

Agro Tech Foods Limited

Financials of Subsidiary Companies

Agro Tech Foods Limited

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUNDROP FOODS INDIA PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Sundrop Foods India Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as the 'financial statements').

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required

by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) 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 of pending litigations on its financial position in its financial statements – Refer Note 2.23 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Based on the information there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No. :116231W/W-100024

Place: Hyderabad
Date: 15 April 2015

Sriram Mahalingam
Partner
Membership No: 049642

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in the Independent Auditors' Report to the Members of Sundrop Foods India Private Limited ("the Company") for the year ended 31 March 2015. We report that:

- (i) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (ii) In our opinion and according to the information and explanations given to us, and having regard to the explanation that certain services rendered are for the specialized requirements of the buyer for which suitable alternative sources do not exist for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to rendering of services. The activities of the Company do not include sales of goods, purchase of inventory and fixed assets. We have not observed any major weakness in the internal control system during the course of the audit.
- (iii) The Company has not accepted any deposits from the public.
- (iv) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any services rendered by the Company.
- (v) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Service tax and other material statutory dues have generally been regularly deposited with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales-tax, wealth tax, customs duty and excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Custom duty and Excise duty which have not been deposited with the appropriate authorities on account of any dispute.
- (c) As explained to us, the Company did not have any dues on account of investor education and protection fund.
- (vi) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (vii) In our opinion and according to the information and explanations given to us, the Company did not have any dues outstanding to any financial institution, banks or debenture holders during the year.
- (viii) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (ix) The Company did not have any term loans outstanding during the year.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The other clause (i) and (ii) of the Companies (Auditor's Report) Order 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, is not applicable in the case of the Company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

for **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No. : 116231W/W-100024

Sriram Mahalingam

Partner

Place: Hyderabad

Date: 15 April 2015

Membership No: 049642

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

(all amount in Indian Rupees, except share data and otherwise stated)

1: STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF ACCOUNTS

The financial statements of Sundrop Foods India Private Limited have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 133 of the Companies Act, 2013, other pronouncements of Institute of Chartered Accountants of India and the relevant provisions of Companies Act, 2013.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

CURRENT AND NON-CURRENT CLASSIFICATION

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realised in, or is intended for sale or consumption in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Apart from the above, current assets also include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Apart from the above, current liabilities also include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

REVENUE RECOGNITION

Revenue is recognised on accrual basis as and when services are rendered and billed to the customer in accordance with the terms of the contract (the parent company).

EARNINGS PER SHARE

Basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted

for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

EMPLOYEE BENEFITS

Gratuity which is defined benefit plan, is accrued based on an actuarial valuation using the projected unit credit method at the Balance Sheet date.

The Company's contribution payable to the recognised provident fund, which is defined contribution scheme, is charged to the Statement of Profit and Loss.

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

All actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss of the year.

INCOME-TAX EXPENSE

Income tax expense comprises current tax and deferred tax charge or credit.

Current tax

The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and is written-down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

PROVISIONS AND CONTINGENT LIABILITIES

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby excess of income over expenditure before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

(all amount in Indian Rupees, except share data and otherwise stated)

2. NOTES TO ACCOUNTS

Particulars	As at 31 March 2015	As at 31 March 2014
2.1: Share capital		
Authorised		
Equity shares		
2,000,000 (previous year: 2,000,000) equity shares of ₹10 each par value	<u>20,000,000</u>	<u>20,000,000</u>
	<u>20,000,000</u>	<u>20,000,000</u>
Issued		
Equity shares		
2,000,000 (previous year: 2,000,000) equity shares of ₹10 each par value	<u>20,000,000</u>	<u>20,000,000</u>
	<u>20,000,000</u>	<u>20,000,000</u>
Subscribed and fully paid-up		
Equity shares		
2,000,000 (previous year: 2,000,000) equity shares of ₹10 each fully paid up	<u>20,000,000</u>	<u>20,000,000</u>
	<u>20,000,000</u>	<u>20,000,000</u>

a. Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

b. The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 March 2015		As at 31 March 2014	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Shares outstanding at the beginning of the year	2,000,000	20,000,000	2,000,000	20,000,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>2,000,000</u>	<u>20,000,000</u>	<u>2,000,000</u>	<u>20,000,000</u>

c. The details of shareholder holding more than 5% equity shares is set out below:

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Agro Tech Foods Limited (along with its nominees)	2,000,000	100	2,000,000	100

d. Agro Tech Foods Limited is the holding company and ConAgra Foods Inc. is the ultimate holding company.

Particulars	As at 31 March 2015	As at 31 March 2014
2.2 Reserves and surplus		
Surplus/(loss) balance in the statement of profit and loss		
Opening balance	2,521,739	(101,115)
Add: Profit for the year	296,573	2,622,854
Closing balance	<u>2,818,312</u>	<u>2,521,739</u>
2.3 Long-term provisions		
Provision for employee benefits		
Gratuity	50,823	337,107
Compensated absences	535,086	577,509
	<u>585,909</u>	<u>914,616</u>

Particulars	As at 31 March 2015	As at 31 March 2014
2.4 Trade payables		
Due to micro and small enterprises (refer note 2.20)	-	-
Other creditors	1,703,748	929,348
	<u>1,703,748</u>	<u>929,348</u>
2.5 Other current liabilities		
Statutory liabilities	370,471	277,777
Payable to employees	2,948,117	2,776,044
	<u>3,318,588</u>	<u>3,053,821</u>
2.6 Short-term provisions		
Provision for employee benefits		
Gratuity	-	798
Compensated absences	81,071	106,401
	<u>81,071</u>	<u>107,199</u>
2.7 Long-term loans and advances		
Other loans and advances		
Unsecured, considered good		
Advance income tax (net of provisions)	1,140,057	534,401
	<u>1,140,057</u>	<u>534,401</u>
2.8 Trade receivables *		
Unsecured, considered good		
Debts outstanding for period exceeding six months	7,193,941	7,193,941
Other debts	15,986,198	14,884,281
	<u>23,180,139</u>	<u>22,078,222</u>

(* amount represents amount due from holding company)

2.9 Cash and bank balances

Cash and cash equivalents		
Current accounts	919,129	1,520,107
	<u>919,129</u>	<u>1,520,107</u>

2.10 Short-term loans and advances

Advances to related party (holding company)		
Unsecured, considered good	2,737,758	2,737,758
Others		
Unsecured, considered good		
Advances recoverable in cash or in kind or for value to be received	340,152	328,986
Advances with government and public bodies	-	11,507
	<u>3,077,910</u>	<u>3,078,251</u>

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
-------------	-------------------------------------	-------------------------------------

2.11 Sale of services

Revenue from distribution services	30,397,362	54,510,625
	<u>30,397,362</u>	<u>54,510,625</u>

2.12 Other income

Interest income	-	71,550
	<u>-</u>	<u>71,550</u>

2.13 Employee benefits expense

Salaries and bonus	14,862,601	30,450,203
Contribution to provident and other funds	1,782,574	3,802,721
	<u>16,645,175</u>	<u>34,252,924</u>

2.14 Other expenses

Rates and taxes	25,601	119,161
Insurance	51,385	83,570
Communication expenses	784,039	1,517,702
Travelling	9,691,703	12,816,006
Auditors' remuneration	302,500	281,660
Printing and stationery	870	4,523
Professional charges	1,653,302	1,534,258
Legal charges	635	4,398
Bank charges	1,734	864
Miscellaneous expenses	715,001	21,683
	<u>13,226,770</u>	<u>16,383,825</u>

2.15 Tax expense

Current tax	103,495	1,144,573
Deferred tax charge	125,349	177,999
	<u>228,844</u>	<u>1,322,572</u>

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

(all amount in Indian Rupees, except share data and otherwise stated)

2. NOTES TO ACCOUNTS (continued)

2.16: Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise net profit after tax. The number of shares (nominal value of ₹10) used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Computation of earnings per share (EPS):

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Profit after tax	296,573	2,622,854
Weighted average number of equity shares of ₹10 each outstanding during the year	2,000,000	2,000,000
Earnings per share of par value ₹ 10 (basic and diluted)	0.15	1.31

Since, the Company does not have any potential equity shares hence, the basic and diluted earnings per share are the same.

2.17: Related party transactions

A) Related parties where control exists

S.No	Name of the Company	Relationship
1	Agro Tech Foods Limited	Holding company
2	ConAgra Foods Inc.	Ultimate holding company

B) Particulars of related party transactions

The following is a summary of significant related party transactions

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Agro Tech Foods Limited		
Reimbursement of expenses	63,751	25,283
Revenue received	30,397,362	54,510,625

C) The Company has the following amounts due from / to related parties

Particulars	As at 31 March 2015	As at 31 March 2014
<i>Receivable from related parties</i>		
Agro Tech Foods Limited		
Trade receivables	23,180,139	22,078,222
Loans and advances (net)	2,737,758	2,737,758

2.18: Segment information

The Company is engaged in the business of providing distribution services to its holding company, Agro Tech Foods Limited, with operations in India. Accordingly, no segment disclosure is made in the financial statements, as the Company has only one geographical and business segment.

2.19: Deferred taxation

Particulars	As at 31 March 2015	As at 31 March 2014
Deferred tax asset		
On expenditure allowed on payment basis	190,393	315,742
	<u>190,393</u>	<u>315,742</u>

2.20: Amounts payable to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2015 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

2.21: Auditors' remuneration (excluding service tax)

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
As Auditor		
Statutory audit	181,500	165,000
Tax audit	121,000	110,000
Reimbursement of expenses	-	6,660
	<u>302,500</u>	<u>281,660</u>

2.22: Employee benefits

a) The employee benefit schemes are as under:

i. Provident fund :

All employees of the Company receive benefits under the Provident Fund which is a defined contribution plan wherein obligation of the Company is limited to the contribution equal to 12% of the employees' salary.

ii. Gratuity :

In accordance with 'The Payment of Gratuity Act, 1972' of India, the Company provides for Gratuity, a defined retirement benefit scheme (the Gratuity Plan), covering eligible employees. Liabilities with regard to such Gratuity Plan are determined by an actuarial valuation as at the end of the year and are charged to the statement of profit and loss. The Gratuity Plan is a funded.

iii. Compensated absences :

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss.

b) The following table sets out the particulars of the employee benefits as required under the Accounting Standard 15 (Revised) - "Employee Benefits"

Particulars	Gratuity	
	For the year ended 31 March 2015	For the year ended 31 March 2014

Reconciliation of opening and closing balances of the present value of the defined obligation :

Opening defined benefit obligation	337,905	441,919
Current service cost	163,083	410,973
Interest cost	30,411	69,937
Actuarial (gain)/ loss	(90,331)	(584,924)
Benefits paid	-	-
Transfer in	-	-
Closing defined benefit obligation	<u>441,068</u>	<u>337,905</u>

Change in the fair value of plan assets

Opening fair value of plan assets	-	-
Expected return on plan assets	23,653	-
Contribution by employer	337,905	-
Contribution by employee	-	-
Benefits paid	-	-
Actuarial gain/ (loss)	28,687	-
Closing fair value of plan assets	<u>390,245</u>	<u>-</u>

Expense recognised in the statement of profit and loss

Current service cost	163,083	410,973
Interest cost	30,411	69,937
Expected return on plan assets	(23,653)	-
Net actuarial (gains) / losses	(119,018)	(584,924)
Total	<u>50,823</u>	<u>(104,014)</u>
Actual return on plan assets	<u>52,340</u>	<u>-</u>

Amount recognised in the balance sheet

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of unfunded obligation	441,068	337,905
Less: Fair value of plan assets	390,245	-
Net liability / (assets)	<u>50,823</u>	<u>337,905</u>
Discount rate	7.80%	9.00%
Salary escalation rate	7.00%	7.00%

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

(all amount in Indian Rupees, except share data and otherwise stated)

2. NOTES TO ACCOUNTS (continued)

Amounts for the current and previous four periods are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013	As at 31 March 2012
Opening defined benefit obligation	441,068	337,905	441,919	-
Plan Assets	390,245	-	-	-
Deficit/(Surplus)	50,823	337,905	441,919	-
Experience Adjustments - Plan Assets	28,687	-	-	-
Experience Adjustments - Plan Liabilities	(145,046)	(552,367)	-	-

2.23 There are no litigations as on balance sheet date.

2.24 Previous year figures have been regrouped / reclassified wherever necessary, to conform to current year classification.

As per our report even date attached

for **B S R & Associates LLP** Chartered Accountants
Firm's registration no. 116231W/W-100024

for **Sundrop Foods India Private Limited**
CIN: U01119TG1990PTC011259

Sriram Mahalingam
Partner
Membership No.049642

Dharmesh Kumar Srivastava
Director
DIN: 06875689

N Narasimha rao
Director
DIN:02561439

Place: Hyderabad
Date : 15 April 2015

Place: Gurgaon
Date : 15 April 2015

Agro Tech Foods Limited

Sundrop Foods India Private Limited

(formerly Sundrop Foods India Limited)

(all amount in Indian Rupees, except share data and otherwise stated)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

Particulars	As at 31 March 2015	As at 31 March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	525,417	3,945,426
Adjustments	-	-
Operating profit before working capital changes	525,417	3,945,426
Adjustments for :		
Increase in trade receivables, loans and advances	(1,101,576)	(887,350)
(Decrease) / Increase in trade payables and other liabilities	684,332	(1,650,078)
Net cash from operating activities	108,173	1,407,998
Income taxes paid	(709,151)	(1,728,921)
Net cash flow used in operating activities	(600,978)	(320,923)
B. CASH FLOW FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES	-	-
Net decrease in cash and cash equivalents	(600,978)	(320,923)
Opening cash and cash equivalents	1,520,107	1,841,030
Closing cash and cash equivalents (refer note 2.9)	919,129	1,520,107

Notes :

- a) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

As per our report even date attached

for **B S R & Associates LLP** for **Sundrop Foods India Private Limited**
Chartered Accountants CIN: U01119TG1990PTC011259
Firm's registration no. 116231W/W-100024

Sriram Mahalingam	Dharmesh Kumar Srivastava	N Narasimha rao
Partner	Director	Director
Membership No.049642	DIN: 06875689	DIN:02561439

Place: Hyderabad
Date : 15 April 2015

Place: Gurgaon
Date : 15 April 2015