the business of processing, manufacturing and marketing of certified organic Tulsi herbal infusions, herbal supplements, Ayurvedic medicines and other organic food products and spices. The company's registered office is situated at New Delhi.

The financial statements were approved and authorized for issue by the Company's Board of Directors on 11<sup>th</sup> July 2019.

**2. Basis for Preparation, Measurement and Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**A. Basis of preparation of financial statements and Statement of Compliance**

These financial statements have been prepared to comply in all material respects with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

**B. Critical accounting judgements and key source of estimation uncertainty**

The preparation of these financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the significant effect on the amount recognized in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Employee Benefits:

Provision for employee benefits in the nature of gratuity and unpaid leave balance is estimated on actuarial basis using a number of assumptions which include assumptions for discount rate, future salary increases, mortality rates, attrition rates for employees, return on planned assets, etc. Any changes in these assumptions will impact the carrying amount of these provisions. Key assumptions are disclosed in Note 46.



**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

(ii) Taxes on Income

Income Tax:

Tax expense is calculated using applicable tax rates and tax laws that have been enacted or substantively enacted. In arriving at taxable profit and tax bases of assets and liabilities the Company adjusts taxability of amounts in accordance with tax enactments, case law and opinions of tax counsel, as relevant. Where differences arise on tax assessment, these are booked in the period in which they are agreed or on final closure of assessment.

Deferred Tax:

Deferred Tax assets are recognised only to the extent it is probable that future taxable profits will be available against which the assets can be utilised and are reviewed at each reporting date and reduced to the extent it is no longer probable that related tax benefit will be realised.

(iii) Assets retirement obligation (ARO):

The liability for assets retirement obligation are recognized when the Company has obligation to perform store/shop restoration activity. The recognition and measurement of ARO involves the use of estimates and assumptions which include the timing of handing over the licensed premises which would depend upon the lease period, the carpet area and pre-tax rate applied for discounting.

(iv) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(v) Depreciation/ amortization, useful lives and residual value of Property, Plant and Equipment/ Intangible Assets:

Property, Plant and Equipment / Intangible Assets are depreciated / amortized over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

(vi) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**C. Operating Cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS-1 – "Presentation of Financial Statements" based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle as 12 months for the purposes of current / non-current classification of assets and liabilities.



**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**D. Significant Accounting Policies**

**(a). Property, Plant and Equipment**

- (i) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognized as at 1<sup>st</sup> April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment. The revalued amount of buildings as on 1<sup>st</sup> April, 2016 considered to be the deemed cost is depreciated, using Straight Line Method, over the remaining useful life and the difference between depreciation provided on revalued amount and on historical cost is transferred from retained earnings to general reserve.
- (ii) Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any. Cost comprises of all cost of purchase, interest cost up to the date of construction, construction and expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Subsequent expenditures relating to Property, Plant and Equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Repairs and maintenance costs are charged to the Statement of Profit and Loss when incurred.
- (iii) The Company has adopted component accounting, wherever applicable, and identifies and determines cost of each component/part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over the lower of the useful life of the component and that of the principal asset; the remaining asset is depreciated over the life of the principal asset.
- (iv) Depreciation is recognized on a Straight-line basis over the useful life as specified under Schedule II of the Act, and given below except for leasehold improvements being considered as part of building and depreciated over the period of 30 years as leases will be renewed and kept for longer period.

| Particulars   | Useful Life              |
|---|--------------------------|
| Non Factory Building  | 60 Years                 |
| Factory Building  | 30 Years                 |
| Roads   | 10 Years                 |
| Boundary Walls  | 5 Years                  |
| Leasehold Premises  | Over the period of lease |
| Furniture & Fixtures  | 10 Years                 |
| Plant and Equipment   | 3 Years to 15 Years      |
| Office Equipment  | 5 Years                  |
| Electrical Installation and Equipment (Including air conditioner and cooling equipment) | 10 Years                 |
| Vehicle   | 8 Years                  |
| Computers   | 3 Years                  |

Double shift Depreciation is provided for the eligible assets as per Schedule II of the Act as the factory is being operated on double shift basis.

- (v) The residual value of all depreciable assets, being negligible, is estimated at Nil.
- (vi) Leasehold land is acquired under finance lease from Uttar Pradesh State Industrial Development Corporation for perpetuity. Company has depreciated its leasehold property over the period of 90 years retrospectively.
- (vii) The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.
- (viii) Cost of Property, Plant and Equipment not ready for intended use on the date of balance sheet are disclosed as "Capital Work- in- Progress".



**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**(b). Intangible Assets**

- (i) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1<sup>st</sup> April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the intangible assets.
- (ii) Intangible assets are recognized if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with the notified Ind AS– 38 on “Intangible Assets”.
- (iii) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses (if any).
- (iv) Intangible assets with finite lives are amortized over the useful economic life on a straight-line basis, from the date that they are available for use and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization methods and useful lives are reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.
- (v) Amortization is calculated using straight line method to allocate cost over the useful economic life of the assets mentioned below:

| Particulars  | Useful Life |
|--|-------------|
| Computer Software  | 5 Years     |
| Trade Mark (Except for Patents which has been taken as infinite) | 10 Years    |

**(c). Impairment**

- (i). Impairment of Financial Assets  
 The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and financial assets measured at FVOCI- debt investments. At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is ‘credit- impaired ‘when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.



**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realizations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

**Presentation of allowance for expected credit losses in the balance sheet**

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognised in OCI.

**(ii). Impairment of Non-Financial Assets- property, plant and equipment and intangible assets**

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount (i.e. higher of fair value less cost of disposal and value in use) of the asset is estimated, or, when it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of the cash generating unit to which the asset belongs is estimated. If the recoverable amount of the asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount and an impairment loss is recognized in the Statement of Profit and Loss.

The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(d). Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

Financial assets include investments, trade receivables, advances other than trade and capital related, security deposits and cash and cash equivalents.

Initial Recognition and Measurement

All financial assets are initially recognized at fair value, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition of financial assets. Purchase and sale of financial assets are recognized using trade date accounting.



**ORGANIC INDIA PRIVATE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Subsequent Measurement

- i. **Financial Assets carried at Amortized Cost:**  
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.
- ii. **Financial Assets at Fair Value through Other Comprehensive Income (FVOCI):**  
A financial asset is measured at fair value through other comprehensive income 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.
- iii. **Financial Assets at Fair Value through Profit and Loss (FVTPL):**  
A financial asset which is not classified in any of the above categories is measured at fair value through profit and loss.

Investment in Subsidiaries and Associates

The Company has accounted for its investments in equity shares of subsidiaries and associates at cost.

Other Investments

All other investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the fair value changes in 'Other Comprehensive Income'.

Impairment of Financial Assets

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

**(ii) Financial Liabilities**

Financial liabilities primarily comprise of borrowings, trade payables and deposits.

Initial Recognition and Measurement

At initial recognition all financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest rate 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.



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**(iii) Derecognition of Financial Instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS-109 "Financial Instruments".

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(e). Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(f). Inventories**

Inventories (including stock-in-transit) are stated at lower of cost being ascertained on weighted average cost basis and net realizable value. Cost of Finished goods includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Work-in-Progress is valued at cost based on stage completion.

Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale.

No valuation is done for damaged stock since its realizable value, if any, is negligible.

**(g). Foreign Currencies Transactions and Translations**

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupee.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains and losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income or Statement of Profit or Loss are also recognized in Other Comprehensive Income or Statement of Profit or Loss, respectively).

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.



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**(h). Revenue form Contracts with Customers**

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

The company has adopted Indian Accounting Standard 115 (Ind AS 115) – 'Revenue from contracts with customers' which has been effective from 1<sup>st</sup> April, 2018 using the cumulative catch-up transition method. Accordingly, the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted.

- i) Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates, rebate for expiry and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue from Sale of Products or Services are recognised at a point of time on which the performance obligation is satisfied.

- ii) Insurance claims/Government Claims, as disclosed under miscellaneous income, are accounted for as and when processed and accepted by the Insurance Companies/Government Authorities.
- iii) Dividend income from investments is recognized when the Company's right to receive payment is established.
- iv) Interest income is accounted for by using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial assets. When calculating the effective interest rate, the Company estimates the expected cash flow by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**(i). Government Grants**

Grants received from Government are recognised when there is a reasonable assurance that the grant will be received upon by the Company complying with the conditions attached to the grant.

Accordingly, government grants:

- (a). related to or used for assets, are deducted from the carrying amount of the asset.
- (b). related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c). by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export incentives are accounted for on accrual basis as and when processed and admitted by the concerned authorities. Income on sale of import licenses is accounted for at the time of sale due to uncertainties involved. However, all losses on account of such sales affected before the finalization of accounts have been accounted for following the conservative accounting principle.





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**(j). Employee Benefits**

(i) Short-Term Employee Benefits

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

(ii) Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company makes specified monthly contribution towards Provident Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. All employees are covered under Employees' Gratuity Scheme which is a defined benefit plan. The Company contributes to an approved Employees' Gratuity Fund maintained on behalf of the Company which is subsequently paid by the fund to the Life Insurance Corporation of India as per actuarial valuation. The shortfall in payment, if any, from actuarial valuation is provided for in the accounts.

The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The fair value of any plan assets is deducted from the present value of the defined benefit obligation to determine the amount of deficit or surplus. The net defined benefit liability / (asset) is determined as the amount of the deficit or surplus, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The net defined benefit liability / (asset) is recognised in the balance sheet.

Defined benefit costs are recognised as follows:

- a) Service cost in the statement of profit and loss
- b) Net interest on the net defined benefit liability (asset) in the statement of profit and loss
- c) Remeasurement of the net defined benefit liability / (asset) in other comprehensive income

Compensated leave of absence

Accrual for leave encashment benefit is based on actuarial valuation as on the date of balance sheet in pursuance of the Company's leave rules.

**(k). Share-Based Payments**

Equity-settled share-based payments to eligible employees are measured at the fair value of the equity instruments at the grant date in accordance with Ind AS 102, Share-Based Payment. The details regarding determination of the fair value of equity-settled share-based payments transactions are set out in Note No 47.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Stock Option Outstanding Account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.



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**(l). Tax Expenses**

Tax expense comprises current and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in the Other Comprehensive Income or in Equity. In which case, the tax is also recognized in Other Comprehensive Income or Equity.

Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred Tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

**(m). Earnings Per Equity Share**

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

Diluted earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders of the Company as adjusted by the after tax amount of dividends and interest recognised in the period in respect of dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**(n). Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Assets retirement obligation (ARO)

The Company records a provision for assets retirement obligation towards store/ shop restoration activity. Assets retirement obligation are provided at the present value of future expenditure using a current pre-tax rate expected to be incurred to fulfill ARO and are recognized as part of the cost of the underlying assets. Any change in the present value of the expenditure, other than unwinding of discount on the provision, is reflected as adjustment to the provision and the corresponding asset. The change in the provision due to the unwinding of discount is recognized in the Statement of Profit and Loss.



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**(o). Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cheques on hand, cash in transit, balance with banks in current accounts, balance in deposit accounts with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under Short Term Borrowings in the Balance Sheet but netted off against cash and cash equivalent in Cash Flow Statement.

**(p). Dividend Distribution**

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**(q). Leases**

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. All other leases are classified as operating leases.

Finance Lease

Assets acquired under finance lease are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Leased assets are depreciated over the useful life/ lease term of the asset.

Operating Lease

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

**(r). Fair Value Measurement**

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.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy classifies the inputs used to measure fair value into three levels, which are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the asset or liability.

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.



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**(s). Derivative financial instruments**

The Company uses derivative financial instruments such as interest rate swaps and forward contracts to mitigate the risk of changes in interest rates and exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**(t). Borrowing Costs**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, as defined in Ind AS-23 – "Borrowing Costs" are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

**(u). Recent Accounting Pronouncements**

**Standards issued but not yet effective**

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Lease, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from April 1, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use of assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use of assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The company is currently evaluating the impact on account of implementation of Ind AS 116 which might have impact on key profit and loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), etc.

**Amendment to Existing issued Ind AS**

MCA has also carried out amendments to the following accounting standards:

Ind AS 12, Appendix C, Uncertainty Over Income Tax Treatment  
Ind AS 103 Business Combinations  
Ind AS 109 Financial Instruments  
Ind AS 111 Joint Arrangements  
Ind AS 19 Employee Benefits  
Ind AS 23 Borrowing Cost  
Ind AS 28 Investment to Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Company's standalone financial statements.



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**ORGANIC INDIA PRIVATE LIMITED**  
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**FOR THE YEAR ENDED 31ST MARCH, 2019**

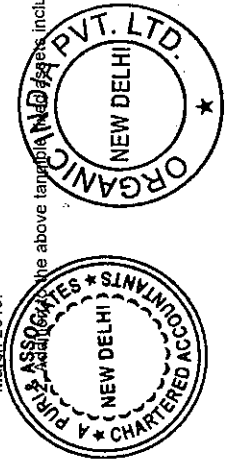
**3A. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS**

| a. Reconciliation of carrying amount               | (Amount in INR Lakhs) |                |          |                        |                        |                  |                      |          |           |                       |   |
|--|-----------------------|----------------|----------|------------------------|------------------------|------------------|----------------------|----------|-----------|-----------------------|---|
|  | Freehold land         | Leasehold land | Building | Leasehold improvements | Furniture and fixtures | Office equipment | Plant and Equipments | Vehicles | Computers | Total Tangible Assets | Total Capital work-in-progress (Refer Note 3) |
| Gross carrying value                               | 1,596                 | 712            | 132      | 4                      | 156                    | 47               | 1,428                | 23       | 159       | 4,257                 | 97  |
| As at April 01, 2017                               | -                     | 52             | 14       | 74                     | 4                      | 7                | 462                  | -        | 33        | 666                   | 3,206   |
| Add: Additions made during the year                | -                     | -              | -        | -                      | 44                     | 25               | 150                  | 3        | 87        | 309                   | 17  |
| Less: Disposals / adjustments during the year      | -                     | -              | -        | -                      | -                      | -                | -                    | -        | -         | -                     | -   |
| As at March 31, 2018                               | 1,596                 | 764            | 146      | 78                     | 116                    | 29               | 1,760                | 20       | 105       | 4,614                 | 3,286   |
| Add: Additions made during the year (Refer Note 2) | -                     | -              | 4,222    | 212                    | 112                    | 29               | 3,635                | -        | 27        | 8,237                 | 5,030   |
| Less: Disposals / adjustments during the year      | -                     | -              | -        | -                      | -                      | 1                | 198                  | -        | -         | 199                   | 7,997   |
| As at March 31, 2019                               | 1,596                 | 764            | 4,368    | 290                    | 228                    | 57               | 5,197                | 20       | 132       | 12,652                | 319   |
| Accumulated depreciation and impairment losses     | -                     | -              | -        | -                      | -                      | -                | -                    | -        | -         | -                     | -   |
| As at April 01, 2017                               | -                     | 4              | 43       | 1                      | 59                     | 34               | 339                  | 17       | 108       | 605                   | -   |
| Add: Depreciation charge for the year              | -                     | 8              | 13       | 16                     | 12                     | 3                | 118                  | 2        | 30        | 202                   | -   |
| Less: On disposals / adjustments during the year   | -                     | -              | -        | -                      | 44                     | 24               | 136                  | 3        | 87        | 294                   | -   |
| As at March 31, 2018                               | -                     | 12             | 56       | 17                     | 27                     | 13               | 321                  | 16       | 51        | 513                   | -   |
| Add: Depreciation charge for the year              | -                     | 9              | 23       | 47                     | 13                     | 3                | 195                  | 2        | 30        | 322                   | -   |
| Less: On disposals / adjustments during the year   | -                     | -              | -        | -                      | -                      | -                | 49                   | -        | -         | 49                    | -   |
| As at March 31, 2019                               | -                     | 21             | 79       | 64                     | 40                     | 16               | 467                  | 18       | 81        | 786                   | -   |
| Net carrying value                                 | 1,596                 | 743            | 4,289    | 226                    | 188                    | 41               | 4,730                | 2        | 51        | 11,866                | 319   |
| As at March 31, 2019                               | 1,596                 | 752            | 90       | 61                     | 89                     | 16               | 1,439                | 4        | 54        | 4,101                 | 3,286   |
| As at April 01, 2017                               | 1,596                 | 708            | 89       | 3                      | 97                     | 13               | 1,089                | 6        | 51        | 3,652                 | 97  |

**Notes**

1. Property plant and equipment under finance leases  
 Leasehold land is acquired under finance lease from Uttar Pradesh State Industrial Development Corporation. Hence company has depreciated its leasehold land over the period of 90 years retrospectively. There is no future obligation/lease payment to be made in relation to finance lease mentioned above. Accordingly, there is no reconciliation between future minimum lease payments and their present value as on 31st March, 2019.

The above financial statements include INR 7962 Lakhs (Previous Year Nil) for the construction of new factory at Barabanki.



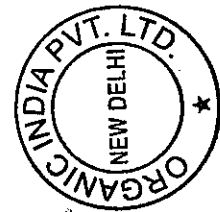
ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
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(Amount in INR Lakhs)

| Particulars                                | (Amount in INR Lakhs) |                           |                             |                  |                           |                             |                  |
|--|-----------------------|---------------------------|-----------------------------|------------------|---------------------------|-----------------------------|------------------|
|  | As on 01-04-2017      | Additions During the year | Capitalised during the year | As on 31-03-2018 | Additions During the year | Capitalised during the year | As on 31-03-2019 |
| 3 Capital work in progress                 |                       |                           |                             |                  |                           |                             |                  |
| Building Under Construction                | 20                    | 1,461                     | -                           | 1,481            | 2,429                     | 3,904                       | 6                |
| Plant & Machinery under erection           | 48                    | 1,485                     | -                           | 1,533            | 1,704                     | 2,958                       | 279              |
| Site Development Cost                      | -                     | -                         | -                           | -                | -                         | -                           | -                |
| Furniture & Fixtures                       | -                     | -                         | -                           | -                | 97                        | 97                          | -                |
| Incidental Expenses Pending Capitalisation | -                     | -                         | -                           | -                | 71                        | 144                         | 1                |
| -Salaries and Wages                        | -                     | 58                        | -                           | 1                | 1                         | -                           | -                |
| -Contribution to Provident & Other funds   | -                     | 1                         | -                           | 7                | 7                         | -                           | -                |
| - Employees Stock Compensation Expenses    | -                     | 7                         | -                           | 43               | 73                        | 116                         | 2                |
| -Interest Expense(net of income)           | 5                     | 38                        | -                           | 54               | 38                        | 90                          | (0)              |
| -Travelling & Conveyance                   | 8                     | 46                        | -                           | 10               | 1                         | 11                          | 24               |
| -Depreciation                              | -                     | 10                        | -                           | 6                | 93                        | 75                          | (1)              |
| -Legal & Professional                      | -                     | 6                         | -                           | 65               | 385                       | 451                         | 8                |
| -(Gain) / Loss on Exchange Fluctuation     | -                     | 65                        | -                           | 28               | 131                       | 152                         | -                |
| -Others                                    | 16                    | 29                        | 17                          | -                | -                         | -                           | -                |
| <b>Total</b>                               | <b>97</b>             | <b>3,206</b>              | <b>17</b>                   | <b>3,286</b>     | <b>5,030</b>              | <b>7,997</b>                | <b>319</b>       |

4. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognized as at 1<sup>st</sup> April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the Property, Plant and Equipment as per the details given below:

| As at April 01, 2016           | Freehold land | Building  | Leasehold improvements | Furniture and fixtures | Office equipment | Plant and Equipments | Vehicles | Computers | Total Tangible Assets |
|--------------------------------|---------------|-----------|------------------------|------------------------|------------------|----------------------|----------|-----------|-----------------------|
| Gross carrying value           | 1,592         | 132       | 0                      | 101                    | 44               | 927                  | 23       | 116       | 2,935                 |
| Less: Accumulated Depreciation | -             | 40        | -                      | 50                     | 31               | 412                  | 15       | 92        | 639                   |
| <b>Net carrying value</b>      | <b>1,592</b>  | <b>93</b> | <b>0</b>               | <b>52</b>              | <b>13</b>        | <b>514</b>           | <b>8</b> | <b>24</b> | <b>2,296</b>          |



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NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

3B. INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

| a. Reconciliation of carrying amount          | (Amount in INR Lakhs) |                      |                              |           |       |
|---|-----------------------|----------------------|------------------------------|-----------|-------|
|   | Software              | Product Formulations | Intangible Assets Trademarks | Web sites | Total |
| Gross carrying value                          |                       |                      |                              |           |       |
| As at April 01, 2017                          |                       |                      |                              |           |       |
| Add: Additions made during the year           | 26                    | -                    | -                            | -         | 26    |
| Less: Disposals / adjustments during the year | 271                   | -                    | -                            | -         | 271   |
| As at March 31, 2018                          | 295                   | -                    | -                            | -         | 295   |
| Add: Additions made during the year           | 28                    | 121                  | 14                           | 1         | 164   |
| Less: Disposals / adjustments during the year | -                     | -                    | -                            | -         | -     |
| As at March 31, 2019                          | 323                   | 121                  | 14                           | 1         | 459   |

| b. Intangible Assets under Development           | (Amount in INR Lakhs) |                      |                              |           |       |
|--|-----------------------|----------------------|------------------------------|-----------|-------|
|  | Software              | Product Formulations | Intangible Assets Trademarks | Web sites | Total |
| Gross carrying value                             |                       |                      |                              |           |       |
| As at April 01, 2017                             |                       |                      |                              |           |       |
| Add: Depreciation charge for the year            | 13                    | -                    | -                            | -         | 13    |
| Less: On disposals / adjustments during the year | 5                     | -                    | -                            | -         | 5     |
| As at March 31, 2018                             | 17                    | -                    | -                            | -         | 17    |
| Add: Depreciation charge for the year            | 57                    | -                    | 1                            | -         | 58    |
| Less: On disposals / adjustments during the year | -                     | -                    | -                            | -         | -     |
| As at March 31, 2019                             | 74                    | -                    | 1                            | -         | 75    |

1. Intangible Assets under Development

| Particulars        | (Amount in INR Lakhs) |                  |
|--------------------|-----------------------|------------------|
|                    | As on 31-03-2019      | As on 31-03-2018 |
| Trademarks         | 41                    | -                |
| Patents            | -                     | 98               |
| Mobile Application | 8                     | 8                |
| Stores Software    | -                     | 8                |
| Total              | 49                    | 114              |

1. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1<sup>st</sup> April, 2016 measured as per the Previous GAAP and use that carrying value as the deemed cost of the intangible assets as per the details given below:

| As at April 01, 2016           | (Amount in INR Lakhs) |                         |
|--------------------------------|-----------------------|-------------------------|
|                                | Computer Software     | Total Intangible Assets |
| Gross carrying value           | 19                    | 19                      |
| Less: Accumulated Depreciation | 8                     | 8                       |
| Net carrying value             | 11                    | 11                      |



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 NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
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|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>4 NON CURRENT INVESTMENTS</b>  |  |  |
| <b>Investments measured at Cost</b>   |  |  |
| <b>Investment in Equity Instruments (Fully paid up)</b>   |  |  |
| <b>Unquoted</b>   |  |  |
| <b>Investment in Overseas Wholly-Owned Subsidiary</b>   |  |  |
| 23,802 (Previous Year 17,958) fully paid & Non Assessable Shares of Organic India USA, LLC*   | 6,878  | 5,058  |
| <b>Investment in Indian Subsidiary Companies</b>  |  |  |
| 1,600,000 (Previous Year 1,600,000) Equity shares of Rs 10 each fully paid up of Composite Interceptive Med-Science Laboratories Private Limited**    | 237  | 160  |
| 160,000 (Previous Year Nil) Equity Shares of Rs 10 each fully paid up of Godwar Farmers Collectives Private Limited                                   | 16   | -  |
| <b>Investment in Associate Companies</b>  |  |  |
| 2,328 (Previous Year Nil) Equity shares of Rs 10 each fully paid up of Nutriwel Health (India) Private Limited  | 14   | -  |
| <b>Total Investments measured at cost</b>   | <u>7,145</u>                                 | <u>5,218</u>                                 |
| <b>Investments measured at Fair value through Profit &amp; Loss</b>   |  |  |
| <b>Investment in Equity Shares</b>  |  |  |
| <b>Investments in Entities Controlled by Director's &amp; Shareholders</b>  |  |  |
| Nil (Previous Year 10,000) Equity Shares of Rs. 10/- each fully paid up of Lev True Wellness Private Limited  | -  | 1  |
| Nil (Previous Year 1,990) Equity Shares of Rs. 10/- each fully paid up of Organic India Farmers Producer Company Limited                              | -  | 3  |
| <b>Investment in Debentures</b>   |  |  |
| <b>Unsecured</b>  |  |  |
| <b>Investment in Associate Companies</b>  |  |  |
| 9% 11,908,623 (Previous Year Nil) Optional Convertible Debentures of Rs 10 each of Nutriwel Health (India) Private Limited                            | 1,344  | -  |
| <b>Total Investments measured at Fair Value through Profit &amp; Loss</b>   | <u>1,344</u>                                 | <u>4</u>                                     |
| <b>Investments measured at Amortised Cost</b>   |  |  |
| <b>Investment in Debentures</b>   |  |  |
| <b>Unsecured</b>  |  |  |
| <b>Investment in Subsidiary Companies</b>   |  |  |
| 8.7% 5,000,000 (Previous Year Nil) Optionally Convertible Debentures of Rs 10 each of Composite Interceptive Med-Science Laboratories Private Limited | 466  | -  |
| <b>Total Investments measured at Amortised Cost</b>   | <u>466</u>                                   | <u>-</u>                                     |
| <b>Total Non Current Investments</b>  | <u>8,955</u>                                 | <u>5,222</u>                                 |
| Less: Provision of Impairment in value of investments   | -  | -  |
| <b>Total Non-Current Investments</b>  | <u>8,955</u>                                 | <u>5,222</u>                                 |
| * Includes deemed interest on loan given and guarantee premium recognised as per Ind AS 109   | 143  | 41   |
| ** Includes equity component of the investment in 8.7% Optionally Convertible Debentures as per Ind AS 109  | 77   | -  |
| Aggregate amount of unquoted investments  | 8,955  | 5,222  |
| Aggregate amount of impairment in the value of investments  | -  | -  |

|  | AS AT 31ST MARCH 2019<br>(Amount in INR Lakhs) | AS AT 31ST MARCH 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| Category-wise Non-Current Investment                                       |  |  |
| Financial assets carried at amortised cost                                 | -  | -  |
| Financial assets measured at cost  | 7,145  | 5,218  |
| Financial assets measured at fair value through other comprehensive income | -  | -  |
| Financial assets measured at fair value through profit or loss             | 1,344  | 4  |
| Financial assets measured at amortised cost                                | 466  | -  |
| <b>Total Non-Current Investment</b>  | <u>8,955</u>                                   | <u>5,222</u>                                   |





ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>5 NON-CURRENT LOANS*</b>   |  |  |
| Unsecured, considered good  |  |  |
| Security Deposits   | 172  | 123  |
| Loans to Related Parties  | 508  | 609  |
|   | <u>680</u>                                   | <u>732</u>                                   |
| *Break up   |  |  |
| Loans considered good - Secured                                       | -  | -  |
| Loans considered good - Unsecured                                     | 680  | 732  |
| Loans which have significant increase in credit risk                  | -  | -  |
| Loans - credit impaired   | -  | -  |
| Total   | <u>680</u>                                   | <u>732</u>                                   |
| Less: Allowance for doubtful Loans                                    | -  | -  |
| Total Loans   | <u>680</u>                                   | <u>732</u>                                   |
| <b>6 OTHER NON CURRENT FINANCIAL ASSETS</b>                           |  |  |
| Other non-current bank balances *                                     |  |  |
| Deposits with original maturity more than 12 months*                  | 742  | 511  |
| Interest accrued on loans and deposits                                | 40   | 19   |
|   | <u>782</u>                                   | <u>530</u>                                   |
| * under lien against bank guarantees and forward contracts with banks | 740  | 501  |
| <b>7 DEFERRED TAX ASSETS (NET)</b>                                    |  |  |
| The balance comprises temporary differences attributable to:          |  |  |
| Depreciation and Amortization   | -  | (92)   |
| Bonus and Exgratia Payable  | -  | 25   |
| Provision for retirement benefits                                     | -  | 13   |
| Provision for Leave Encashment  | -  | 26   |
| Other Disallowances under section 43B of IT Act                       | -  | 4  |
| Provision for Doubtful Receivables and Advances                       | -  | 38   |
| Discounting of Security Deposits                                      | -  | 0  |
| Discounting of Loan   | -  | 1  |
| Asset retirement obligation   | -  | 1  |
| Fair Value change in Investments                                      | -  | 6  |
| Reclass of deferred tax asset on gratuity*                            | -  | (1)  |
| Other timing differences  | -  | 17   |
| Total deferred tax assets   | <u>-</u>                                     | <u>38</u>                                    |
| * Impact has been taken to other comprehensive income.                |  |  |
| <b>8 OTHER NON CURRENT ASSETS</b>                                     |  |  |
| Unsecured, Considered Good  |  |  |
| Advance for capital goods   | 190  | 746  |
| Prepaid expenses  |  |  |
| - Prepaid Lease Rentals   | 18   | 6  |
| - Other Prepaid Expenses  | 5  | 4  |
| Others  | 12   | -  |
|   | <u>225</u>                                   | <u>756</u>                                   |
| <b>9 INVENTORIES</b>  |  |  |
| Raw Materials   | 2,179  | 1,553  |
| Packing Material  | 1,135  | 794  |
| Work in Progress  | 360  | 318  |
| Finished Goods  |  |  |
| - Manufactured  | 932  | 780  |
| - Traded  | 178  | 185  |
| Consumables & Promotional Items                                       | 142  | 45   |
| Goods in Transit- Finished Goods                                      | 208  | -  |
| Goods in Transit- Raw Material & Packaging                            | 79   | 2  |
|   | <u>5,213</u>                                 | <u>3,677</u>                                 |
| Less: Provision for Non Moving Inventory                              | -  | -  |
| Total inventories   | <u>5,213</u>                                 | <u>3,677</u>                                 |
| - As per inventory taken, valued and certified by the Management      |  |  |



ORGANIC INDIA PRIVATE LIMITED  
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|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>10 CURRENT INVESTMENTS</b>   |  |  |
| Investment in Mutual Funds (Fully Paid Up) at Fair Value Through Profit or Loss |  |  |
| Investment in Mutual Funds -Quoted fully paid up                                |  |  |
| Unquoted  |  |  |
| UTI Dynamic Bond Fund-Growth<br>Nil (Previous Year 1,014,796) units             | -  | 203  |
| Reliance Corporate Bond Fund-Growth<br>Nil (Previous Year 1,482,997) units      | -  | 208  |
| IDFC Super Saver Income Fund -Growth<br>Nil (Previous Year 479,491) units       | -  | 198  |
| UTI Medium Term Fund - Growth<br>Nil (Previous Year 1,619,800) units            | -  | 207  |
| SBI Short Term Debt Fund -Growth<br>Nil (Previous Year 508,037) units           | -  | 102  |
| <b>Total Investments measured at Fair Value Through Profit or Loss</b>          | <b>-</b>                                     | <b>918</b>                                   |
| Less: Impairment in value of investments  | -  | -  |
| <b>Total Current Investments</b>  | <b>-</b>                                     | <b>918</b>                                   |
| Aggregate amount of unquoted investments  | -  | 918  |
| Net Asset Value of the unquoted investments                                     | -  | 918  |

|  | AS AT 31ST MARCH 2019<br>(Amount in INR Lakhs) | AS AT 31ST MARCH 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>Category-wise Non-Current Investment</b>                                |  |  |
| Financial assets carried at amortised cost                                 | -  | -  |
| Financial assets measured at cost  | -  | -  |
| Financial assets measured at fair value through other comprehensive income | -  | -  |
| Financial assets measured at fair value through profit or loss             | -  | 918  |
| <b>Total Non-Current Investment</b>  | <b>-</b>                                       | <b>918</b>                                     |

**11 TRADE RECEIVABLES**

|   |              |              |
|---|--------------|--------------|
| Trade Receivables considered good - Secured   |              |              |
| Trade Receivables considered good - Unsecured   | 8,871        | 6,894        |
| Trade Receivables which have significant increase in credit risk  | 92           | 130          |
| Trade Receivables - credit impaired   | 84           | -            |
|   | <u>9,047</u> | <u>7,024</u> |
| Less: Allowance for expected credit loss  | (176)        | (130)        |
|   | <u>8,871</u> | <u>6,894</u> |
| <b>Due from Related Parties</b>   |              |              |
| - M/s Organic India USA LLC (Subsidiary)  | 2,073        | 1,623        |
| - M/s Fabindia Overseas Private Limited (Holding)   | -            | 156          |
| - M/s Ganga Yamuna Agro Technologies and Plantation Private Limited<br>(Entity controlled by directors) | 7            | -            |
| - Nutriwel Health India Private Limited (Associate)   | 36           | -            |
| Total trade receivables from related parties are as below   | <u>2,116</u> | <u>1,779</u> |
| Less: Allowance for expected credit loss  | -            | -            |
| <b>Net Trade Receivables from Related Parties</b>   | <b>2,116</b> | <b>1,779</b> |

The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a short period from the date of balance sheet. All of the Company's trade receivables have been reviewed for indications of impairment. Certain trade receivables were found to be impaired and an allowance for expected credit loss of Rs. INR 176 Lakhs (Previous Year: Rs. INR 130 Lakhs) has been recorded.

**12 CASH AND CASH EQUIVALENTS**

|   |            |              |
|---|------------|--------------|
| Balances with banks                               |            |              |
| -In Current Accounts                              | 96         | 227          |
| Deposits with maturity of less than three months* | 344        | 3,197        |
| Cash on hand                                      | 7          | 5            |
|   | <u>447</u> | <u>3,429</u> |
|   | 319        | 3,197        |

\* under lien against bank guarantees and forward contracts with banks



ORGANIC INDIA PRIVATE LIMITED  
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|  | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>                             |  |  |
| Deposits with original maturity of more than three months but less than twelve months*   | 452  | 1,160  |
|  | <u>452</u>                                   | <u>1,160</u>                                 |
| * under lien against bank guarantees, Letter of credits and forward contracts with banks | 392  | 1,099  |
| <b>14 CURRENT FINANCIAL ASSETS - LOANS</b>   |  |  |
| Advances to Employees  | 63   | 63   |
|  | <u>63</u>                                    | <u>63</u>                                    |
| Less: Allowance for doubtful advances  | (2)  | (2)  |
|  | <u>61</u>                                    | <u>61</u>                                    |
| *Break up  |  |  |
| Loans considered good - Secured  | -  | -  |
| Loans considered good - Unsecured  | 61   | 61   |
| Loans which have significant increase in credit risk                                     | 2  | 2  |
| Loans - credit impaired  | -  | -  |
| <b>Total</b>   | <u>63</u>                                    | <u>63</u>                                    |
| Less: Allowance for expected credit loss   | (2)  | (2)  |
| <b>Total Loans</b>   | <u>61</u>                                    | <u>61</u>                                    |
| <b>15 CURRENT FINANCIAL ASSETS - OTHERS</b>  |  |  |
| Interest accrued on loans and deposits   | 6  | 209  |
|  | <u>6</u>                                     | <u>209</u>                                   |
| <b>16 CURRENT TAX ASSETS</b>   |  |  |
| Opening balance of Advance Tax (Net)   | 423  | 169  |
| Less: Current tax payable for the year   | (1,066)                                      | (1,608)                                      |
| Add: Taxes paid  | 1,214  | 1,825  |
| Add: Tax provision for earlier years written back  | -  | 37   |
|  | <u>571</u>                                   | <u>423</u>                                   |
| Closing balance of Advance Tax (Net)   | 571  | 423  |
| Advance Tax (net provision of income tax)  | 571  | 423  |
| <b>Total current tax assets</b>  | <u>571</u>                                   | <u>423</u>                                   |
| <b>17 OTHER CURRENT ASSETS</b>   |  |  |
| <b>Unsecured, Considered Good</b>  |  |  |
| Prepaid expenses   |  |  |
| - Prepaid Lease Rentals  | 7  | 4  |
| - Other Prepaid Expenses   | 65   | 63   |
| Advance to Supplier  | 308  | 309  |
| Advance Rent   | 140  | 29   |
| <b>Advance Statutory Dues</b>  |  |  |
| Goods and Services Tax Input Credit Recoverable  | 1,732  | 772  |
| Balance with Government Authorities  | 36   | 6  |
| Duty Drawback Receivable   | 63   | 33   |
| MEIS Scrips Receivable   | 339  | 386  |
| Grant Receivable (Refer Note 39)   | 250  | -  |
|  | <u>2,940</u>                                 | <u>1,602</u>                                 |



ORGANIC INDIA PRIVATE LIMITED  
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FOR THE YEAR ENDED 31ST MARCH, 2019

| 18 EQUITY SHARE CAPITAL                     | AS AT 31ST MARCH 2019 |                       | AS AT 31ST MARCH 2018 |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | Number                | (Amount in INR Lakhs) | Number                | (Amount in INR Lakhs) |
| <b>AUTHORISED SHARE CAPITAL</b>             |                       |                       |                       |                       |
| Equity Shares of Rs 10/- each               | 89,400,000            | 8,940                 | 89,400,000            | 8,940                 |
|   | <b>89,400,000</b>     | <b>8,940</b>          | <b>89,400,000</b>     | <b>8,940</b>          |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP</b>     |                       |                       |                       |                       |
| Equity Shares of Rs.10/- each fully paid up | 79,917,633            | 7,992                 | 78,190,919            | 7,819                 |
|   | <b>79,917,633</b>     | <b>7,992</b>          | <b>78,190,919</b>     | <b>7,819</b>          |

a). Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. Each holder of equity shares is entitled to dividends as and when the Company declares and pays dividend after obtaining shareholders approval. The Company declares and pays dividend in Indian Rupees.

The Board, in its meeting on 11th July 2019, has recommended a final dividend of Rs. 1/- per equity share for the financial year ended 31st March, 2019 (31st March 2018 INR 1/- per equity share). The proposal is subject to the approval of shareholders at the Annual General Meeting and, if approved, would result in a cash outflow of approximately INR 963 Lakhs/- including corporate dividend tax.

b). Shares held by holding / Ultimate holding and/or their subsidiaries/ associates

Out of the equity shares issued by the Company, shares held by holding are as below:

| Equity Shares   | AS AT 31ST MARCH 2019 |                       | AS AT 31ST MARCH 2018 |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | Number                | (Amount in INR Lakhs) | Number                | (Amount in INR Lakhs) |
| Fabindia Overseas Private Limited<br>(Equity shares of Rs. 10/- each) | 42,354,994            | 4,235                 | 41,498,876            | 4,150                 |

c). The details of shareholders holding more than 5% shares as at 31 March 2019 and 31 March 2018 is set out below:

| Name of shareholder                          | AS AT 31ST MARCH 2019 |                   | AS AT 31ST MARCH 2018 |                   |
|--|-----------------------|-------------------|-----------------------|-------------------|
|  | Number                | % of shareholding | Number                | % of shareholding |
| Equity Shares of Rs. 10/- each fully paid up |                       |                   |                       |                   |
| OI (India) Holdings, LLC                     | 36,654,900            | 45.87%            | 35,810,587            | 45.80%            |
| Fabindia Overseas Private Limited            | 42,354,994            | 53.00%            | 41,498,876            | 53.07%            |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d). The reconciliation of the number of shares outstanding as at 31 March 2019 and 31 March 2018 is set out below:

| Particulars   | AS AT 31ST MARCH 2019 |            | AS AT 31ST MARCH 2018 |            |
|---|-----------------------|------------|-----------------------|------------|
|   | Number                |            | Number                |            |
| Equity Shares of Rs. 10/- each fully paid up              |                       |            |                       |            |
| Number of shares in the beginning                         |                       | 78,190,919 |                       | 77,931,280 |
| Add: Shares issued on exercise of Employee Stock Options* |                       | 248,453    |                       | 259,639    |
| Add: Shares issued through private placement**            |                       | 1,478,261  |                       | -          |
| Number of shares at the end                               |                       | 79,917,633 |                       | 78,190,919 |

\*During the year, the Company has issued and allotted 248,453 (Previous Year: 259,639) equity shares to the eligible employees against 248,453 (Previous Year: 476,584) share options granted on 1st May, 2017.

\*\*During the year the Company has done Private placement to the existing shareholders of the company and issued 792,339 Equity shares to Fabindia Overseas Private Limited and 685,922 Equity Shares to OI (India) Holdings, LLC respectively bearing face value of INR 10/- each at a premium of INR 105/- per share.

d). Shares reserved for issue under Employee Stock Options (ESOP)

Refer Note No. 47 in respect of details of shares reserved for issue under ESOP.



ORGANIC INDIA PRIVATE LIMITED  
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|  | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>19 OTHER EQUITY</b>                   |  |  |
| Summary of Other Equity Balance          |  |  |
| General Reserve                          | 164  | 163  |
| Securities Premium Reserve               | 1,741  | 129  |
| Stock Option Outstanding/ Other Reserves | 71   | 55   |
| Retained Earnings                        | 15,281                                       | 13,300                                       |
| Other Comprehensive Income               | 5  | 3  |
|  | <u>17,262</u>                                | <u>13,650</u>                                |

**Nature and purpose of each reserves**

**a) General reserve**

This reserve represents appropriation of Profits after dividend from Surplus in Statement of Profit and Loss at each year end. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

**b) Securities premium reserve**

The amount received in excess of face value of equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

**c) Revaluation Reserve**

Revaluation reserve is created on fair valuation of Land and Building (part of Property, Plant and Equipment) as at 1st April, 2016 based on valuation report from an independent certified valuer.

**c) Stock Option Outstanding Account**

This reserve relates to Stock Options Granted by the company to its employees under Organic India Private Limited Employee Stock Option Plan(ESOP) 2016. This reserve is transferred to Securities Premium Reserve and Retained Earnings on exercise or cancellation of the vested options.

**d) Retained Earning**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. It includes INR 213 Lakhs (Previous Year: INR 214 Lakhs) transferred from revaluation reserve on adoption of deemed cost on transition to Ind AS and the difference between depreciation provided on revalued amount and historical cost is transferred to General Reserve amounting to INR 1 Lakh (31st March 2018: INR 1 Lakh).

**20 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**Secured**

**Term Loan**

**From Banks**

- Citi Bank NA\*

5,222

5,571

- Standard Chartered Bank \*\*

1,765

2,000

6,987

7,571

Less: Current Maturity of Long Term Debt

(1,963)

(932)

5,024

6,639

\*The Company had been sanctioned a Foreign Currency Term Loan (FCTL) of INR 550,000,000 from Citi Bank NA for financing the new factory at UPSIDC, District - Barabanki in Uttar Pradesh, India, for a period of 5 years commencing from August 2017. During the financial year 2017-18, the Company has availed Foreign Currency Term Loan of USD equivalent of INR 550,000,000. The said loan carries interest rate of 2.9% per annum including hedging of Libor. The loan is repayable in 16 equal quarterly installments commencing from 29th November 2018.

The said loan is secured by

- first pari passu charge by way of equitable mortgage over factory land & building situated at Agro Park, UPSIDC Near Kursi Road Barabanki,
  - over entire movable fixed assets of Company along with those created at new plant and
  - first pari passu charge by way of equitable mortgage over land and building at Plot no 266, Faizabad road, Kamta, Post Chinhat, Lucknow - 227105
- The Company has been regular in payment of principal & interest amount as stipulated.

\*\* The Company had been sanctioned a term loan of Rs.200,000,000 from Standard Chartered Bank for financing the new factory at UPSIDC, District - Barabanki in Uttar Pradesh, India, for a period of 5 years commencing from January 2018. During the financial year 2017-18, the Company has availed the said loan. The loan carries interest rate of 6.1% per annum. The loan is repayable in 17 equal quarterly instalments commencing from October 2018. During the financial year 2018 - 19.

- first pari passu charge by way of equitable mortgage over factory land & building situated at Agro Park, UPSIDC Near Kursi Road Barabanki,
  - over entire movable fixed assets of Company along with those created at new plant and
  - first pari passu charge by way of equitable mortgage over land and building at Plot no 266, Faizabad road, Kamta, Post Chinhat, Lucknow - 227105
- The Company has been regular in payment of principal & interest amount as stipulated.

**21 NON-CURRENT OTHER FINANCIAL LIABILITIES**

Security Deposits Received  
 Guarantee Obligations

222

227

47

-

269

227



ORGANIC INDIA PRIVATE LIMITED  
 NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
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As at 31 March 2019  
 (Amount in INR Lakhs)

As at 31 March 2018  
 (Amount in INR Lakhs)

22 DEFERRED TAX LIABILITIES (NET)

The balance comprises temporary differences attributable to:

|   |            |          |
|---|------------|----------|
| Depreciation and Amortization                   | 346        | -        |
| Bonus and Exgratia Payable                      | (30)       | -        |
| Provision for retirement benefits               | (16)       | -        |
| Provision for Leave Encashment                  | (36)       | -        |
| Other Disallowances under section 43B of IT Act | (3)        | -        |
| Provision for Doubtful Receivables and Advances | (52)       | -        |
| Discounting of Security Deposits                | 0          | -        |
| Discounting of Loan and Investments             | 61         | -        |
| Guarantee Obligations                           | (27)       | -        |
| Asset retirement obligation                     | (1)        | -        |
| Fair Value change in Investments                | 34         | -        |
| Reclass of deferred tax asset on gratuity*      | 2          | -        |
| Other timing differences                        | (24)       | -        |
| <b>Total deferred tax assets</b>                | <b>254</b> | <b>-</b> |

\* Impact has been taken to other comprehensive income.

23 OTHER NON CURRENT LIABILITIES

|                                 |          |          |
|---------------------------------|----------|----------|
| Deferred Interest - Non Current | 2        | 4        |
|                                 | <u>2</u> | <u>4</u> |

24 NON-CURRENT PROVISIONS

|   |            |            |
|---|------------|------------|
| Provision for Employee Benefits             |            |            |
| - Gratuity                                  | 46         | 42         |
| - Leave Encashment                          | 110        | 78         |
| Others                                      |            |            |
| Provision for Asset Retirement Obligations* | 3          | 2          |
|   | <u>159</u> | <u>122</u> |

(i) Information about individual provisions and significant estimates

a) Provision for asset retirement obligation- A provision has been recognised for asset retirement obligation costs associated with the stores taken on operating lease by the Company. The Company is committed to handover the vacant stores in the same condition as it was handed over by the licensor at the expiry of those leases. The Company has estimated an average cost (per unit) for decommissioning the said stores based on past trends and provided for asset retirement obligation.

\*Movement in Provision Asset Retirement Obligation during the year:

|   |          |          |
|---|----------|----------|
| Balance at the beginning                              | 2        | 2        |
| Provision during the year                             | 2        | -        |
| Less: Amounts utilized / written back during the year | 1        | -        |
| Balance at the end                                    | <u>3</u> | <u>2</u> |



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|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>25 CURRENT FINANCIAL LIABILITIES -BORROWINGS</b> |  |  |
| Secured   |  |  |
| -Axis Bank*   |  |  |
| - Working Capital Demand Loan (WC DL)               | 1,800  | -  |
| - Pre Shipment Credit                               | 208  | -  |
| - Post Shipment Credit                              | -  | 992  |
| -Citi Bank**  |  |  |
| - Packing Credit                                    | 761  | 454  |
| - Working Capital Demand Loan (WC DL)               | 403  | -  |
| -Cash Credit  | -  | 235  |
| -Standard Chartered Bank***                         |  |  |
| - Bank Overdraft                                    | 480  | -  |
|   | <u>3,652</u>                                 | <u>1,681</u>                                 |

\* The Company had been sanctioned secured cash credit, working capital demand loan and Export credit Limits (pre shipment and post shipment) from AXIS Bank Ltd. amounting to INR 200,000,000 which has been further increase to INR 300,000,000 during the year for financing the short term working capital requirements.

The said facilities are secured by first pari-passu charge on present and future current assets of the Company and second pari-passu charge on fixed assets (movable and immovable) of the Company. The interest rate for the said facilities is as below

- a. Pre shipment credit - 5.5% p.a.
- b. Post shipment credit - Libor + 175 bps
- c. WC DL - 3 Month MCLR + 5 bps

The Company has been regular in payment of principal and interest as stipulated.

\*\* The Company has been sanctioned secured Cash Credit, working capital demand loan and Packing Credit facilities from Citibank N.A. for financing short term working capital requirements amounting to INR 100,000,000 . The said facilities are secured against first pari-passu charge on present and future stocks and book debts of the Company and second pari-passu charge on fixed assets (movable and immovable) of the Company. The interest rate for the said facilities is as below:

- a. Packing credit - Libor + 90bps
- b. WC DL - 313 bps per annum

The Company has been regular in payment of principal and interest as stipulated.

\*\*\* The Company has been sanctioned secured cash credit, bank overdraft, working capital loan and export credit limits amounting to INR 50,000,000 from Standard Chartered Bank. The said facilities carries interest rate between 8.00% to 8.25% p.a. and are secured against first pari-passu charge on present and future stocks and book debts of the Company and second pari-passu charge on fixed assets (movable and immovable) of the Company. The Company has been regular in payment of principal and interest as stipulated.

**26 TRADE PAYABLES**

|   |              |              |
|---|--------------|--------------|
| For Goods and Services  |              |              |
| - Due of micro enterprises and small enterprises                      | 138          | -            |
| - Due of creditors other than micro enterprises and small enterprises | 2,181        | 1,235        |
|   | <u>2,319</u> | <u>1,235</u> |

**27 CURRENT FINANCIAL LIABILITIES - OTHERS**

|  |              |              |
|--|--------------|--------------|
| Current Maturity of Long Term Debt         | 1,963        | 932          |
| Interest accrued but not due on borrowings | 10           | 11           |
| Payable for capital goods                  | 1,141        | 216          |
| Security Deposits Received                 | 466          | 492          |
| Guarantee Obligations                      | 47           | -            |
| Other Accruals                             | 890          | 181          |
|  | <u>4,517</u> | <u>1,832</u> |



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|  | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>28 OTHER CURRENT LIABILITIES</b>                      |  |  |
| Advance from Customers                                   | 141  | -  |
| Statutory Dues   | 120  | 103  |
| Deferred Interest - Current                              | 2  | 2  |
| Refund Liabilities*                                      | 81   | -  |
| Other Current Liabilities                                | 14   | 105  |
|  | <u>358</u>                                   | <u>210</u>                                   |
| <br>   |  |  |
| <b>*Movement in Refund Liabilities during the year:</b>  |  |  |
| Amount restated on adoption of new standards(Ind AS 115) | 70   | -  |
| Created during the year                                  | 87   | -  |
| Amounts utilized / written back during the year          | 76   | -  |
| Balance at the end                                       | <u>81</u>                                    | <u>-</u>                                     |
| <br>   |  |  |
| <b>29 CURRENT PROVISIONS</b>                             |  |  |
| Provision for Employee Benefits                          |  |  |
| - Leave Encashment                                       | 12   | 10   |
| Provision for Asset Retirement Obligations               | 1  | -  |
|  | <u>13</u>                                    | <u>10</u>                                    |

a) **Provision for asset retirement obligation-** A provision has been recognised for asset retirement obligation costs associated with the stores taken on operating lease by the Company. The Company is committed to handover the vacant stores in the same condition as it was handed over by the licensor at the expiry of those leases. The Company has estimated an average cost (per unit) for decommissioning the said stores based on past trends and provided for asset retirement obligation.

(i) **Movement in Provisions during the year**

|   |          |          |
|---|----------|----------|
| Provision for Asset Retirement Obligations      | 0        | 0        |
| Balance at the beginning                        | 1        | 0        |
| Provision during the year                       | 0        | 0        |
| Amounts utilized / written back during the year | <u>1</u> | <u>-</u> |
| Balance at the end                              | <u>1</u> | <u>-</u> |





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|   | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>30 Revenue from operations</b>                                   |  |  |
| <b>Sale of Products (including excise duty)</b>                     |  |  |
| - Domestic  |  | 11,194   |
| -Manufactured   | 12,692   |  |
| -Traded   | 1,332  | 920  |
| - Exports   |  | 6,016  |
| -Manufactured   | 6,095  |  |
| -Traded   | 1,515  | 1,888  |
|   | <u>21,634</u>  | <u>20,018</u>  |
| <b>Other Operating Revenue</b>                                      |  |  |
| - Government Grant*   |  | 337  |
| - Duty Drawback Received / Export Incentives / MEIS Scrips Received | 335  |  |
|   | <u>21,969</u>  | <u>20,355</u>  |
| *Refer note 40 for disclosure on government grants.                 |  |  |
| <b>Details of Products Sold</b>                                     |  |  |
| - Herbal Infusions  | 11,094   | 10,040   |
| - Ayurvedic Medicines(Formulations)                                 | 4,034  | 4,710  |
| - Psyllium  | 1,470  | 1,209  |
| - Dehydrated Fruits & Vegetables                                    | 1,508  | 1,238  |
| - Others  | 3,527  | 2,821  |
|   | <u>21,633</u>  | <u>20,018</u>  |
| <b>Reconciliation of Revenue with Contracted Price</b>              |  |  |
| Revenue as per contracted price                                     | 23,000   | 20,471   |
| Adjustments   |  | 453  |
| Discounts and Rebates   | 1,280  |  |
| Rebate for Expiry   | 87   | -  |
|   | <u>1,367</u>   | <u>453</u>   |
| Revenue from contract with customers                                | <u>21,633</u>  | <u>20,018</u>  |
| <b>31 Other income</b>  |  |  |
| Interest Income   |  | 181  |
| Bank Deposits   | 62   |  |
| Loan  | 56   | 5  |
| Rewinding of Interest on Leased deposits measured at amortised cost | 9  | 4  |
| Others  | 60   | -  |
| Financial Assets carried at amortised cost                          | 59   | 2  |
| Credit Balances Written Back  | 7  | 18   |
| Net Gain arising on financial assets measured at FVTPL              | 117  | 19   |
| Foreign Exchange Gain   | 68   | 149  |
| Income from Guarantee   | 9  | -  |
| Income from Forward Contract  | -  | 19   |
| Insurance Claim received  | 1  | 25   |
| Settlement Claim Received   | -  | 624  |
| Gain arising on Derivatives measured at FVTPL                       | 4  | -  |
| Provision for Sales Tax Forms Written Back                          | 4  | 0  |
| Provision for Non Moving Inventory Written Back                     | -  | 44   |
| Provision for Asset Retirement Obligation written back              | 0  | 0  |
| Excess Provision Written back                                       | 10   | 1  |
| Miscellaneous Receipts  | 5  | 6  |
|   | <u>471</u>   | <u>1,097</u>   |
| <b>32 Cost of materials consumed</b>                                |  |  |
| Opening Stock   | 2,391  | 2,298  |
| Add: Purchases  | 6,778  | 6,874  |
|   | <u>9,169</u>   | <u>9,172</u>   |
| Less: Closing Stock   | 3,456  | 2,391  |
| Total cost of material consumed                                     | <u>5,713</u>   | <u>6,781</u>   |



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|  | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>33 Change in inventories of Finished Goods, Traded Goods and Work in Progress</b> |  |  |
| Opening inventory  |  |  |
| Finished Goods   | 965  | 499  |
| Work in Progress   | 318  | 46   |
|  | <u>1,283</u>   | <u>545</u>   |
| Closing inventory  |  |  |
| Finished Goods   | 1,318  | 965  |
| Work in Progress   | 360  | 318  |
|  | <u>1,678</u>   | <u>1,283</u>   |
| <b>Total (increase)/decrease in inventories</b>                                      | <u><b>(395)</b></u>  | <u><b>(738)</b></u>  |
| <b>34 Employee benefits expense</b>  |  |  |
| Salaries and wages   | 2,547  | 2,034  |
| Contribution to Provident Fund & Other Funds   | 81   | 70   |
| Contribution to Employee State Insurance Scheme                                      | 20   | 17   |
| Leave encashment   | 43   | 13   |
| Gratuity Expense   | 30   | 71   |
| Employee Stock Options Compensation Expense  | 68   | 75   |
| Staff Welfare Expenses   | 128  | 119  |
| <b>Total employee benefit expense</b>  | <u><b>2,912</b></u>  | <u><b>2,399</b></u>  |
| <b>35 Finance costs</b>  |  |  |
| <b>Interest Expense</b>  |  |  |
| Foreign Currency Term Loan   | 69   | 25   |
| WCDL / Bank Overdraft  | 149  | 17   |
| Bills Discounting  | 22   | 46   |
| Others   | 94   | 45   |
| Unwinding of Discount on Asset Retirement Obligation                                 | 0  | 0  |
| Unwinding of Discount on Financial Liabilities measured at amortised cost            | 2  | 0  |
| <b>Total finance cost</b>  | <u><b>336</b></u>  | <u><b>133</b></u>  |



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|   | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| <b>36 Other expenses</b>                                      |  |  |
| <b>Manufacturing Expenses</b>                                 |  |  |
| Processing Expenses   | 60   | 175  |
| Power & Fuel  | 143  | 102  |
| <b>Administrative Expenses</b>                                |  |  |
| Rent  | 432  | 336  |
| Repair and maintenance  |  |  |
| - Building  | 13   | 28   |
| - Computers, machinery and other equipments                   | 75   | 37   |
| - Others  | 63   | 29   |
| Freight outward   | 645  | 599  |
| Insurance (Net of Recovery)                                   | 94   | 80   |
| Travelling Expenses (includes Conveyance and Vehicle Running) | 745  | 559  |
| Legal and Professional Expenses                               | 865  | 690  |
| Auditor's Remuneration (Refer Details Below)*                 | 13   | 7  |
| Debit Balances written off                                    | 2  | 2  |
| Communication Expenses  | 42   | 31   |
| Corporate Social Responsibility Expenses                      | 98   | 105  |
| Provision on Sales Tax Form                                   | 2  | 2  |
| Bad Debt written off  | 59   | 3  |
| Provision for Doubtful debts                                  | 47   | 62   |
| Provision for Guarantee Expenses                              | 34   | -  |
| Certification Expenses  | 62   | 58   |
| Community Development Expenses                                | 3  | 9  |
| Expiry & Breakage   | -  | 106  |
| Rates & Taxes   | 73   | 13   |
| Lab Expenses (includes Testing Expenses)                      | 79   | 74   |
| Printing & Stationery   | 13   | 15   |
| Security Charges  | 54   | 35   |
| Loss from Forward Contract                                    | 26   | -  |
| Loss of Stock on Fire   | -  | 28   |
| Net Loss on sale of investments                               | 1  | 1  |
| Loss arising on Derivatives measured at FVTPL                 | -  | 18   |
| Loss on Sale/Discard of Property Plant and Equipment (Net)    | 121  | 16   |
| Loss On Sale Of Govt. Incentive Scrips                        | 2  | -  |
| Research and Development Expenses                             | 5  | 96   |
| Royalty   | 29   | 2  |
| Business Support Charges                                      | 116  | -  |
| Corporate R&D and Support Expenses                            | 443  | 695  |
| Bank Charges  | 40   | 25   |
| Miscellaneous Expenses  | 86   | 25   |
| <b>Selling Expenses</b>                                       |  |  |
| Samples   | 479  | 244  |
| Business Promotion  | 1,682  | 1,709  |
| Commission and Brokerage                                      | 568  | 426  |
|   | <b>7,314</b>   | <b>6,442</b>   |
| <b>*Payments to Auditors</b>                                  |  |  |
| Audit Fee   | 10   | 6  |
| Certification Expenses  | 1  | 1  |
| Reimbursement of out of pocket expenses                       | 2  | -  |
| <b>Total</b>  | <b>13</b>  | <b>7</b>   |



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|  | For the year ended<br>31 March 2019<br>(Amount in INR Lakhs) | For the year ended<br>31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| <b>37 Tax expense</b>  |  |  |
| <b>(a) Tax expense recognised in Statement of Profit and Loss</b>  |  |  |
| <b>Current Tax</b>   |  |  |
| In respect of the current year   | (1,066)  | (1,608)  |
| Adjustments/(credits) related to previous years (net)  | -  | 37   |
| <b>Total (A)</b>   | <u>(1,066)</u>   | <u>(1,571)</u>   |
| <b>Deferred Tax</b>  |  |  |
| Origination and reversal of temporary differences  | (311)  | (38)   |
| <b>Total (B)</b>   | <u>(311)</u>   | <u>(38)</u>  |
| <b>Total (A+B)</b>   | <u>(1,377)</u>   | <u>(1,609)</u>   |
| <b>(b) Movement in Deferred tax Assets (net)</b>   |  |  |
| <b>Deferred income tax liability / (asset), net</b>  |  |  |
| Depreciation and Amortization  | (254)  | 1  |
| Bonus & Exgratia Payable   | 5  | (45)   |
| Provision for retirement benefits  | 2  | (1)  |
| Provision for Leave Encashment   | 10   | (1)  |
| Other Disallowances under section 43B of Income Tax Act  | 0  | (2)  |
| Provision for Impairment of Investments  | -  | -  |
| Provision for doubtful receivables and advances  | 14   | 14   |
| Provision for Non Moving Inventory   | -  | (15)   |
| Discounting of Security deposits   | 0  | 0  |
| Discounting of Loan  | (62)   | 1  |
| Fair Value change in Investments   | (40)   | 6  |
| Guarantee Obligations  | 27   | -  |
| Asset Retirement Obligations   | 1  | 0  |
| Reclass of deferred tax asset on gratuity  | (1)  | (22)   |
| Others   | 6  | 4  |
|  | <u>(292)</u>   | <u>(60)</u>  |
| Less: Impact taken to Other Comprehensive Income.  | (1)  | (22)   |
| Less: Effect of Adoption of new accounting standards   | (20)   | -  |
| <b>Net Deferred Tax Expense/Income recognised in Statement of Profit and Loss</b>                              | <u>(311)</u>   | <u>(38)</u>  |
| <b>(b) Amounts recognised in Other Comprehensive Income</b>  |  |  |
| The tax (charge)/credit arising on income and expenses recognised in Other Comprehensive Income is as follows: |  |  |
| <b>On items that will not be reclassified to Profit or Loss</b>  |  |  |
| Remeasurements gain/(loss) of the Defined Benefit Plans  | (1)  | (22)   |
| <b>Total</b>   | <u>(1)</u>   | <u>(22)</u>  |
| <b>(c) Reconciliation of effective tax rate</b>  |  |  |
| The income tax expenses for the year can be reconciled to the accounting profit as follows:                    |  |  |
| <b>Profit before exceptional items and tax</b>   | 4,352  | 4,693  |
| Tax using the Company's domestic tax rate (31 March 2019: 29.12% and 31 March 2018: 34.608%)                   | 29.12%<br>1,267  | 1,624  |
| <b>Tax effect of:</b>  |  |  |
| <b>Non-deductible tax expenses</b>   |  |  |
| Effect of tax related to expenses not deductible for income tax  | 78   | 42   |
| Effect of Tax on Indexation  | 32   | (20)   |
| Others   | 0  | 0  |
|  | <u>1,377</u>   | <u>1,646</u>   |



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38 Contingent liabilities and commitments

A Contingent Liabilities:

|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| (a) Claims against the Company not acknowledged as debt |  |  |
| -FSSAI Demands not provided for*                        | 30   | 30   |
| -Excise demands under appeals not provided for          | -  | 39   |
| -Income Tax demands under appeals not provided for      | 0  | 0  |
| - Labour laws demand under appeals**                    | 33   | 20   |
| - Civil Demands not provided for***                     | 3  | -  |
| - Others#   | 10   | 10   |

\* Demands have been received from Food Safety and Standards Authority of India (FSSAI) by the Company and as informed to us by the management of the Company, no provision has been made for the demands in the books as the Company has represented to the authorities and is hopeful of getting a favourable order in this regard.

\*\* Few ex-employees of the Company had filed complaints in Industrial/Labour Court of Lucknow against the Company challenging their termination and as informed to us by the management of the Company, no provision has been made for the demands in the books as the Company has represented to the authorities and is hopeful of getting a favourable order in this regard.

\*\*\* A vendor has filed a recovery suit against the Company for non payment of the goods rejected and returned to them and as informed to us by the management of the Company, no provision has been made for the demand in the books as the Company has represented to the authorities and is hopeful of getting a favourable order in this regard.

# Demands have been received from VAT Department in respect of the financial year 2015-16 against which the said amount has been paid by the Company. The Company has filed an appeal with Additional Commissioner (Appeals) in this regard and as informed to us by the management of the Company that no provision has been made for the demands in the books as the Company has represented to the authorities and is hopeful of getting a favourable order in this regard.

B Capital and Other Commitments:

(a) Capital Commitments

|   | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|---|--|--|
| Estimated amount of contracts remaining to be executed on capital accounts and not provided for | 158  | 2,764  |

(b) Lease Commitments:

The Company has entered into operating leases for its stores/retail outlets and office premises at various locations across India. The lease commitments towards non cancellable leases is as below:

|  | As at 31 March 2019<br>(Amount in INR Lakhs) | As at 31 March 2018<br>(Amount in INR Lakhs) |
|--|--|--|
| a. Not later than one year                           | 11   | 16   |
| b. Later than one year but not later than five years | 2  | -  |
| c. Later than five years                             | -  | -  |

39 Earnings per equity share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company as adjusted by the after tax amount of dividends and interest recognised in the period in respect of dilutive potential equity shares by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

|  | For the year ended 31<br>March 2019 | For the year ended 31<br>March 2018 |
|--|-------------------------------------|-------------------------------------|
| Profit attributable to equity holders of the company(Amount in INR Lakhs)                                      | 2,975                               | 3,084                               |
| Weighted average number of equity shares (Nos.)  | 79,229,331                          | 78,054,342                          |
| Nominal value of equity shares   | 10                                  | 10                                  |
| Earnings per equity share  |                                     |                                     |
| -basic   | 3.76                                | 3.95                                |
| -diluted   | 3.75                                | 3.94                                |
| Weighted average number of equity shares   |                                     |                                     |
| Number of shares considered as weighted average shares outstanding for Basic EPS                               | 79,229,331                          | 78,054,342                          |
| Add: Effect of Stock Options Granted   | 205,449                             | 175,848                             |
| Number of shares considered as weighted average shares (including dilutive shares) outstanding for Diluted EPS | 79,434,780                          | 78,230,190                          |

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.



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**40 Government grants**

The Company has recognised INR 335 Lakhs (31st March 2018 INR 337 Lakhs) for Duty Drawback / Export Incentives in Statement of Profit and loss. There are no unfulfilled conditions and other contingencies attaching to government assistance that has been recognised in Statement of Profit and loss.

- (b) During the year, the Company has been sanctioned a grant in aid amounting to INR 500 Lakhs from Ministry of Food Processing Industries for setting up of a Tea and Herb blending and other food product unit at Barabanki. Out of the total grant in aid, the Company has received INR 250 Lakhs and the balance amount has been shown as recoverable under the head Other Current Assets as the management is of the opinion that there are no unfulfilled conditions attached to the grant and is reasonably certain that the grant shall be received. The total grant in aid sanctioned has been adjusted against the carrying amount of the asset for which the grant was sanctioned

**41 Segment Reporting**

An operating segment is one whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance. The Board of Directors reviews the operating results of the Company. The Board of Director reviews performance of the Organic Herbal products business on an overall basis. As the Company's activities fall within a single reportable segment being the core business segment i.e. Organic Herbal Products, the segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. In compliance to the said standard, entity wise disclosures are as under:

|                              | 31st March, 2019<br>(Amount in Lakhs) | 31st March, 2018<br>(Amount in Lakhs) |
|------------------------------|---------------------------------------|---------------------------------------|
| Sale of Products             |                                       |                                       |
| - Within India               | 14,024                                | 12,114                                |
| - Outside India              | 7,610                                 | 7,904                                 |
|                              | <u>21,634</u>                         | <u>20,018</u>                         |
|                              | <b>31st March, 2019</b>               | <b>31st March, 2018</b>               |
| Details of Non Current Asset |                                       |                                       |
| - Within India               | 12,842                                | 8,535                                 |
| - Outside India              | -                                     | -                                     |
|                              | <u>12,842</u>                         | <u>8,535</u>                          |

**Information about major customers**

The Company did revenue from the following customer which exceeded 10% of total revenue:-

| Name of Customer                      | Share of Total Revenue(in Percentage) |                 |
|---------------------------------------|---------------------------------------|-----------------|
|                                       | 31st March,2019                       | 31st March,2018 |
| Organic India USA LLC<br>(Subsidiary) | 17.54                                 | 23.53           |



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42 FINANCIAL INSTRUMENTS - FAIR VALUE MEASUREMENT

a) Financial instruments by category as on 31st March 2019

(Amount in INR Lakhs)

|  | 31st March 2019 |          |                |                      |                  |
|--|-----------------|----------|----------------|----------------------|------------------|
|  | FVTPL           | FVOCI    | Amortised Cost | Total Carrying Value | Total Fair Value |
| <b>Financial assets</b>                                      |                 |          |                |                      |                  |
| Investments(Non Current)*                                    | 1,344           | -        | 466            | 1,810                | 1,810            |
| Investments(current)   | -               | -        | -              | -                    | -                |
| Loans(Non Current)   | -               | -        | 680            | 680                  | 680              |
| Other Financial Assets(Non Current)                          | -               | -        | 782            | 782                  | 782              |
| Trade receivables  | -               | -        | 8,871          | 8,871                | 8,871            |
| Cash and Cash equivalents                                    | -               | -        | 447            | 447                  | 447              |
| Bank Balances Other Than Cash And Cash Equivalents (Current) | -               | -        | 452            | 452                  | 452              |
| Loans(Current)   | -               | -        | 61             | 61                   | 61               |
| Other Financial Assets                                       | -               | -        | 6              | 6                    | 6                |
| <b>TOTAL</b>   | <b>1,344</b>    | <b>-</b> | <b>11,765</b>  | <b>13,109</b>        | <b>13,109</b>    |
| <b>Financial liabilities</b>                                 |                 |          |                |                      |                  |
| Borrowings(Non Current)                                      | -               | -        | 5,024          | 5,024                | 5,024            |
| Other Financial Liabilities(Non Current)                     | -               | -        | 269            | 269                  | 269              |
| Borrowings(Current)  | -               | -        | 5,615          | 5,615                | 5,615            |
| Trade payables   | -               | -        | 2,319          | 2,319                | 2,319            |
| Other Financial Liabilities                                  | 14              | -        | 2,540          | 2,554                | 2,554            |
| <b>TOTAL</b>   | <b>14</b>       | <b>-</b> | <b>15,767</b>  | <b>15,781</b>        | <b>15,781</b>    |

\* Excludes investment in unquoted equity instruments measured at cost

b) Financial instruments by category as on 31st March 2018

(Amount in INR Lakhs)

|  | 31st March 2018 |          |                |                      |                  |
|--|-----------------|----------|----------------|----------------------|------------------|
|  | FVTPL           | FVOCI    | Amortised Cost | Total Carrying Value | Total Fair Value |
| <b>Financial assets</b>                                      |                 |          |                |                      |                  |
| Investments(Non Current)*                                    | 4               | -        | -              | 4                    | 4                |
| Investments(current)   | 918             | -        | -              | 918                  | 918              |
| Loans(Non Current)   | -               | -        | 732            | 732                  | 732              |
| Other Financial Assets(Non Current)                          | -               | -        | 530            | 530                  | 530              |
| Trade receivables  | -               | -        | 6,894          | 6,894                | 6,894            |
| Cash and Cash equivalents                                    | -               | -        | 3,429          | 3,429                | 3,429            |
| Bank Balances Other Than Cash And Cash Equivalents (Current) | -               | -        | 1,160          | 1,160                | 1,160            |
| Loans(Current)   | -               | -        | 61             | 61                   | 61               |
| Other Financial Assets                                       | -               | -        | 209            | 209                  | 209              |
| <b>TOTAL</b>   | <b>922</b>      | <b>-</b> | <b>13,015</b>  | <b>13,937</b>        | <b>13,937</b>    |
| <b>Financial liabilities</b>                                 |                 |          |                |                      |                  |
| Borrowings(Non Current)                                      | -               | -        | 6,639          | 6,639                | 6,639            |
| Other Financial Liabilities(Non Current)                     | -               | -        | 227            | 227                  | 227              |
| Borrowings(Current)  | -               | -        | 2,612          | 2,612                | 2,612            |
| Trade payables   | -               | -        | 1,235          | 1,235                | 1,235            |
| Other Financial Liabilities                                  | 18              | -        | 884            | 902                  | 902              |
| <b>TOTAL</b>   | <b>18</b>       | <b>-</b> | <b>11,597</b>  | <b>11,615</b>        | <b>11,615</b>    |

\* Excludes investment in unquoted equity instruments measured at cost

Trade receivables comprise amounts receivable from the sale of goods and services. The Management considers that the carrying amount of trade and other receivables approximates their fair value.

Bank balances and cash comprise cash and short-term deposits held by the Company. The carrying amount of these assets approximates their fair value.

Loans (non-current) comprise of security deposits paid and loan given to subsidiary which have been discounted and the same approximates their fair value.

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The Management considers that the carrying amount of trade payables approximates to their fair value.

Borrowings comprises of loan from bank and the fair value is considered to be same as the carrying value being at market rates.

Other financial liabilities (non-current) comprise of security deposit received which have been discounted and the same approximates their fair value.

For Investments in debt instruments the fair value is considered same as amortised cost as amortised cost is computed by considering the effective interest rate method at prevailing market rates of interest.

Financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.



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 NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

(i) Fair value hierarchy

Financial assets and liabilities measured at fair value As at 31 March 2019

(Amount in INR Lakhs)

|                   | Level 1 | Level 2 | Level 3 | Total |
|-------------------|---------|---------|---------|-------|
| Financial assets: |         |         |         |       |
| Investments       | -       | -       | 1,344   | 1,344 |
|                   | -       | -       | 1,344   | 1,344 |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2019

(Amount in INR Lakhs)

|                                | Level 1 | Level 2 | Level 3 | Total  |
|--------------------------------|---------|---------|---------|--------|
| Financial assets:              |         |         |         |        |
| Investments(Non Current)       | -       | -       | 466     | 466    |
| Loans                          | -       | -       | 741     | 741    |
| Trade receivables              | -       | -       | 8,871   | 8,871  |
| Cash and Cash equivalents      | -       | -       | 447     | 447    |
| Bank balances other than above | -       | -       | 452     | 452    |
| Other Financial Assets         | -       | -       | 788     | 788    |
|                                | -       | -       | 11,765  | 11,765 |

|                             | Level 1 | Level 2 | Level 3 | Total  |
|-----------------------------|---------|---------|---------|--------|
| Financial liabilities:      |         |         |         |        |
| Borrowings                  | -       | -       | 10,639  | 10,639 |
| Trade payables              | -       | -       | 2,319   | 2,319  |
| Other Financial Liabilities | -       | 14      | 2,809   | 2,823  |
|                             | -       | 14      | 15,767  | 15,781 |

Financial assets and liabilities measured at fair value As at 31 March 2018

#REF!

|                   | Level 1 | Level 2 | Level 3 | Total |
|-------------------|---------|---------|---------|-------|
| Financial assets: |         |         |         |       |
| Investments       | -       | 918     | 4       | 922   |
|                   | -       | 918     | 4       | 922   |

Assets and liabilities which are measured at amortised cost for which fair values are disclosed As at 31 March 2018

#REF!

|                                | Level 1 | Level 2 | Level 3 | Total  |
|--------------------------------|---------|---------|---------|--------|
| Financial assets:              |         |         |         |        |
| Loans                          | -       | -       | 793     | 793    |
| Trade receivables              | -       | -       | 6,894   | 6,894  |
| Cash and Cash equivalents      | -       | -       | 3,429   | 3,429  |
| Bank balances other than above | -       | -       | 1,160   | 1,160  |
| Other Financial Assets         | -       | -       | 739     | 739    |
|                                | -       | -       | 13,015  | 13,015 |

|                             | Level 1 | Level 2 | Level 3 | Total  |
|-----------------------------|---------|---------|---------|--------|
| Financial liabilities:      |         |         |         |        |
| Borrowings                  | -       | -       | 9,251   | 9,251  |
| Trade payables              | -       | -       | 1,235   | 1,235  |
| Other Financial Liabilities | -       | 18      | 1,111   | 1,129  |
|                             | -       | 18      | 11,597  | 11,615 |

(ii) Measurement of fair values

The different levels of fair value have been defined below:

Level 1: It includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. These are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted securities.

There have been no transfers in either direction for the years ended 31 March 2019 & 31 March 2018.

(iii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis/net asset value method.





ORGANIC INDIA PRIVATE LIMITED  
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FOR THE YEAR ENDED 31ST MARCH, 2019

43 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The risk management policies are established to identify and analyse the risk faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company activities. The Company's board oversees how management monitors compliance with Company's risk management policies and procedures, and review adequacy of the risk management framework in relation to the risk faced by the Company.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk

| Risk                           | Exposure arising from   | Measurement                                | Management  |
|--------------------------------|---|--|---|
| Credit Risk                    | Cash and Cash Equivalents, trade receivables, financial assets measured at amortized cost.<br>All financial liabilities | Aging analysis                             | Diversification of bank deposits, credit limits           |
| Liquidity Risk                 |   | Rolling cash flow forecasts                | Availability of borrowing facilities<br>Forward Contracts |
| Market Risk - Foreign Exchange | Recognized financial assets and liabilities not denominated in Indian Rupee (INR)                                       | Cash flow forecast<br>Sensitivity Analysis |   |

**i. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's maximum exposure to credit risk associated with the trade and other receivables.

**Trade and other receivables**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of trade receivables from the date, credit was initially granted upto the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly the management believes that there is no further credit provision required in excess of the allowance for doubtful debts. Management has assessed the advances and other receivables for impairment and has concluded that appropriate provision has been made for the doubtful advances and balance are fully recoverable in the normal course of business.

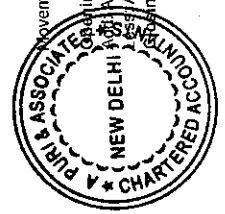
**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

|                                    | 31-Mar-19    | 31-Mar-18    |
|------------------------------------|--------------|--------------|
| Trade and other receivable         | 9,790        | 7,819        |
| Less: Loss allowance on receivable | (178)        | (131)        |
|                                    | <u>9,612</u> | <u>7,688</u> |

|  | 31-Mar-19 | 31-Mar-18  |
|--|-----------|------------|
| Trade and other receivable                   | 131       | 69         |
| Less: Allowance written back during the year | (59)      | (3)        |
| Ending Balance                               | <u>72</u> | <u>131</u> |



Movement in the allowance for impairment in respect of trade receivables

Opening Balance  
Allowance for trade receivables during the year  
Less: Allowance written back during the year  
Ending Balance

ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
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ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to manage liquidity is to ensure, availability of funding through an adequate amount of credit facilities to meet obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position i.e. cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities  
The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

|  | (Amount in Lakhs) |                       |                   |           |
|--|-------------------|-----------------------|-------------------|-----------|
|  | Less than 1 year  | Between 1 and 5 years | More than 5 years | Total     |
| <b>Contractual maturities of financial liabilities</b> |                   |                       |                   |           |
| 31 March 2019  | 2,320             | -                     | -                 | 2,320     |
| Trade payables   | 1,963             | 5,024                 | -                 | 6,987     |
| Long term borrowings                                   | 3,652             | -                     | -                 | 3,652     |
| Short term borrowings                                  | 466               | 222                   | -                 | 688       |
| Security deposits received                             | 1,141             | -                     | -                 | 1,141     |
| Payable for capital goods                              | 10                | -                     | -                 | 10        |
| Interest accrued but not due                           | 94                | -                     | -                 | 94        |
| Guarantee Obligations                                  | 890               | -                     | -                 | 890       |
| Other Accruals   | 10,536            | 5,246                 | -                 | 15,782    |
|  |                   |                       |                   |           |
| <b>Contractual maturities of financial liabilities</b> |                   |                       |                   |           |
| 31 March 2018  | 1,236             | -                     | -                 | 1,236     |
| Trade payables   | 932               | 6,639                 | -                 | 7,571     |
| Long term borrowings                                   | 1,681             | -                     | -                 | 1,681     |
| Short term borrowings                                  | 493               | 227                   | -                 | 720       |
| Security deposits received                             | 216               | -                     | -                 | 216       |
| Payable for capital goods                              | 11                | -                     | -                 | 11        |
| Interest accrued but not due                           | 182               | -                     | -                 | 182       |
| Other Accruals   | 4,751             | 5,866                 | -                 | 11,617.00 |

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of investments. Thus, exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The Company interest rate risks are covered by interest rate swaps. The objective of market risk management is to avoid excessive exposure in foreign currency, revenues and costs.



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 NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
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Currency risk

The Company operates internationally and transacts in foreign currencies and consequently the Company is exposed to foreign exchange risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company's exposure in respect of foreign currency are mitigated through the guidelines under the foreign currency risk management policy approved by the Board of Directors. The Company enters in to derivative financial instruments i.e. forward foreign exchange contracts for foreign currency risk mitigation.

Exposure to currency risk

|                              | The currency profile of financial assets and financial liabilities as at 31 March 2019, 31 March 2018 |            |     |           |      |           |     |           |     |           |         |           |     |           |        |
|------------------------------|---|------------|-----|-----------|------|-----------|-----|-----------|-----|-----------|---------|-----------|-----|-----------|--------|
|                              | 31-Mar-19   | 31-Mar-19  | USD | 31-Mar-19 | EURO | 31-Mar-19 | AUD | 31-Mar-19 | NZD | 31-Mar-19 | GBP     | 31-Mar-19 | SGD | 31-Mar-19 | HKD    |
| <b>Financial assets</b>      |   |            |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Trade Receivables            | 3,595   | 4,502,908  |     | 378,293   |      | 43,918    |     |           |     |           | 167,572 |           |     |           |        |
| Loan to Subsidiary           | 521   | 750,000    |     |           |      |           |     |           |     |           |         | 31        |     |           | 41     |
| Cash and Cash Equivalents    | 5   | 351        |     | 5,544     |      |           |     |           |     |           |         |           |     |           | 99     |
|                              | 4,121   | 5,253,259  |     | 383,837   |      | 43,918    |     |           |     |           | 167,603 |           |     |           | 99     |
| <b>Financial liabilities</b> |   |            |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Trade Payables               | 555   | 746,905    |     | 39,470    |      | 4,023     |     |           |     |           |         |           |     |           | 35,506 |
| Short Term Borrowings        | 1,372   | 1,975,973  |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Long Term Borrowings         | 5,222   | 7,519,531  |     | 39,470    |      | 4,023     |     |           |     |           |         |           |     |           | 35,506 |
|                              | 7,149   | 10,242,409 |     | 39,470    |      | 4,023     |     |           |     |           |         |           |     |           |        |
|                              | 3,131   | 4,118,154  |     | 448,634   |      | 71,266    |     |           |     |           | 56,646  |           |     |           | 41     |
| <b>Financial assets</b>      |   |            |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Trade Receivables            | 2,447   | 3,066,041  |     | 445,300   |      | 71,266    |     |           |     |           | 35,927  |           |     |           |        |
| Loan to Subsidiary           | 648   | 1,000,000  |     |           |      |           |     |           |     |           |         | 4         |     |           | 41     |
| Cash and Cash Equivalents    | 31  | 43,848     |     | 3,334     |      |           |     |           |     |           |         |           |     |           |        |
| Others                       | 5   | 8,265      |     |           |      |           |     |           |     |           |         |           |     |           |        |
|                              | 3,131   | 4,118,154  |     | 448,634   |      | 71,266    |     |           |     |           | 56,650  |           |     |           | 41     |
| <b>Financial liabilities</b> |   |            |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Trade Payables               | 259   | 394,230    |     |           |      | 6,407     |     |           |     |           |         |           |     |           |        |
| Short Term Borrowings        | 1,463   | 2,256,984  |     |           |      |           |     |           |     |           |         |           |     |           |        |
| Long Term Borrowings         | 5,271   | 8,593,750  |     |           |      |           |     |           |     |           |         |           |     |           |        |
|                              | 7,293   | 11,244,964 |     |           |      | 6,407     |     |           |     |           |         |           |     |           |        |

The following significant exchange rates have been applied during the year.

|      | Year-end spot rate |           |
|------|--------------------|-----------|
|      | 31-Mar-19          | 31-Mar-18 |
| USD  | 89.45              | 64.82     |
| EURO | 77.91              | 79.87     |
| AUD  | 49.30              | 49.89     |
| NZD  | 45.23              | 46.96     |
| GBP  | 90.50              | 90.81     |
| SGD  | 51.23              | 49.38     |
| HKD  | 8.85               | 8.26      |



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Sensitivity analysis

A reasonably possible strengthening / weakening of the respective foreign currencies with respect to the functional currency of Company would result in increase or decrease in profit or loss and equity as shown in the table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

| Effect in INR | Profit or loss before tax |           | Equity, net of tax |           |
|---------------|---------------------------|-----------|--------------------|-----------|
|               | Strengthening             | Weakening | Strengthening      | Weakening |
| 31 March 2019 |                           |           |                    |           |
| 5% movement   |                           |           |                    |           |
| USD           | (173)                     | 173       | (113)              | 113       |
| EURO          | 13                        | (13)      | 9                  | (9)       |
| AUD           | 1                         | (1)       | 1                  | (1)       |
| NZD           | -                         | -         | -                  | -         |
| GBP           | 8                         | (8)       | 5                  | (5)       |
| SGD           | 0                         | (0)       | 0                  | (0)       |
| HKD           | (0)                       | 0         | (0)                | 0         |
|               | (151)                     | 151       | (99)               | 99        |

| Effect in INR | Profit or loss before tax |           | Equity, net of tax |           |
|---------------|---------------------------|-----------|--------------------|-----------|
|               | Strengthening             | Weakening | Strengthening      | Weakening |
| 31 March 2018 |                           |           |                    |           |
| 5% movement   |                           |           |                    |           |
| USD           | (231)                     | 231       | (151)              | 151       |
| EURO          | 18                        | (18)      | 12                 | (12)      |
| AUD           | 2                         | (2)       | 1                  | (1)       |
| NZD           | 1                         | (1)       | 1                  | (1)       |
| GBP           | 3                         | (3)       | 2                  | (2)       |
| SGD           | 0                         | (0)       | 0                  | (0)       |
|               | (208)                     | 208       | (136)              | 136       |

44 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

Management of the Company has ensured that net worth of the Company has increased and profit from operations of the company has been utilised further in the operations of the Company.

|                   | (Amount in INR Lakhs) |               |
|-------------------|-----------------------|---------------|
|                   | March 31 2019         | March 31 2018 |
| Total Assets      | 41,821                | 33,429        |
| Total Liabilities | 16,567                | 11,960        |
| Net Worth         | 25,254                | 21,469        |

The Company determines the amount of capital required on the basis of actual business plans coupled with long-term and short-term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term borrowings. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019.



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The Company monitors capital on the basis of total debt to total equity on a periodic basis. The following table summarizes the capital of the Company:

|                          | [Amount in INR Lakhs] |                  |
|--------------------------|-----------------------|------------------|
|                          | As at 31st March 2019 | As at 31st March |
| <b>Capital</b>           |                       |                  |
| Long Term Borrowings     | 3,024                 | 6,639            |
| Short Term Borrowings    | 5,615                 | 2,612            |
| <b>Total Debt</b>        | <u>16,339</u>         | <u>9,251</u>     |
| Equity Share Capital     | 7,992                 | 7,819            |
| Other Equity             | 17,262                | 13,650           |
| <b>Total Equity</b>      | <u>25,254</u>         | <u>21,469</u>    |
| <b>Debt-Equity Ratio</b> | 0.42                  | 0.43             |

**Dividends**  
 Dividends not recognized at the end of the reporting period

799                      782

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of INR 1/- per fully paid up equity share (31st March 2018: INR 1/-). The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.



ORGANIC INDIA PRIVATE LIMITED  
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45 RELATED PARTY DISCLOSURES

A Names of Related parties where control exists

|  |                    |
|--|--------------------|
| <b>Holding Company</b>   |                    |
| - M/s Fabindia Overseas Private Limited  |                    |
| <b>Subsidiary Company</b>  |                    |
| - M/s Organic India USA LLC  |                    |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited                            |                    |
| - M/s The Clean Program Corp. (w.e.f. 28th April 2018) (Subsidiary of M/s Organic India USA LLC) |                    |
| - M/s Godwar Farmers Collective Private Limited (w.e.f. 30th March 2019)                         |                    |
| <b>Associate Company</b>   |                    |
| - M/s Nutrilvel Health (India) Private Limited (w.e.f. 6th March 2019)                           |                    |
| <b>Key Management Personnel</b>  |                    |
| Mr. Yoav Lev   | Director           |
| Mr. Dinesh Kumar   | Executive Director |
| Mr. Vikram Singh   | Director           |
| Mr. Mukesh Kumar Chauhan   | Director           |
| Ms. Elizabeth Nanda  | Director           |
| Mr. Subrata Dutta  | Director           |
| Mr. Paul C. Salins (upto 31st July 2018)   | Director           |
| Mr. Pankaj Pachauri  | Director           |
| Mr. Laurent Chappuis   | Director           |
| Mr. William Nanda Bissell (w.e.f. 10th August 2018)  | Director           |
| Mrs. Holly B Lev (w.e.f. 10th August 2018)   | Director           |

Entities controlled by Directors and Shareholders and those exercising significant influence with whom the companies have transactions during the year

- M/s OI (India) Holding, LLC
- M/s Ganna Yamuna Agro Technologies and Plantation Private Limited
- M/s LEV True Wellness Private Limited
- M/s Organic India Farmers Producer Company Limited
- M/s Organic India Foundation

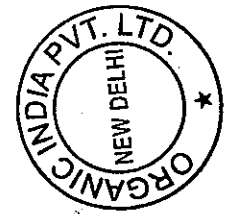


ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

B Summary of related party transactions

(Amount in INR Lakhs)

| Particulars                                      | Holding Company |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Director's and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 | Total           |                 |
|--|-----------------|-----------------|--------------------|-----------------|-------------------|-----------------|---|-----------------|--------------------------|-----------------|-----------------|-----------------|
|  | 31st March 2019 | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019          | 31st March 2018 | 31st March 2019 | 31st March 2018 |
| Sale of Goods                                    | 1,247           | 658             | 3,795              | 4,711           | 19                | -               | -   | -               | -                        | -               | 5,061           | 5,369           |
| Purchase of Raw Material                         | -               | -               | 10                 | 10              | -                 | -               | 805   | 992             | -                        | -               | 815             | 1,002           |
| Interest Income                                  | -               | -               | 92                 | 5               | 8                 | -               | -   | -               | 18                       | 23              | 100             | 5               |
| Remuneration (Including Leave Travel Allowance)  | -               | -               | -                  | -               | -                 | -               | -   | -               | 24                       | 129             | 25              | 23              |
| Legal and Professional Expenses                  | -               | -               | -                  | -               | 1                 | -               | -   | -               | 320                      | 66              | 320             | 129             |
| Director's Commission                            | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 1,700           | 66              |
| Issue and Allotment of Equity Shares             | 911             | -               | -                  | -               | -                 | -               | 789   | -               | 2                        | 1               | 2               | 1               |
| Dividend Paid                                    | 415             | 415             | -                  | -               | -                 | -               | -   | -               | 0                        | 0               | 415             | 415             |
| Security Deposit Paid                            | 26              | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 26              | -               |
| Margin difference Claim                          | 9               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 9               | -               |
| Rent   | 55              | 18              | -                  | -               | -                 | -               | -   | -               | -                        | -               | 55              | 18              |
| Royalty  | 29              | 2               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 29              | 2               |
| Reimbursement of Expenses                        | 17              | 4               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 17              | 4               |
| Freight Expenses                                 | -               | -               | 0                  | -               | 4                 | -               | -   | -               | -                        | -               | 4               | -               |
| Travelling Expenses                              | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               |
| Business Support Expenditure                     | 116             | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 116             | -               |
| Advance Received                                 | 427             | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 427             | -               |
| Advance Repaid/Adjusted                          | 384             | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 384             | -               |
| Purchase of Fixed Assets                         | 70              | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 70              | -               |
| Miscellaneous Receipts                           | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 3               | -               |
| Expiry and Breakage                              | 3               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 0               | 12              |
| Discount   | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | 3               |
| Corporate Social Responsibility Expenses         | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | 80              | 95              |
| Corporate R&D and Support Expenses Reimbursement | -               | -               | 443                | 695             | -                 | -               | -   | -               | -                        | -               | 443             | 695             |
| Export Expenses recovered                        | -               | -               | 18                 | 213             | -                 | -               | -   | -               | -                        | -               | 18              | 213             |
| Insurance Recovered                              | -               | -               | -                  | 5               | -                 | -               | -   | -               | -                        | -               | -               | 5               |
| Acquisition of equity Shares                     | -               | -               | -                  | 41              | -                 | -               | -   | -               | -                        | -               | 1,751           | 41              |
| Business Promotion recovered                     | -               | -               | 1                  | 160             | -                 | -               | -   | -               | -                        | -               | 1               | 160             |
| Investment in Equity Shares                      | -               | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               |
| Investment in Debentures                         | -               | -               | 500                | -               | 900               | -               | -   | -               | -                        | -               | 1,400           | -               |
| Purchase of Equity Shares                        | -               | -               | -                  | -               | -                 | -               | -   | -               | 16                       | -               | 16              | -               |
| Sale of Equity Shares                            | -               | -               | -                  | -               | -                 | -               | -   | -               | 2                        | -               | 2               | -               |
| Loan Given                                       | -               | -               | -                  | 644             | -                 | -               | -   | -               | -                        | -               | 1,822           | 644             |
| Loan repayment received during the year          | -               | -               | 1,822              | -               | -                 | -               | -   | -               | -                        | -               | 4,154           | -               |
| Corporate Guarantee given during the year        | -               | -               | 2,083              | -               | -                 | -               | -   | -               | -                        | -               | 2,083           | -               |



ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

| Particulars          | Holding Company |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Directors and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |
|----------------------|-----------------|-----------------|--------------------|-----------------|-------------------|-----------------|--|-----------------|--------------------------|-----------------|
|                      | 31st March 2019 | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019  | 31st March 2018 | 31st March 2019          | 31st March 2018 |
| Balances Outstanding | -               | 149             | 3,120              | 2,237           | -                 | -               | 7  | -               | -                        | -               |
| Receivables          | 342             | -               | 452                | 212             | 1,239             | 5               | 250  | 60              | 313                      | 59              |
| Payables             | -               | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |

**Terms and conditions:**

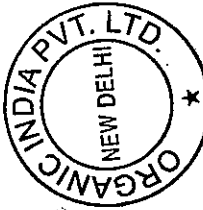
- All transactions with these related parties are priced on an arm's length basis.
- None of the balances outstanding are secured.
- Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

**Compensation of Key Management Personnel**

The remuneration of director and other member of Key Management Personnel during the year was as follows:

| Particulars  | 2018-19    | 2017-18    |
|--|------------|------------|
| Short-Term Benefits  | 362        | 212        |
| Post-Employment Benefits                                   | -          | -          |
| Other Long-Term Benefits                                   | -          | -          |
| Share-Based Payments                                       | -          | 6          |
| Termination Benefits                                       | -          | -          |
| Dividend Paid  | 0          | 0          |
| <b>Total compensation paid to key management personnel</b> | <b>362</b> | <b>218</b> |

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

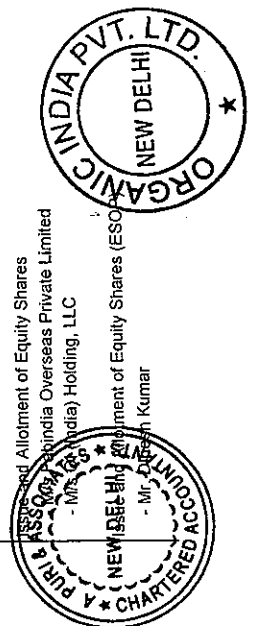




ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

C Transactions with the related parties which have been entered into during the year are as follows:

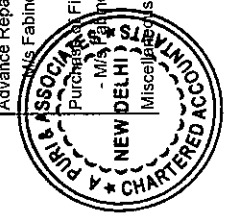
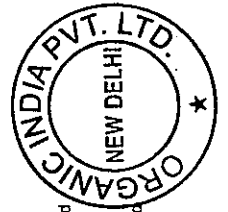
| Particulars   | Holding Company       |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Directors and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |
|---|-----------------------|-----------------|--------------------|-----------------|-------------------|-----------------|--|-----------------|--------------------------|-----------------|
|   | 31st March 2019       | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019  | 31st March 2018 | 31st March 2019          | 31st March 2018 |
|   | (Amount in INR Lakhs) |                 |                    |                 |                   |                 |  |                 |                          |                 |
| Sale of Goods   | 1,247                 | 658             | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Fabindia Overseas Private Limited                               | -                     | -               | 3,794              | 4,711           | -                 | -               | -  | -               | -                        | -               |
| - M/s Organic India USA LLC   | -                     | -               | 1                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited | -                     | -               | -                  | -               | 19                | -               | -  | -               | -                        | -               |
| - M/s Nutrilwell Health (India) Private Limited                       | -                     | -               | -                  | -               | -                 | 0               | -  | -               | -                        | -               |
| - M/s Organic India Foundation  | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| Purchase of Raw Material  | -                     | -               | 10                 | 10              | -                 | -               | -  | -               | -                        | -               |
| - M/s Organic India USA LLC   | -                     | -               | -                  | -               | -                 | -               | 37   | 29              | -                        | -               |
| - M/s Ganga Yamuna Agro Technologies and Plantation Private Limited   | -                     | -               | -                  | -               | -                 | -               | 58   | 53              | -                        | -               |
| - M/s Organic India Farmers Producer Co. Limited                      | -                     | -               | -                  | -               | -                 | -               | 710  | 911             | -                        | -               |
| - M/s LEV True Wellness Private Limited                               | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| Interest Income   | -                     | -               | 56                 | 5               | -                 | -               | -  | -               | -                        | -               |
| - M/s Organic India USA LLC   | -                     | -               | 36                 | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Nutrilwell Health (India) Private Limited                       | -                     | -               | -                  | -               | 8                 | -               | -  | -               | -                        | -               |
| Remuneration (Including LTA, Exgratia, Leave Encashment, Perquisite)  | -                     | -               | -                  | -               | -                 | -               | -  | -               | 18                       | 23              |
| - Mr. Dinesh Kumar  | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| Legal and Professional Expenses                                       | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Nutrilwell Health (India) Private Limited                       | -                     | -               | -                  | -               | 1                 | -               | -  | -               | -                        | -               |
| - Mr. Vikram Singh  | -                     | -               | -                  | -               | -                 | -               | -  | -               | 12                       | 17              |
| - Mr. Pankaj Pachauri   | -                     | -               | -                  | -               | -                 | -               | -  | -               | 12                       | 12              |
| - Mr. Paul C. Salins  | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | 100             |
| Director's Commission   | -                     | -               | -                  | -               | -                 | -               | -  | -               | 107                      | -               |
| - Mr. Yoav Lev  | -                     | -               | -                  | -               | -                 | -               | -  | -               | 107                      | -               |
| - Mrs. Holly B Lev  | -                     | -               | -                  | -               | -                 | -               | -  | -               | 38                       | 16              |
| - Mr. Mukesh Kumar Chauthan   | -                     | -               | -                  | -               | -                 | -               | -  | -               | 38                       | 16              |
| - Ms. Elizabeth Manda   | -                     | -               | -                  | -               | -                 | -               | -  | -               | 11                       | 18              |
| - Mr. Paul C. Salins  | -                     | -               | -                  | -               | -                 | -               | -  | -               | 19                       | 16              |
| - Mr. Laurent Chappuis  | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| Share Allotment of Equity Shares                                      | 911                   | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Fabindia Overseas Private Limited                               | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |
| - M/s Organic India (India) Holding, LLC                              | -                     | -               | -                  | -               | -                 | -               | 789  | -               | -                        | -               |
| Share Allotment of Equity Shares (ESOP)                               | -                     | -               | -                  | -               | -                 | -               | -  | -               | 2                        | 1               |
| - Mr. Dinesh Kumar  | -                     | -               | -                  | -               | -                 | -               | -  | -               | -                        | -               |



ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

C Transactions with the related parties which have been entered into during the year are as follows:

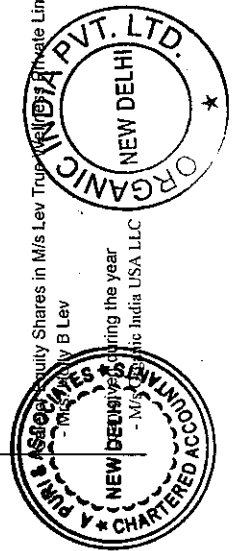
| Particulars   | (Amount in INR Lakhs) |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
|---|-----------------------|-----------------|--------------------|-----------------|-------------------|-----------------|---|-----------------|--------------------------|-----------------|-----------------|-----------------|---|
|   | Holding Company       |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Director's and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |                 |                 |   |
|   | 31st March 2019       | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019          | 31st March 2018 | 31st March 2019 | 31st March 2018 |   |
| Dividend Paid   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 415                   | 415             | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | 0 |
| - Mr. Dinesh Kumar  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | 0 |
| Security Deposit Paid   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 26                    | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Margin Differene Claim  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 9                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Rent  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 52                    | 18              | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Repair & Maintenance  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 3                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Royalty   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 29                    | 2               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Reimbursement of Expenses   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 17                    | 4               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited | -                     | -               | 0                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Freight Outward   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Nutrilvel Health (India) Private Limited                        | -                     | -               | -                  | -               | -                 | -               | 4   | -               | -                        | -               | -               | -               | - |
| Travelling Expenses   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - Mr. Mukesh Kumar Chauthan   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Business Support Expenditure  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 116                   | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Advance Received  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 427                   | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Advance Repaid/Adjusted   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 384                   | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Purchase of Fixed Asset   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |
| - M/s Fabindia Overseas Private Limited                               | 70                    | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               | -               | -               | - |
| Miscellaneous Receipts  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |                 |                 |   |



ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

C Transactions with the related parties which have been entered into during the year are as follows:

| Particulars  | (Amount in INR Lakhs) |                 |                    |                 |                   |                 |   |                 |                          |                 |
|--|-----------------------|-----------------|--------------------|-----------------|-------------------|-----------------|---|-----------------|--------------------------|-----------------|
|  | Holding Company       |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Director's and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |
|  | 31st March 2019       | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019          | 31st March 2018 |
| - M/s Fabindia Overseas Private Limited                                    | 3                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Discount   | -                     | -               | -                  | 12              | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | 0                 | -               | -   | -               | -                        | -               |
| - M/s Nutriwei Health (India) Private Limited                              | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Expiry & Breakage  | -                     | -               | -                  | 3               | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Corporate Social Responsibility Expenses                                   | -                     | -               | -                  | -               | -                 | -               | 80  | 95              | -                        | -               |
| - M/s Organic India Foundation   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Corporate R&D and Support Expenses Reimbursement                           | -                     | -               | 443                | 695             | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Export Expenses recovered  | -                     | -               | 18                 | 213             | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Insurance Recovered  | -                     | -               | -                  | 5               | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Acquisition of Equity Shares in  | -                     | -               | 1,751              | 41              | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Business Promotion   | -                     | -               | 1                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited      | -                     | -               | -                  | 160             | -                 | -               | -   | -               | -                        | -               |
| Investment in Equity Shares (Unquoted & Non-Trade)                         | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited      | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Investment in Debentures   | -                     | -               | 500                | -               | -                 | -               | 900   | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited      | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Nutriwei Health (India) Private Limited                              | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Purchase of Equity shares of M/s Godwar Farmers Collective Private Limited | -                     | -               | -                  | -               | -                 | -               | -   | -               | 16                       | -               |
| - William Nandia Bissell   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Acquisition of Equity Shares in M/s Lev Trup Private Limited               | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Lev Trup Private Limited   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Lev Trup Private Limited   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| Acquisition of Equity Shares during the year                               | -                     | -               | 1,822              | 644             | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |

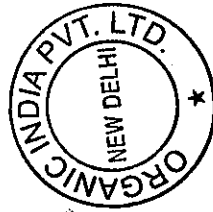


ORGANIC INDIA PRIVATE LIMITED  
 NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

C Transactions with the related parties which have been entered into during the year are as follows:

(Amount in INR Lakhs)

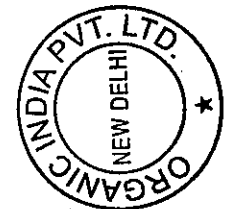
| Particulars  | Holding Company |                 | Subsidiary Company |                 | Associate Company |                 | Entitles controlled by Director's and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |
|--|-----------------|-----------------|--------------------|-----------------|-------------------|-----------------|---|-----------------|--------------------------|-----------------|
|  | 31st March 2019 | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019          | 31st March 2018 |
| Loan repayment received during the year<br>- M/s Organic India USA LLC   | -               | -               | 2,071              | -               | -                 | -               | -   | -               | -                        | -               |
| Corporate Guarantee given during the year<br>- M/s Organic India USA LLC | -               | -               | 2,083              | -               | -                 | -               | -   | -               | -                        | -               |



ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

D Transactions with the related parties which have been entered into during the year are as follows:

| Particulars  | Holding Company       |                 | Subsidiary Company |                 | Associate Company |                 | Entities controlled by Director's and Shareholders and those exercising significant influence with whom the companies have transactions during the year |                 | Key Management Personnel |                 |
|--|-----------------------|-----------------|--------------------|-----------------|-------------------|-----------------|---|-----------------|--------------------------|-----------------|
|  | 31st March 2019       | 31st March 2018 | 31st March 2019    | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019   | 31st March 2018 | 31st March 2019          | 31st March 2018 |
|  | (Amount in INR Lakhs) |                 |                    |                 |                   |                 |   |                 |                          |                 |
| <b>Receivables</b>   |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |
| - M/s Fabindia Overseas Private Limited  | -                     | 149             | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | 2,073              | 1,629           | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC(Loan)  | -                     | -               | 514                | 609             | -                 | -               | -   | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited - Debentures | -                     | -               | 500                | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Composite Interceptive Med-Science Laboratories Private Limited - Others     | -                     | -               | 33                 | -               | 1,191             | -               | -   | -               | -                        | -               |
| - M/s Nutriwell Health (India) Private Limited - Debenure                          | -                     | -               | -                  | -               | -                 | 36              | -   | -               | -                        | -               |
| - M/s Nutriwell Health (India) Private Limited - Trade Receivables                 | -                     | -               | -                  | -               | -                 | 12              | -   | -               | -                        | -               |
| - M/s Nutriwell Health (India) Private Limited - Others                            | -                     | -               | -                  | -               | -                 | -               | 7   | -               | -                        | -               |
| - M/s Ganga Yamuna Agro Technologies and Plantation Private Limited                | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| <b>Payables</b>  |                       |                 |                    |                 |                   |                 |   |                 |                          |                 |
| - M/s Fabindia Overseas Private Limited  | 342                   | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India USA LLC  | -                     | -               | 452                | 212             | -                 | -               | -   | -               | -                        | -               |
| - M/s Nutriwell Health (India) Private Limited                                     | -                     | -               | -                  | -               | 5                 | -               | -   | -               | -                        | -               |
| - M/s Ganga Yamuna Agro Technologies and Plantation Private Limited                | -                     | -               | -                  | -               | -                 | -               | 249   | 60              | -                        | -               |
| - M/s LEV True Wellness Private Limited  | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - M/s Organic India Farmers Producer Co.Limited                                    | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | -               |
| - Mr. Yoav Lev   | -                     | -               | -                  | -               | -                 | -               | -   | -               | 107                      | -               |
| - Mrs. Holly B Lev   | -                     | -               | -                  | -               | -                 | -               | -   | -               | 107                      | -               |
| - Mr. Mukesh Kumar Chauthan  | -                     | -               | -                  | -               | -                 | -               | -   | -               | 38                       | 16              |
| - Ms. Elizabeth Manda  | -                     | -               | -                  | -               | -                 | -               | -   | -               | 38                       | 16              |
| - Mr. Paul C. Salins   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | 11              |
| - Mr. Laurent Chappuis   | -                     | -               | -                  | -               | -                 | -               | -   | -               | -                        | 16              |
| - Mr. Vikram Singh   | -                     | -               | -                  | -               | -                 | -               | -   | -               | 19                       | 3               |
| - Mr. Pankaj Pachauri  | -                     | -               | -                  | -               | -                 | -               | -   | -               | 3                        | -               |



ORGANIC INDIA PRIVATE LIMITED  
 NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31ST MARCH, 2019

46 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:-

(a) Defined contribution plans

-Provident fund/ Pension Scheme

An amount of INR 81 Lakhs (Previous Year INR 70 Lakhs) has been recognised as an expense in respect of the Company's contribution to Provident Fund deposited with the relevant authorities and has been shown under personnel expenses in the Statement of Profit and Loss. The contribution payable to these plans by the Company are at rates specified in the rules of the scheme.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(b) Defined benefit plans

-Contribution to Gratuity fund

The Company has defined benefit gratuity plan(funded) wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

-Compensated absences - Earned leave

Employees are eligible to encash unutilized earned leaves in excess of 60 days at the end of each calendar year. Encashment will be made on the basic salary.

Actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

Economic Assumptions

The discount rate and salary growth rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

Discount Rate

The discounting rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & salary growth rate. For the current valuation a discount rate of 7.35% p.a. (Previous Year 7.60% p.a.) compound, has been used in consultation with the

Salary Growth Rate

The salary growth rate usually consists of at least three components, viz. seniority, regular increments and promotional increase and price inflation. The assumptions used are summarized in the following table:

|  | Gratuity (Funded)      |                        | Compensated Absences<br>Earned Leave (Non Funded) |                        |
|--|------------------------|------------------------|---|------------------------|
|  | As At 31 March<br>2019 | As at 31 March<br>2018 | As at 31 March<br>2019                            | As at 31 March<br>2018 |
| Discount rate(per annum)                 | 7.35%                  | 7.60%                  | 7.35%   | 7.60%                  |
| Future salary increase(per annum)        | 8.00%                  | 8.00%                  | 8.00%   | 8.00%                  |
| Expected rate of return on plan assets   | 7.35%                  | 7.60%                  | 0   | 0                      |
| In service mortality                     | IALM (2006-08)         | IALM (2006-08)         | IALM (2006-08)                                    | IALM (2006-08)         |
| Retirement Age                           | 60 years               | 60 years               | 60 years  | 60 years               |
| Withdrawal rates : Ages/ withdrawal rate | 10.00%                 | 10.00%                 | 10.00%  | 10.00%                 |



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FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in INR Lakhs)

|  | Gratuity (Funded) |             | Compensated Absences<br>(Non Funded) |             |
|--|-------------------|-------------|--------------------------------------|-------------|
|  | 2018-19           | 2017-18     | 2018-19                              | 2017-18     |
| <b>1. Reconciliation of opening and closing balances of Defined Benefit Obligation</b> |                   |             |                                      |             |
| Defined Benefit Obligation at the beginning of the year                                | 232               | 231         | 88                                   | 77          |
| Interest Cost  | 17                | 16          | 6                                    | 5           |
| Current Service Cost   | 37                | 48          | 26                                   | 28          |
| Past Service Cost  | -                 | 14          | -                                    | -           |
| Benefits Paid  | (7)               | (11)        | (8)                                  | (3)         |
| Actuarial (gain)/loss on obligation  | (2)               | (66)        | 10                                   | (19)        |
| <b>Defined Benefit Obligation at the end of the year</b>                               | <b>277</b>        | <b>232</b>  | <b>122</b>                           | <b>88</b>   |
| <b>2. Reconciliation of opening and closing balances of fair value of Plan Assets</b>  |                   |             |                                      |             |
| Fair value of Plan Assets at the beginning of the year                                 | 190               | 128         | -                                    | -           |
| Expected return on Plan Assets   | 14                | 9           | -                                    | -           |
| Employer Contribution  | 32                | 65          | -                                    | -           |
| Benefits Paid  | (7)               | (11)        | -                                    | -           |
| Actuarial gain/(loss) on plan assets   | 1                 | (1)         | -                                    | -           |
| <b>Fair value of plan assets at the end of the year</b>                                | <b>230</b>        | <b>190</b>  | <b>-</b>                             | <b>-</b>    |
| <b>3. Reconciliation of fair value of Assets and Obligations</b>                       |                   |             |                                      |             |
| Fair value of Plan Assets  | 230               | 190         | -                                    | -           |
| Present value of Obligation  | 277               | 232         | 122                                  | 88          |
| <b>Amount recognized in Balance Sheet (Surplus/(Deficit))</b>                          | <b>(47)</b>       | <b>(42)</b> | <b>(122)</b>                         | <b>(88)</b> |
| <b>4. Expenses recognized in Statement of Profit and Loss *</b>                        |                   |             |                                      |             |
| Current service cost   | 37                | 48          | 26                                   | 28          |
| Net Interest Cost  | 3                 | 7           | 6                                    | 5           |
| Past Service Cost  | -                 | 14          | -                                    | -           |
| Net actuarial (gain)/loss recognized in the period                                     | -                 | -           | 10                                   | (19)        |
| <b>Net Cost</b>  | <b>40</b>         | <b>69</b>   | <b>42</b>                            | <b>14</b>   |
| <b>5. Expenses recognized in Other Comprehensive Income</b>                            |                   |             |                                      |             |
| Actuarial (gain)/loss for the year on Obligation                                       | (2)               | (66)        | -                                    | -           |
| Actuarial (gain)/loss for the year on Plan Assets                                      | (1)               | 1           | -                                    | -           |
| <b>Net (Income)/Expense in OCI</b>   | <b>(3)</b>        | <b>(65)</b> | <b>-</b>                             | <b>-</b>    |

\* Includes an amount of Rs. 9,24,940 for employees transferred under agreement with Fabindia Overseas Private Limited.

6. Major categories of Plan Assets (as percentage of total Plan Assets):

|  | Gratuity (Funded) |                | Compensated Absences<br>Earned Leave (Non Funded) |              |
|--|-------------------|----------------|---|--------------|
|  | 2018-19           | 2017-18        | 2018-19   | 2017-18      |
| Government of India Securities                       | 0.00%             | 0.00%          | 0.00%   | 0.00%        |
| High Quality Corporate Bonds                         | 0.00%             | 0.00%          | 0.00%   | 0.00%        |
| Equity Shares of Listed Companies                    | 0.00%             | 0.00%          | 0.00%   | 0.00%        |
| Real Estate/ Property                                | 0.00%             | 0.00%          | 0.00%   | 0.00%        |
| Cash (including special deposit)                     | 0.00%             | 0.00%          | 0.00%   | 0.00%        |
| Others (including assets under schemes of Insurance) | 100.00%           | 100.00%        | 0.00%   | 0.00%        |
| <b>Total</b>   | <b>100.00%</b>    | <b>100.00%</b> | <b>0.00%</b>                                      | <b>0.00%</b> |

7. Sensitivity Analysis of the Defined Benefit Obligation:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

(Amount in INR Lakhs)

| Particulars   | 31st March 2019 |             | 31st March 2018 |             |
|---|-----------------|-------------|-----------------|-------------|
|   | Increase by     | Decrease by | Increase by     | Decrease by |
|   | 0.50%           | 0.50%       | 0.50%           | 0.50%       |
| Impact of the change in Discount Rate (0.50% movement)        | (266)           | 285         | (224)           | 241         |
| Impact of the change in Salary Increase Rate (0.50% movement) | 284             | (266)       | 240             | (225)       |

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these are not calculated.

8. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate - Reduction in discount rate in subsequent valuations can increase the Plan's liability.
- Mortality & Disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.



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47 EMPLOYEE STOCK OPTION PLAN

The members of the Company has approved Organic India Private Limited Employee Stock Option Plan (ESOP) 2016 ('the Plan') in the meeting held on September 30, 2016.. The Plan provides for grant of equity share options to the eligible employees including Directors of the Company and the Subsidiary Company (excluding independent directors) as determined by the Remuneration Committee of the Board of Directors from time to time, subject to terms and conditions specified in the Plan and Employee Stock Option Agreements/Grant Letters.

Information in respect of the Employee Stock Options granted upto 31st March, 2019 under the Plan:

| Scheme                                  | Year        | Date of Grant     | Numbers of Options granted | Vesting Period  | Exercise Period                  | Exercise Price (Rs.) per share | Weighted Average Exercise Price (Rs.) per share |
|---|-------------|-------------------|----------------------------|---|----------------------------------|--------------------------------|---|
| Organic India Private Limited ESOP 2016 | 2016 - 2017 | 1st October, 2016 | 476,584                    | One year from the date of grant i.e. Up to 30th September, 2017 | 30 days from the date of vesting | 10                             | 10  |
| Organic India Private Limited ESOP 2016 | 2017 - 2018 | 1st May 2017      | 248,453                    | One year from the date of grant i.e. up to 30th April, 2018     | 60 days from the date of vesting | 10                             | 10  |
| Organic India Private Limited ESOP 2016 | 2018 - 2019 | 1st May 2018      | 279,833                    | One year from the date of grant i.e. up to 30th April, 2019     | 90 days from the date of vesting | 10                             | 10  |

a) Movement in Employee Stock Options during the year:

| Particulars                              | As at 31st March 2019 |                                 | As at 31st March 2018 |                                 |
|--|-----------------------|---------------------------------|-----------------------|---------------------------------|
|  | Number of Options     | Weighted average exercise price | Number of Options     | Weighted average exercise price |
| Outstanding at the beginning of the year | 248,453               | 10                              | 476,584               | 10                              |
| Granted during the year                  | 279,833               | 10                              | 248,453               | 10                              |
| Forfeited during the year                | -                     | -                               | -                     | -                               |
| Exercised during the year                | 248,453               | 10                              | 259,639               | 10                              |
| Expired/ Lapsed during the year          | -                     | 10                              | 216,945               | 10                              |
| Outstanding at the end of the year       | 279,833               | 10                              | 248,453               | 10                              |
| Exercisable at the end of the year       | -                     | -                               | -                     | -                               |

b) Fair Value on the Grant Date:

The fair value at the grant date is determined using Black Scholes Model which takes into account the exercised price, the term of the option, the share price at the grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

|                          |                 |
|--------------------------|-----------------|
| Fair Value at Grant Date | (Amount in Rs.) |
| 1st October, 2016        | 20.67           |
| 1st May 2017             | 24.22           |
| 1st May 2018             | 27.62           |

The significant assumptions used to ascertain fair value of each Option in accordance with Black Scholes model:

|                                    | 2018-19<br>1st May 2018 | 2017-18<br>1st May 2017 |
|------------------------------------|-------------------------|-------------------------|
| Risk-free Interest Rate            | 7.60%                   | 6.45%                   |
| Expected Life of Option (In years) | 1                       | 1                       |
| Volatility of Underlying Stock     | 62.16%                  | 62.16%                  |
| Dividend Yield                     | 0.00%                   | 0.00%                   |

The Risk free rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities or Government bonds.

c) The effect of share-based payment plan on the Financial Statements:

|  | 2018-19<br>(Amount in<br>INR Lakhs) | 2017-18<br>(Amount in INR<br>Lakhs) |
|--|-------------------------------------|-------------------------------------|
| Expense arising from employee share-based payment plan   | 76                                  | 82                                  |
| Liability arising from employee share-based payment plan | 71                                  | 55                                  |





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48 Impairment

(i) The Company has not recognized any loss on impairment in respect of assets of the Company except for investment in equity shares in its subsidiary (Composite Interceptive Med-Science Laboratories Private Limited) in terms of Indian Accounting Standard (Ind AS) 16 on "Property, Plant and equipment"/ Indian Accounting Standard (Ind AS) 36 on impairment of Assets" since in the opinion of the Management, as confirmed by the Board of Directors, the reduction in value of any asset, to the extent required, has already been provided for in the books.

49 Due to Micro, Small And Medium enterprises as defined under the MSMED Act, 2006

| The principal amount and the interest due thereon remaining unpaid to any supplier   | For the year ended 31 | For the year ended    |
|--|-----------------------|-----------------------|
|  | March 2019            | 31 March 2018         |
|  | (Amount in INR Lakhs) | (Amount in INR Lakhs) |
| Principal amount due to micro and small enterprises  | 138                   | -                     |
| Interest due on above  | -                     | -                     |
| Amount of interest paid by the buyer in terms of section 16 of the MSMED, along with the amounts of payments made to supplier beyond the appointed day   | -                     | -                     |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day ) but without adding the interest specified under the MSMED Act, 2006. | 10                    | -                     |
|  | -                     | -                     |
| Amount of interest accrued and remaining unpaid  | 10                    | -                     |

50 Transitional Provision as per IND AS 115 ON Revenue from contracts with customers

The Company has adopted Ind AS 115, Revenue from contract with customers from 1st April 2018 which resulted in change in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with the transition provisions in Ind AS 115, the Company has adopted the new rules with cumulative catch up transition method. As a result of change in accounting policies, adjustments to the transition provision has been made in the respective item as on 1st April 2018 with the corresponding impact to equity net of tax. Details of changes made in item along with the equity has given below in table:-

| PARTICULARS                         | (Amount in INR Lakhs)   |             |   |
|-------------------------------------|---|-------------|---|
|                                     | AS AT 31ST MARCH 2018 (REPORTED AS PER EARLIER ACCOUNTING POLICIES) | ADJUSTMENTS | AS AT 1ST APRIL 2018 (RESTATE BALANCE ON ADOPTION OF NEW STANDARDS) |
| DEFERRED TAX ASSET                  | 38  | 20          | 58  |
| OTHER CURRENT FINANCIAL LIABILITIES | 1,833   | 70          | 1,904   |
| OTHER EQUITY                        | 13,650  | (50)        | 13,601  |

51 Other notes

(a) From the year ended 31st March, 2015, the provisions pertaining to Corporate Social Responsibility (CSR) as prescribed under the Act are applicable to the Company. The CSR committee of the Company provides an oversight of CSR policy execution to ensure that CSR objectives of the Company are met.

The financial details as sought by the Act are as follows:

| Particulars  | (Amount in INR Lakhs)            |                                  |
|--|----------------------------------|----------------------------------|
|  | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
| Average net profits of the Company for last three financial years (as per IGAAP) | 4,828                            | 5,131                            |
| Prescribed CSR expenditure (2% of the average net profit)                        | 97                               | 103                              |
| Details of CSR expenditure during the year:                                      |                                  |                                  |
| Total amount to be spent for the financial year                                  | 97                               | 103                              |
| Amount spent during the year   | 98                               | 105                              |

(b) Debit and credit balances of trade payables, trade receivables, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties.

(c) As per the requirement of Schedule III of the Act, the Board of Directors have considered the values of all assets of the Company other than fixed assets and non-current investments, and have come to a conclusion that these have a value on realization in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.

(d) During the financial year 2017-18, the Company has recorded the transfer of 31,309 Equity Shares from Non-Resident to Resident under Foreign Exchange Management Act, 1999. The said transfer took place at a fair value based on the valuation certificate issued by Saurabh Gupta & Co., calculated in accordance with Discounted Cash Flow (DCF) valuation method as per the internationally accepted pricing methodology, in compliance with the pricing guidelines under RBI A.P. (DIR Series) Circular No. 4 dated 15th July, 2014.

During the financial year 2017-18, the Company has recorded the transfer of 19,267 Equity Shares from Resident to Non-Resident under Foreign Exchange Management Act, 1999. The said transfer took place at a fair value based on the valuation certificate issued by A Puri & Associates, calculated in accordance with Discounted Cash Flow (DCF) valuation method as per the internationally accepted pricing methodology, in compliance with the pricing guidelines under RBI A.P. (DIR Series) Circular No. 4 dated 15th July, 2014.



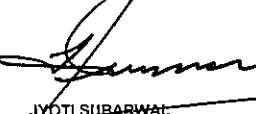
ORGANIC INDIA PRIVATE LIMITED  
NOTES ANNEXED TO AND FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2019

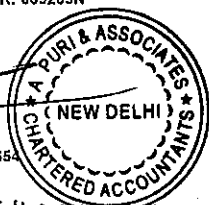
- (e) During the year ended 31st March 2015, the Company had alleged mis-appropriation of funds amounting to INR 171 Lakhs and also further possible misappropriations in respect of the earlier years by the former Managing Director and CEO of the Company, against which the Company had filed an First Information Report to the Deputy Commissioner of Police, South District, Delhi Police on 12th February 2015. During the previous year, the said matter had been duly settled and the Company had received INR 623 Lakhs which were shown as Settlement Claim Received under the head Other Income.
- (f) The Company had transferred certain land for INR 331 Lakhs to Ganga Yamuna Agro Technologies and Plantation Private Limited (the Company in which director is interested) in the financial year 2012-13. The Company is in the process of executing the sale deed for the said land.

"Signatures to Notes 1 to 51"

"AS PER OUR REPORT OF EVEN DATE"

FOR A PURI & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION NUMBER: 009203N

  
JYOTI SUBARWAL  
PARTNER  
MEMBERSHIP NUMBER: 080652



UDIN: 19080654AAAAAL5030

PLACE: NEW DELHI  
DATE:

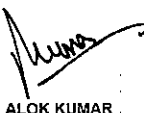
11 JUL 2019

ON BEHALF OF BOARD OF DIRECTORS

  
VIKRAM SINGH  
DIRECTOR  
DIN: 07153318

  
DINESH KUMAR  
DIRECTOR  
DIN: 00124932

  
ABHINANDAN DHOKE  
CHIEF EXECUTIVE OFFICER

  
ALOK KUMAR  
COMPANY SECRETARY  
M. No. A26369

  
VIKASH  
CHIEF FINANCIAL OFFICER

