



# SHILPA BALDOTA & ASSOCIATES

## Chartered Accountants

Flat No.1, Gangotri Complex, 927 Synagogue Street, Camp, Pune - 411001.  
Tel. : 020-30423537 E-mail : baldotaoffice@gmail.com

### INDEPENDENT AUDITOR'S REPORT

To the Members of Zero Waste Agro Organics Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Zero Waste Agro Organics Limited** ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year then ended, Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the 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 of 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 and ensuring their operating effectiveness and 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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







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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the

standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit, total comprehensive income and its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;





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- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's Internal Financial Controls over Financial Reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
2. As required by the Companies (Auditor's Report) Order, 2016 (the order) issued by the Central Government in terms of section 143(11) of the Act, we give in Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

**Shilpa Baldota & Associates**  
**FRN: 135699W**  
**Chartered Accountants**

**Shilpa Baldota**  
**Proprietor**  
**M No. 127112**  
**Date: 17 April 2018**  
**Place: Mumbai**







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### ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZERO WASTE AGRO ORGANICS LIMITED

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Zero Waste Agro Organics Limited (hereinafter referred to as "the Company")

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company are responsible for establishing and maintaining the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.







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### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

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

**Shilpa Baldota & Associates**

**FRN: 135699W**

**Chartered Accountants**

*Shilpa*  
**Shilpa Baldota**  
**Proprietor**

**M No. 127112**

**Date: 17 April 2018**

**Place: Mumbai**





# SHILPA BALDOTA & ASSOCIATES

## Chartered Accountants

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### Annexure B to Auditors' Report

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Zero Waste Agro Organics Limited on the financial statements as of and for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were found during physical verification.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- iv. The provisions of section 185 and 186 of the Act are not applicable to the company since it had not undergone any transaction covering the provisions of above sections of the Act.
- v. The Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act and the rules framed there under.
- vi. Maintenance of Cost records is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including service tax and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, wealth-tax, service-tax and customs duty which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the company has not borrowed any loan from any financial institution, bank, and government or does not hold any due to any debenture holder; the clause (viii) is not applicable to the company.
- ix. Clause (ix) of the Companies (Auditor's Report) Order, 2016, is not applicable to the company for the current year.







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**Chartered Accountants**

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- x. In our opinion and according to the information and explanations given to us, no fraud has been noticed or reported during the year.
- xi. According to the information and explanations given to us, managerial remunerations has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act.
- xii. Since the company is not a Nidhi company, clause (xii) is not applicable.
- xiii. According to the information and explanations provided to us, the transactions with related parties are in compliance with section 177 and 188 of the Act wherever applicable and also disclosed in the financial statements as per the relevant accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence the said clause (xiv) is not applicable.
- xv. According to the information and explanations provided to us, the company has not entered into any non-cash transaction with the director or any person connected to him; the clause (xv) is not applicable.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India 1934 and hence clause (xvi) is not applicable.

For Shilpa Baldota & Associates  
FRN 135699W  
Chartered Accountants



Shilpa Baldota  
Proprietor  
Membership Number 127112

Mumbai  
Date: 17 April 2018

**Zero Waste Agro Organics Limited**  
**CIN: U01400PN2011PLC141307**  
**Audited Balance Sheet as at 31 st March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**ASSETS**

**Non-current Assets**

- a)Property plant and equipment  
b)Deferred tax assets  
c)Non-Current tax assets (Net)  
d)Other non-current assets

**Total non-current assets**

**Current Assets**

- a)Inventories  
b)Financial assets  
    i)Investments  
    ii)Trade receivables  
    iii)Cash and Bank balances  
c)Other current assets

**Total current assets**

**Total Assets**

**EQUITY AND LIABILITIES**

**Equity**

- a)Equity share capital  
b)Other equity

**Equity attributable to owners of the Company**

**Total equity**

**Liabilities**

**Current Liabilities**

- a)Financial liabilities  
    i)Trade payables  
    ii)Other financial liabilities  
c)Current tax liability (Net)  
b)Other current liabilities

**Total current Liabilities**

**Total Liabilities**

**Total**

Note	As at 31 st March 2018	As at 31st March 2017
3	20.91	65.08
4	84.73	145.70
5	52.84	11.90
6.1	23.55	18.62
	<b>182.03</b>	<b>241.30</b>
7	89.51	149.64
8	1,166.26	1,094.90
9	256.73	51.92
10	39.14	18.49
6.2	18.57	14.95
	<b>1,570.21</b>	<b>1,329.90</b>
	<b>1,752.24</b>	<b>1,571.20</b>
11	7.36	7.36
12	1,612.26	1,418.14
	<b>1,619.62</b>	<b>1,425.50</b>
	<b>1,619.62</b>	<b>1,425.50</b>
13	121.32	140.85
14	2.00	2.00
5	7.56	-
15	1.74	2.85
	<b>132.62</b>	<b>145.70</b>
	<b>132.62</b>	<b>145.70</b>
	<b>1,752.24</b>	<b>1,571.20</b>

See accompanying notes to the financial statements  
In terms of our report attached

For Shilpa Baldota and Associates,  
Chartered Accountants  
FRN: 135699W





Shilpa Baldota  
Proprietor  
M No. 127112  
Date: 17 April 2018  
Place: Mumbai

For and on behalf of Board of Directors



Venkatadri Karuppampalayam Ranganathan  
DIN: 03409857



Veeramani Shankar  
DIN: 01385240



**Zero Waste Agro Organics Limited**

CIN: U01400PN2011PLC141307

**Audited Profit and Loss statement for the Year ended  
31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

	Notes	For the Year ended 31 March 2018	For the year ended 31 March 2017	
I	Revenue from operations	16	998.07	754.68
II	Other income	17	71.44	70.30
III	<b>Total Income (I+II)</b>		<b>1,069.51</b>	<b>824.98</b>
IV	<b>Expenses</b>			
	Cost of materials consumed	18	620.58	523.78
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	19	(0.97)	14.14
	Employee benefits expense	20	103.87	116.13
	Depreciation and amortisation expense	21	17.55	24.43
	Other expenses	22	74.06	110.97
	<b>Total expenses (IV)</b>		<b>815.09</b>	<b>789.45</b>
V	<b>Profit before exceptional items and tax from operations (III -IV)</b>		<b>254.42</b>	<b>35.53</b>
VI	Exceptional items		-	-
VII	<b>Profit before tax from operations (V-VI)</b>		<b>254.42</b>	<b>35.53</b>
VIII	Tax expense			
	(1)Current tax		-	-
	(2)Deferred tax	5	60.79	29.40
			60.79	29.40
IX	<b>Profit for the period from operations (VII-VIII)</b>		<b>193.63</b>	<b>6.13</b>
	<b>Other comprehensive income</b>			
	<b>Items that will not to reclassified to profit or loss :</b>			
	a) Remeasurement of the defined benefit plans		0.69	0.72
	b) Income tax relating to items that will not be reclassified to profit or loss		(0.19)	(0.20)
X	<b>Total Other comprehensive income</b>		<b>0.50</b>	<b>0.52</b>
XI	<b>Total Comprehensive income for the period (IX + X)</b>		<b>194.13</b>	<b>6.65</b>
	<b>Earnings per equity share</b>			
	(1) Basic (in Rs.)	23	262.92	8.32
	(2) Diluted (In Rs.)		262.92	8.32

See accompanying notes to the financial statements


In terms of our report attached

For Shilpa Baldota and Associates,  
Chartered Accountants  
FRN: 135699W




Shilpa Baldota  
Proprietor  
M No. 127112  
Date: 17 April 2018  
Place: Mumbai

For and on behalf of Board of Directors

  
Venkatadri Karuppampalayam Ranganathan  
DIN: 03409857

  
Veeramani Shankar  
DIN: 01385240

Zero Waste Agro Organics Limited  
CIN: U01400PN2011PLC141307  
Statement of change in equity for the year ended 31 March, 2018  
All amounts are in Rs.lacs unless otherwise stated

A. Equity Share Capital

Particulars	Share Capital
Balance as at 1 April, 2016	7.36
Changes in Equity Share Capital during the year	-
<b>Balance as at 31 March, 2017</b>	<b>7.36</b>
Changes in Equity Share Capital during the year	-
<b>Balance as at 31 March, 2018</b>	<b>7.36</b>

B. Other Equity

Particulars	Equity share capital	Other Equity		Total other equity
		Reserves & Surplus		
		Securities premium reserve	Retained earnings	
As at 1 April, 2016	7.36	1,797.74	(385.30)	1,412.44
Profit for the year	-	-	6.65	6.65
Total Comprehensive Income	-	-	6.65	6.65
Effect of Transition Reserve	-	-	(0.95)	(0.95)
<b>At 31 March, 2017</b>	<b>7.36</b>	<b>1,797.74</b>	<b>(379.60)</b>	<b>1,418.14</b>
Profit for the year	-	-	194.13	194.13
Total Comprehensive Income	-	-	194.13	194.13
<b>At 31 March, 2018</b>	<b>7.36</b>	<b>1,797.74</b>	<b>(185.47)</b>	<b>1,612.26</b>

In terms of our report attached

For Shilpa Baldota and Associates  
Chartered Accountants  
FRN: 135699W

*Shilpa*  
Shilpa Baldota  
Proprietor  
M No. 127112  
Date: 17 April 2018  
Place: Mumbai



For and on behalf of Board,

*Venkatadri Karuppampalayam Ranganathan*  
Venkatadri Karuppampalayam Ranganathan  
DIN: 03409857

*Veeramani Shankar*  
Veeramani Shankar  
DIN: 01385240



**Zero Waste Agro Organics Limited**  
**Notes to the Financial Statements**

**1. Company overview**

Zero Waste Agro Organics Ltd (the "Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 applicable in India. The registered office of the Company is located at Kapil Towers "A", 1<sup>st</sup> Floor, Dr. Ambedkar Road, Near RTO Sangam Bridge, Pune. The Company is engaged in business of manufacturing of Agri Inputs.

As of March 31, 2018, Rallis India Limited owned 100% of Zero Waste Agro Organics Limited's equity share capital and is the holding company.

**2. Significant accounting policies**

**2.1 Statement of compliance**

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS").

**2.2 Basis of preparation and presentation**

The financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all years presented unless otherwise stated.

The Company has adopted all issued Ind AS standards and the adoption was carried out in accordance with Ind AS 101.

**2.3 Basis of Measurement**

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

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.



## 2.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

### Sale of goods

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

## 2.5 Employee benefits

### 2.5.1 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflow expected to be made by the company in respect of services provided by employees up to the reporting date.

## 2.6 Taxation

### 2.6.1 Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and





liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent the carry forward of unused tax credits and unused tax losses can be utilized that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## **2.7 Property, Plant and Equipment**

On adoption of Ind AS , the company retained the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

## **2.8 Inventories**

Inventories are valued at the lower of cost on weighted average basis and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work in process and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale



## **2.9 Accounting of Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

## **2.10 Cash and cash equivalents**

The company does not deal in cash. Cash equivalents are the balances lying in the bank accounts of company.

## **2.11 Earnings per share**

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year including potential equity shares, if any. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

**All amounts are in Rs.lacs unless otherwise stated**

**3: Property, Plant and Equipment**

**Carrying Amounts of:**

Plant and Equipment  
Furniture and Fixtures  
Office Equipments

As at 31 st March 2018	As at 31st March 2017
20.32	64.12
0.48	0.58
0.11	0.38
<b>20.91</b>	<b>65.08</b>







**Zero Waste Agro Organics Limited**

**Notes to the financial statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**4: Deferred Tax balances**

	As at 31 st March 2018	As at 31st March 2017
Deferred tax assets	84.73	145.70
	84.73	145.70



**Zero Waste Agro Organics Limited**

Notes to the financial statement for the period ended 31 March 2018

All amounts are in Rs.lacs unless otherwise stated

**4: Deferred Tax balances**

<b>FY 2017-18</b> -Deferred tax assets in relation to:	<b>Opening Bal</b>	<b>Recognised in profit or loss</b>	<b>Recognised in other comprehensive income</b>	<b>Closing Bal</b>
B/f Losses	145.41	(70.09)	(0.19)	75.14
On fiscal allowance on fixed assets	0.29	9.30	-	9.59
	<b>145.70</b>	<b>(60.79)</b>	<b>(0.19)</b>	<b>84.73</b>

<b>FY 2016-17</b> -Deferred tax assets in relation to:	<b>Opening Bal</b>	<b>Recognised in profit or loss</b>	<b>Recognised in other comprehensive income</b>	<b>Closing Bal</b>
B/f Losses	171.69	(26.08)	(0.20)	145.41
On fiscal allowance on fixed assets	3.06	(2.77)	-	0.29
	<b>174.75</b>	<b>(28.85)</b>	<b>(0.20)</b>	<b>145.70</b>





**Zero Waste Agro Organics Limited**

Notes to the financials statement for the period ended 31 March, 2018

All amounts are in Rs.lacs unless otherwise stated

**5: Non Current tax assets and liabilities**

**5.1: Non Current tax assets and liabilities**

Income tax

	As at 31 st March 2018	As at 31st March 2017
	52.84	11.90
	52.84	11.90
<b>Current tax liability (Net)</b>		
Provision for current tax (Net of advance tax)	(7.56)	-
	(7.56)	-

**5.2 :Income tax recognised in profit or loss**

*Deferred tax:*

In respect of current year

	As at 31 st March 2018	As at 31st March 2017
	60.79	29.40
<b>Income tax expense recognised in the statement of profit or loss in current year</b>	60.79	29.40

The income tax expense for the year can be reconciled to the accounting profit as follows:-

	As at 31 st March 2018	As at 31st March 2017
Profit before tax from continuing operations	254.42	35.53
Income tax expense calculated @27.55%	60.79	29.40
Income Tax Expense recognised in profit or loss (relating to continuing operations)	60.79	29.40



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**6: Other assets\***

**6.1 Non-current**

Deposit with public bodies

Deposit with Other \*\*

**6.2 Current**

Advances recoverable

Advances to employees

Others

**Current**

**Non-current**

	As at 31 st March 2018	As at 31st March 2017
	22.72	18.62
	0.83	-
	23.55	18.62
	15.62	11.61
	2.95	3.34
	18.57	14.95
	42.12	33.57
	18.57	14.95
	23.55	18.62

\*There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

**footnote:**

\*\* Refer note no 25 of Related party.





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

**All amounts are in Rs.lacs unless otherwise stated**

**7: Inventories**

- a. Raw Materials
- b. Work-in-progress
- c. Finished goods
- d. Packing Materials

**Total**

As at 31 st March 2018	As at 31st March 2017
37.78	78.08
4.53	3.14
1.61	2.03
45.59	66.39
89.51	149.64



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

**All amounts are in Rs.lacs unless otherwise stated**

**8 :Investments**

**Current Investments**

**Investment in mutual funds**

HDFC Cash Management Fund-Savings -G

**TOTAL CURRENT INVESTMENTS**

As at 31 st March 2018	As at 31st March 2017
1,166.26	1,094.90
<b>1,166.26</b>	<b>1,094.90</b>

**No of units**

**32,400.81**

**32,400.81**





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

**All amounts are in Rs.lacs unless otherwise stated**

**9: Trade receivables**

**Current**

Unsecured, considered good

As at 31 st March 2018	As at 31st March 2017
256.73	51.92
256.73	51.92

**Note:**

"No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days".



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

**All amounts are in Rs.lacs unless otherwise stated**

**10: Cash and bank balances**

**Cash and cash equivalents**

Balances with banks in current accounts

**Total cash and cash equivalents**

**Cash and bank balance as per statement of cash flows**

As at 31 st March 2018	As at 31st March 2017
39.14	18.49
39.14	18.49
39.14	18.49

**Non Cash Transactions**

During the current period, the company has not entered into non cash transactions.





## Zero Waste Agro Organics Limited

Notes to the financials statement for the period ended 31 March, 2018

All amounts are in Rs.lacs unless otherwise stated

### 11 :Share capital

#### Authorised share capital :

75,000 fully paid equity shares of Rs 10 each with voting rights

#### Issued and subscribed capital comprises:

##### Issued shares

73,645 equity shares of Rs 10 each

##### Subscribed and fully paid up

73,645 equity shares of Rs 10 each

As at 31 st March 2018	As at 31st March 2017
7.50	7.50
7.36	7.36
7.36	7.36
7.36	7.36

#### Fully paid equity shares

Balance at March 31, 2017

Movements

**Balance at March 31, 2018**

Number of shares	Share capital
73,645	7.36
-	-
<b>73,645</b>	<b>7.36</b>

The Company has issued one class of equity shares having a par value of Rs 10 per share. Each

#### Details of shares held by the Holding Company

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

Rallis India Limited (Holding Company)

As at March 31, 2017

**As at March 31, 2018**

Number of shares	Share capital
73,645	7.36
73,645	7.36

#### Details of shares held by each shareholder holding more than 5% shares in the Company:

Rallis India Limited (Holding Company)

As at March 31, 2017

**As at March 31, 2018**

Number of shares	% Holding
73,645	100.00%
73,645	100.00%

As per records of the Company as at 31 March, 2018, no calls remain unpaid by the directors and officers of the Company.



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**12 -Other Equity**

Securities Premium Reserve  
Retained Earnings

As at 31 st March 2018	As at 31st March 2017
1,797.74	1,797.74
(185.47)	(379.60)
1,612.26	1,418.14

**12.1 Securities Premium Reserve**

Balance at beginning of year  
Movements

**Balance at the end of the period**

As at 31 st March 2018	As at 31st March 2017
1,797.74	1797.74
-	-
1797.74	1797.74

**12.2 Retained Earnings**

Balance at beginning of year

**Effect of Transition Reserve**

Profit attributable to the owners of the Company

**Balance at the end of the period**

As at 31 st March 2018	As at 31st March 2017
(379.60)	(385.30)
0.00	(0.95)
194.13	6.65
(185.47)	(379.60)





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**13 : Trade payables**

Trade payables  
Other payables

As at 31 st March 2018	As at 31st March 2017
71.24	113.37
50.08	27.48
<b>121.32</b>	<b>140.85</b>

The average credit period on purchases of certain goods is 30 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**14: Other Financial liabilities**

**Current**

Customer Deposits

As at 31 st March 2018	As at 31st March 2017
2.00	2.00
2.00	2.00





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in Rs.lacs unless otherwise stated

**15 : Other current liabilities**

Provident Fund and other employee deductions  
VAT payable  
Other taxes  
Tax deducted at source

As at 31 st March 2018	As at 31st March 2017
0.83	0.56
-	1.02
0.06	0.04
0.85	1.23
<b>1.74</b>	<b>2.85</b>



Zero Waste Agro Organics Limited  
 Notes to the financials statement for the period ended 31 March, 2018  
 All amounts are in Rs.lacs unless otherwise stated

16: Revenue from operations

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Sales of products	998.07	754.68
	998.07	754.68

17: Other income

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Income from mutual fund Investments	71.44	70.30
	71.44	70.30

18. Cost of material consumed

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the beginning of the year	78.08	29.75
Add: Purchases	430.48	436.25
	508.56	466.00
Less: inventory at the end of the year	37.78	78.08
Cost of raw material and components consumed	470.78	387.92
Packing material consumed	149.80	135.86
	620.58	523.78





Zero Waste Agro Organics Limited

Notes to the financial statement for the period ended 31 March, 2018

All amounts are in Rs.lacs unless otherwise stated

19. Changes in Inventory

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Opening Stock		
Finished Goods - Own Manufactured	2.03	8.35
Work in progress	3.14	10.96
Closing Stock	5.17	19.31
Finished Goods - Own Manufactured	1.61	2.03
Work in progress	4.53	3.14
Net decrease/(Increase)	6.14 (0.97)	5.17 14.14

20: Employee benefits expense

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	103.28	115.56
Staff welfare expenses	0.59	0.57
	103.87	116.13

21: Depreciation

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	17.55	24.43
	17.55	24.43



**Zero Waste Agro Organics Limited**

Notes to the financials statement for the period ended 31 March, 2018

All amounts are in Rs.lacs unless otherwise stated

**22: Other expenses**

	For the Year ended 31 March 2018	For the year ended 31 March 2017
Freight, handling and packing	22.59	33.04
Travelling and conveyance	3.68	4.43
Power and fuel	0.29	0.78
Repairs and maintenance	0.79	1.92
Stores and spares consumed	0.42	1.52
Rates and taxes	7.64	12.43
Insurance charges	1.46	3.01
Rent	7.96	30.63
Bank charges	0.05	0.26
Loss on sale of Fixed Asset (net)	15.92	4.03
Legal and professional fees	9.84	12.62
Other Expenses	3.42	6.30
<b>Payment to Auditors</b>		
<b>As auditor:</b>		
For services as auditor	2.03	2.60
<b>Total</b>	<b>74.06</b>	<b>110.97</b>



Zero Waste Agro Organics Limited

Notes to the financials statement for the period ended 31 March, 2018

All amounts are in Rs.lacs unless otherwise stated

23:Earnings per share

Particulars	For the Year ended 31 March 2018	For the year ended 31 March 2017
Profit for the year	193.63	6.13
Weighted average number of equity shares	73,645	73,645
Basic /diluted earnings per share	262.92	8.32





**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31 March, 2018**

All amounts are in ₹ lac unless otherwise stated

**24: Contingent liabilities**

**Tax contingencies**

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

Nature of tax	As at 31 March, 2018	As at 31 March, 2017
Sales tax	2.09	-

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.



25.Related Party Disclosure:-

a) Name of the Related parties and description of relationship:-

(i) Holding Company **Rallis India Ltd**

(ii) Key Managerial Personnel **None**

b) Details of transactions:-

Nature of Transaction	As at 1st April 2017	Transactions during year	As at 31st March 2018
Balance as at	47.91		256.73
Sale of Goods		1,028.08	
Services Received		39.92	
Securit deposit received		0.83	0.83
	47.91	1,068.83	257.56

The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company, which has been relied upon by the Auditors.



**Zero Waste Agro Organics Limited**

**Notes to the financials statement for the period ended 31st March 2018**

All amounts are in Rs.lacs unless otherwise stated


**26 : Value of imports on C. I. F. basis**

Particulars	For the year ended	
	31 March, 2018	31 March, 2017
Raw Materials	-	12.51
<b>Total</b>	-	12.51

**27: Value of Imported and Indigenous Materials consumed**

Particulars	For the year ended 31 March, 2018		For the year ended 31 March, 2017	
	Amount	%	Amount	%
<b>Raw Materials Consumed</b>				
Indigenous	470.78	100%	387.92	100%
<b>Total</b>	470.78	100%	387.92	100%
<b>Packing Materials Consumed</b>				
Indigenous	149.80	100%	135.86	100%
<b>Total</b>	149.80	100%	135.86	100%
<b>Stores and Spares Consumed</b>				
Indigenous	0.42	100%	1.52	100%
<b>Total</b>	0.42	100%	1.52	100%

For and on behalf of Board,

  
Venkatadri Karuppampalayam Ranganathan  
DIN: 03409857

  
Veeramani Shankar  
DIN: 01385240

Date: 17 April 2018

Place: Mumbai

