

**AAYUSH FOOD AND
HERBS LIMITED**

**ANNUAL
REPORT**
2018-19

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CORPORATE INFORMATION

CIN: L01122DL1984PLC018307

BOARD OF DIRECTORS

Ms. Pallavi Mittal

Ms. Reema Aggarwal

Mr. Atul Kumar Chaturvedi

Mr. Pawan Kumar Singh

Mr. Rajesh Goel

Managing Director

Non Executive Director

Independent Director

Independent Director

Independent Director

COMPANY SECRETARY

Ms. Preeti Kataria

CHIEF FINANCIAL OFFICER

Mr. Danish Ahmed

STATUTORY AUDITORS

M/s S R D P & Co.

(Formerly known as Sudhir Agarwal & Associates)

INTERNAL AUDITORS

Ms. Disha Aggarwal

BANKERS

Kotak Mahindra Bank Limited

Union Bank of India

Axis Bank

Allahabad Bank

REGD. OFFICE

W-321, Ground Floor, Chirag Delhi,

New Delhi – 110017

Ph. #011-41009092, 46095455

E-Mail: aayushfoodherbs@gmail.com

Website: www.aayushfoods.com

REGISTRAR AND SHARE TRANSFER AGENT

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3rd Floor, 99 Madangir,

Behind Local Shopping Centre,

Near DadaHarsukhDassMandir, New Delhi – 110062

Ph. # 011-29961281 Fax#011-29961284

E-Mail: beetalrta@gmail.com

Website: www.beetalfinancial.com

MANAGING DIRECTOR'S STATEMENT

Dear Esteemed Share holders,

It gives me pleasure to place before you the Annual Report of your Company for the financial year 2018–19. Your Company achieved a total turn-over of INR 133.06 Crores as against INR 187.93 Crore of last year, the lower turnover is on account of erratic global rice market conditions. The rice export value stood at INR 79.19 Crores as against INR 126.18 Crores of last year due to market conditions. However, our domestic sales value stood at INR 52.48 Crores as against domestic sales of INR 61.33 Crores during the previous year.

Basmati Rice Export is mainly driven by demand from some of the Middle East Countries like, Iran, Saudi Arabia, Yemen, Iraq, UAE, Israel, Sudan, Cotonou, Djibouti, Somalia, European Countries and USA etc.

India may see a decline in its rice exports in 2018-19, the first time in three years, due to a 13 percent hike in minimum support price (MSP) for paddy and a low demand in various major markets including Bangladesh. A higher MSP can dampen the competitiveness of Indian exports in the global markets.

Non-basmati shipments dropped 13 percent in April-September this year to 37.23 Lakh Tonne, while basmati rice exports fell 2.4 percent to 20.82 Lakh Tonne.

Exports for basmati rice, varieties of which account for 60 percent of overall rice exports, fell 18 percent in October. Price of non-basmati rice dropped in key export markets and so, traders decreased shipments. There is hope for recovery in the second half of the fiscal if China buys in significant quantities in December, according to sources.

The exports of basmati may recover during the second half. Iran has not yet started issuing import permits. Once the process is resumed, we can have an idea of how much it requires. India has the rupee arrangement with Iran and that is going to help them to buy from us said by president of the All-India Rice Exporters' Association. Shipments of white rice from India have nearly stopped altogether as Vietnam and Myanmar is offering more than \$30 per Tonne discount over Indian price.

The company is working aggressively on the said lines to improve its financial/business to achieve the seamless working. With the objective of bringing authentic Indian flavours to the people all over the world, we want your company Aayush Food and Herbs Ltd. to become a leading name in the food business globally as well. In pursuit of our vision to make Aayush the most trusted & preferred food brand in export markets, we would continue to develop products, increase operational efficiency and follow our successful strategies.

I am grateful to the Board of Directors for their unwavering support and guidance. I also take this opportunity to express my gratitude to all our consumers, business partners, employees and stakeholders who have shown their trust in us and have extended their constant support.

Pallavi Mittal

Managing Director

AAYUSH FOOD AND HERBS LIMITED

CIN: L01122DL1984PLC018307

Registered Office: W-321, Ground Floor, Chirag Delhi, New Delhi - 110017

Tel No.: 011-46095455, 011-41009092 Email: aayushfoodherbs@gmail.com

Website: www.aayushfoods.com

NOTICE 35TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **THIRTY-FIFTH ANNUAL GENERAL MEETING** of the Company will be held at Madhuban Hotel, B-71, Greater Kailash-1 New Delhi- 110048 on **Thursday 26th September, 2019** at **09:30 a.m.** to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1 – ADOPTION OF FINANCIAL STATEMENTS

To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2019 together with the reports of the Board of Directors and Auditors' thereon.

ITEM NO. 2 – APPOINTMENT OF AUDITOR

To consider and, if thought fit, approve with or without modification(s) the following resolution as an

Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, M/s SRDP & Co. (Formerly known as Sudhir Agarwal & Associates), Chartered Accountants, (Firm registration no. 509930C), retiring auditor of the Company be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of Thirty fifth (35th) Annual General Meeting until the conclusion of the Fortieth (40th) Annual General Meeting of the Company, subject to ratification of the appointment by the Members of the Company at every Annual General Meeting as per the provisions of the Companies Act, 2013, on such remuneration as maybe mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS:

Item No. 3 – REGULARIZATION OF MS. KAMNA - ADDITIONAL DIRECTOR

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

"RESOLVED THAT pursuant to the provisions of section 152, 160 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable laws, Ms. Kamna (DIN: 07865460), who was appointed as an Additional Director of the Company with effect from 26.08.2019 by the Board of Directors pursuant to Section 161 of the Act and Articles of Association of the Company and as recommended by the Nomination and Remuneration Committee and who holds office only upto the date of the ensuing Annual General Meeting of the Company and in respect of whom the Company has received notice in writing under Section 160 of the

Act proposing the candidature of Ms. Kamna for the office of Director be and is hereby appointed as a Non-Executive Director of the Company, whose period of office will be liable to determination by retirement of directors by rotation.

Item No. 4 – Appointment of Mr. Vivek Saxena as Independent Director

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment(s) thereof for the time being in force), Mr. Vivek Saxena (DIN: 07903817), who was appointed as an Additional Director of the company on 26th August, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this AGM, who has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment & in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office up to 31st March, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Aayush Food and Herbs Limited**

Sd/-

Place: Delhi
Date: 26.08.2019

Preeti Kataria
Company Secretary
M. No. ACS 53025

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48

- hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A Blank Proxy Form is annexed hereto.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
 3. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Ordinary Business under Item Nos. 2 & 3 of the accompanying Notice are annexed hereto.
 4. A statement giving the details of the Director seeking appointment / reappointment under Item Nos. 3 of the accompanying Notice, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India, is annexed hereto.
 5. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m to 1.00 p.m upto the date of this Annual General Meeting ("AGM").
 6. The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2019 to September 26, 2019 (both days inclusive), for purposes of AGM.
 7. Members are requested to notify immediately any change in their address to the Company / Registrars and Transfer Agents of the Company.
 8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 9. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting. Members who have received the notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance slip and submit a duly filled in Attendance slip at the registration counter to attend the AGM.
 10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company's Registrar and Share Transfer Agent / Company.
 11. Electronic copy of the Annual Report for 2018-19 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2018-19 are being sent in the permitted mode.
 12. Electronic copy of the Notice of the 35TH AGM of the Company inter alia indicating the process and

manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

13. Members may also note that the Notice of the 35th AGM and the Annual Report for 2018-19 will also be available on the Company's website www.aayushfoods.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturdays, Sundays and Public Holidays) between 11.00 a.m to 1.00 p.m upto the date of this AGM. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: aayushfoodherbs@gmail.com

14. A route map showing directions to reach the venue of the 35th AGM is given at the end of this Notice.

15. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Regulations, as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 35th AGM. The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 35th AGM. The members attending the AGM, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

The Company has appointed Shri K. O. Siddiqui, Practicing Company Secretary (FCS: 2229, CP: 1284) as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and Metropolitan Stock Exchange of India Limited, Mumbai.

The instructions to members for voting electronically are as under:-

- I. The voting period begins on Monday, September 23, 2019 at 10.00 a.m and ends on Wednesday, September 25, 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 19, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Members holding shares in physical or in demat form as on September 19, 2019, shall only be eligible for e-voting.
- III. The shareholders should log on to the e-voting website www.evotingindia.com.
- IV. Click on Shareholders.
- V. Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID,
 - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- VI. Next enter the Image Verification as displayed and Click on Login.
- VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VIII. If you are a first time user follow the steps given below:

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

- X. After entering these details appropriately, click on “SUBMIT” tab.
- XI. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- XII. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XIII. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- XIV. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XV. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XVI. After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- XVII. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVIII. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XIX. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XX. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XXI. Note for Non-Individual Shareholders and Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

XXII. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 19, 2019 may follow the same instructions as mentioned above for e-Voting.

XXIII. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

**ANNEXURE TO THE NOTICE OF THE 35TH ANNUAL GENERAL MEETING
EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY BUSINESS PURSUANT TO SECTION
102 OF THE COMPANIES ACT, 2013**

Item No. 2

Appointment of Statutory Auditors of the Company – In terms of Section 139 (1) of the Companies Act, 2013, every Company shall, at the first AGM, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth Annual General Meeting and thereafter till the conclusion of every sixth meeting. M/s. S R D P & Co., Chartered Accountants who is appointed as Statutory Auditors of the Company for the financial year i.e. 2019-24 hold the office upto the conclusion of this Annual General Meeting. Thus, the reappointment of Statutory Auditors for a period of five consecutive years has been put up for the approval of members at item no. – 2 of the Notice.

Item Nos. 3

The Board of Directors of the Company (“the Board”) at its Meeting held on 26th August, 2019, on the basis of the recommendation of the Nomination and Remuneration Committee, approved the appointment of Ms. Kamna (DIN: 07865460) respectively, as Additional Directors of the Company in terms of Section 152, 161 & other applicable provisions of the Companies Act, 2013 & The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force). In terms of the provisions of Section 161(1) of the Companies Act, 2013 Ms. Kamna (DIN: 07865460) would hold office upto the date of the ensuing Annual General Meeting.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member along with the requisite deposit, proposing the candidature of Ms. Kamna for the office of Director of the Company.

Ms. Kamna have given:

- i. consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014 and
- ii. intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

In consonance with the aforesaid, it is proposed to appoint Ms. Kamna as Director of the Company.

Brief resumes of Ms. Kamna, nature of expertise in specific functional area and names of Companies in which she hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard - 2 issued by The Institute of Company Secretaries of India are provided in the Annexure to the Notice.

Save and except Ms. Kamna, being appointees, none of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 4 of the Notice.

Item No. 4

The Board of Directors of the Company (“the Board”) at its Meeting held on 26 August, 2019 on the basis

of the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Vivek Saxena (DIN: 07903817) as Additional Directors of the Company in terms of Section 149, 152 & 161 read with Schedule IV & other provisions of the Companies Act, 2013 & The Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force). In terms of the provisions of Section 161(1) of the Companies Act, 2013 Mr. Vivek Saxena (DIN: 07903817) would hold office upto the date of the ensuing Annual General Meeting.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member along with the requisite deposit, proposing the candidature of Mr. Vivek Saxena for the office of Director of the Company.

Mr. Vivek Saxena has given:

- i. consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment & Qualification of Directors) Rules, 2014,
- ii. intimation in Form DIR-8 in terms of The Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and
- iii. a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In consonance with the aforesaid, it is proposed to appoint Mr. Vivek Saxena as Independent Directors of the Company to hold office for a term up to 31st March, 2024.

Brief resumes of Mr. Vivek Saxena, nature of expertise in specific functional areas and names of Companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard - 2 issued by The Institute of Company Secretaries of India are provided in the Annexure to the Notice.

Save and except Mr. Vivek Saxena, being appointees, none of the other Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item Nos. 4 and 5 of this Notice for approval of the members of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India]

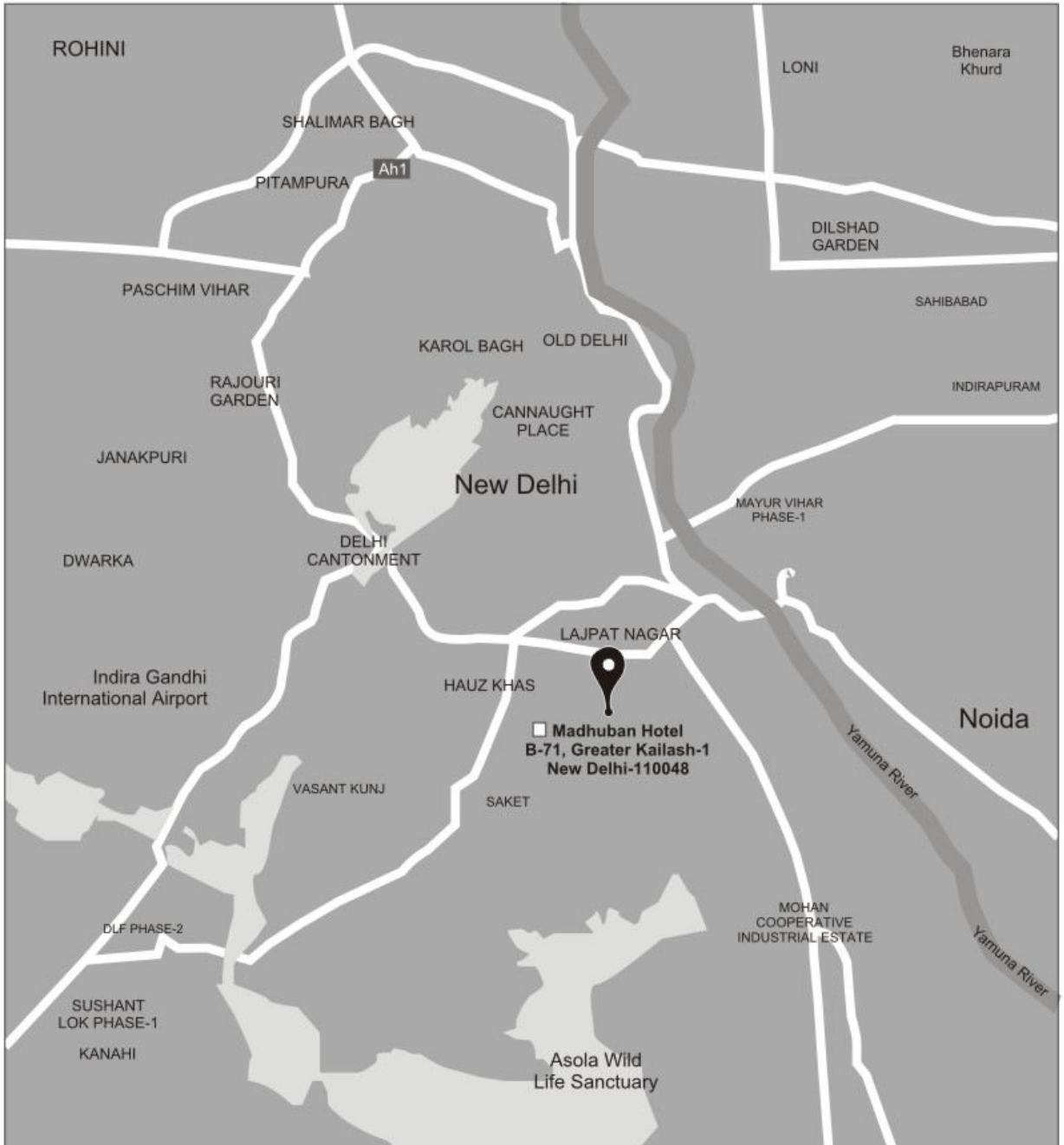
Name of the Director	Ms. Kamna	Mr. Vivek Saxena
DIN	07865460	07903817
Date of Birth	18/03/1981	16/08/1974
Date of first appointment on the Board	26 th August, 2019	26 th August, 2019
Qualifications	Graduate	Graduate
Expertise	She has an experience of more than 0 5 years in Managerial Administration.	He have an experience of more than 05 years in Accounts & Finance
Number of Meetings of the Board attended during the Year	0	0
List of Directorship / Membership /Chairmanship of Committees of other Board	DIRECTORSHIP: Public Companies: Nil Private Companies: Nil COMMITTEE MEMBERSHIP: Nil	DIRECTORSHIP: Public Companies: 1 Private Companies: Nil COMMITTEE MEMBERSHIP: Nil
Shareholding in Aayush Food and Herbs Limited	0	0
Relationship between directors inter-se	No relation with any of the Directors in Company	No relation with any of the Directors in Company
Terms and Conditions of appointment	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website.	As per Nomination and Remuneration Policy of the Company as displayed on the Company's website.

Date: 26.08.2019
Place:Delhi

By Order of the Board of Directors
For Aayush Food and Herbs Ltd.

Sd/-
Preeti Kataria
Company Secretary
M. No. ACS 53025

ROUTE MAP TO THE VENUE OF AGM



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their 35th Annual Report of the Company along with the statement of Accounts for the financial year ended 31 March, 2019.

FINANCIAL RESULTS

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Gross Income from Sales & other operations	13306.77	18793.51
Profit / (Loss) before depreciation and taxes	92.66	93.43
Less : Depreciation	10.48	2.38
Profit / (Loss) before taxes	82.18	91.05
Less : Provision for taxes including deferred taxes	21.83	23.45
Profit / (Loss) after taxes	60.35	67.60
Profit / (Loss) carried forward to Reserves & Surplus	60.35	67.60
Earning Per Share (in Rs.)	1.86	2.08

PERFORMANCE

During the year under review, your company has achieved total revenue of Rs. 13.306 Crore. The company has made a Profit after Tax ("PAT") of Rs. 60.35 Lacs as compared to Profit after Tax ("PAT") of Rs. 67.60 Lakhs of last year due to erratic global rice market conditions. Your company is optimistic for the Financial Year 2019-20.

DIVIDEND

Your Company strives to expand its operations across its new business. In view of this your directors consider it prudent and rational to conserve resources for being appropriately re-invested into the Company's future operations and therefore, do not recommend any dividend on equity shares for the financial year under review.

RESERVES

The Company has transferred Rs. 60.35 Lakhs to reserves during Financial Year 2018-19.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as no dividend was declared during the last financial years.

CHANGE IN SHARE CAPITAL

There has been no change in the capital structure of the Company during the year under review.

DEPOSITS

During the year under review, the Company has not accepted any deposits under the Companies Act, 2013 ("Act").

PROMOTERS DETAILS

Mrs. Pallavi Mittal were recognized as promoters of the Company w.e.f 21.09.2016. Her aggregate shareholding reached to 16, 63,901 equity shares representing 51.275% of the present issued, subscribed and paid-up capital of the Company.

MANAGEMENT DISCUSSION & ANALYSIS

In line with the requirements of Regulation 34(3) read with Schedule V of Listing Regulations, the Management Discussion & Analysis forms part of this report and annexed hereto as **Annexure-A**.

BOARD OF DIRECTORS, COMMITTEES OF BOARD AND MEETINGS

• Composition and category of Directors

The Board as a main functionary is primary responsible to ensure value creation for its stakeholders. The Board of Directors and its Committees through their leadership and guidance ensures the highest standards of corporate governance.

There were 5 (Six) Directors on Board as on 31st March, 2019. There is an appropriate combination of Independent and non-Independent Directors on Board.

• Composition of Board and Directorships held as on 31st March 2019

S.No.	Name of the Director	Category	Directorships held in other Companies
1.	Pallavi Mittal	Managing Director	Nil
2.	Atul Kumar Chaturvedi	Independent Director	1. Ratan Exports and Industries Limited 2. Coventry Coil-O-Matic (Haryana) Limited 3. Priority Vanijya Private Ltd.
3.	Rajesh Goel	Independent Director	Nil
4.	Reema Aggarwal	Director	1. GPM Spinning Mills Pvt. Ltd. 2. Priority Vanijya Pvt. Ltd. 3. Nav Tradex Pvt. Ltd. 4. Santosh Warehousing Ltd.
5.	Pawan Kumar Singh	Independent Director	1. N.A. Foods Private Limited 2. Nav Tradex Private Limited 3. Santosh Warehousing Limited 4. S L Overseas Private Limited

*Mr. Pawan Kumar Singh has resigned from the Company on 26th August, 2019.

The Board consists of 5 (Five) Members, 1 (one) of whom is an Executive Director, 1 (One) of them is a Non-Executive Woman Director and 3 (Three) of them are Independent Directors. The Company is in compliance with the composition of Board of Directors in terms of the Companies Act, 2013. All Independent Directors have confirmed that they have met the criteria as mentioned under Section 149(7) of the Companies Act, 2013 (“Act”).

DECLARATION BY INDEPENDENT DIRECTORS

In compliance with section 149(7) of the Act, all Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Atul Kumar Chaturvedi, Mr. Rajesh Goel and Mr. Pawan Kumar Singh, Independent Directors are already familiar with the nature and industry, business plan and other aspects of the Company. However, the familiarization programs of Independent Directors familiarize the Independent Directors with the company in respect of their roles, duties and responsibilities and related matters.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that: -

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

PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP

There are no employees who are in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD	Total Amount
1.	Name	Pallavi Mittal	
2.	Gross salary	12,10,000	12,10,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
3.	Stock Option	Nil	Nil
4.	Sweat Equity	Nil	Nil
5.	Commission – as % of profit – Others, specify...	Nil	Nil
6.	Others, please specify	Nil	Nil
	Total	12,10,000	12,10,000

B. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD:

S. No.	Particulars of Remuneration	CFO & Company Secretary	Total Amount
2.	Gross salary	5,59,500	5,59,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	Nil	Nil
	(b) Value of perquisites u/s17(2) Income-tax Act,1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
3.	Stock Option	Nil	Nil
4.	Sweat Equity	Nil	Nil
5.	Commission – as % of profit – Others, specify...	Nil	Nil
6.	Others, please specify	Nil	Nil
	Total	5,59,500	5,59,500

- **Change In Directors And Key Managerial Personnel**

During the year under review, the Board made the following appointments / reappointments based on the recommendations of the Nomination and Remuneration Committee.

- Mr. Danish Ahmed, was appointed as CFO with effect from 16.10.2018.

- **Board Meetings**

During the year under review, there were 10 (Ten) Board Meetings held on 21st April, 2018, 25th May, 2018, 13th August, 2018, 25th August, 2018, 16th October, 2018, 14th November, 2018, 20th November, 2018, 21st December, 2018, 1st February, 2019, and 12th March, 2019. Dates of Board Meetings are generally decided in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once in a quarter to review the quarterly results. Additional meetings are held, as and when it is necessary.

Attendance of Directors for the year ended 31st March, 2019

Name of the Directors	Position	No. of Meetings attended
Pallavi Mittal	Managing Director	10
Atul Kumar Chaturvedi	Independent Director	10
Rajesh Goel	Independent Director	10
Reema Aggarwal	Non Executive Director	10
Pawan Kumar Singh	Independent Director	7

• Board Committees

The Board has constituted various Committees with specific terms of reference / scope to focus effectively on the issues and ensure expedient resolution of diverse matters. The minutes of various Committee meetings are placed before the Board for discussions, review, noting etc. The recommendations of the Committees are placed before the Board for necessary approval.

The Board has constituted following Committees: -

- i) Audit Committee;
- ii) Nomination & Remuneration Committee; and
- iii) Stakeholders' Relationship Committee;

Each Committee has appropriate combination of Independent and Non-Independent Directors. The Company Secretary acts as Secretary to all the Committees.

• Audit Committee

The Company has complied with the requirements of Section 177 of the Companies Act, 2013 with regard to the composition of the Audit Committee. All Members of the Committee are financially literate and have relevant finance and / or audit exposure. The Committee is entrusted with the responsibility to supervise the Company's internal control and financial reporting process. The Statutory Auditors are invited in meeting as and when required, for interacting with the Members of the Committee regarding the accounts of the Company.

The terms of reference of Audit Committee are as under:

1. To review and recommend the quarterly financial statements of the company;
2. To review internal control and internal audit system;
3. Review of Accounts and Reports;
4. Overseeing the vigil mechanism;

- To make recommendation for appointment, remuneration and terms of appointment of auditors of the company.

Audit Committee has all the powers and scope of activities laid down in Section 177 of the Companies Act, 2013. All recommendations made by the Audit Committee during the year were accepted by the Board.

During the year, the Audit Committee has met 4 (Four) times on following dates:-

- 25th May, 2018;
- 13th August, 2018;
- 14th November, 2018;
- 1st February, 2019.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Member	Category	Number of meetings attended
Atul Kumar Chaturvedi	Member - Independent	4
Rajesh Goel	Member- Independent	4
Pawan Kumar Singh	Member- Independent	4

• **NOMINATION & REMUNERATION COMMITTEE**

In terms of Section 178 of the Act, the Board has constituted the Nomination and Remuneration Committee to oversee the appointment of Directors and Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters.

During the year, the committee has met twice on following dates:-

- 21st April, 2018;
- 16th October, 2018.

The composition of this Committee and the details of meetings attended by Members are given below:-

Name of the Member	Category	Number of meetings attended
Atul Kumar Chaturvedi	Member - Independent	2
Rajesh Goel	Member- Independent	2
Pawan Kumar Singh	Member- Independent	2

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The policy of the Company on director's appointment and remuneration as required under sub-section 3 of Section 178 of the Companies Act, 2013 is available on our website (www.aayushfoods.com). There has been no change in the policy since the last financial year.

EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board / Committee Governance.

The aspects covered in the evaluation included the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligations and fiduciary responsibilities, including but not limited to, active participation at the Board and Committee meetings.

The Board considered and discussed the inputs received from the Directors.

Further, the Independent Directors at their meeting reviewed the performance of Board, Executive and Non-Executive Directors of the Board.

• STAKEHOLDERS' RELATIONSHIP COMMITTEE

In terms of Section 178 (5) of the Act, the Board has constituted Stakeholders' Relationship Committee ("SRC"). The Committee shall specifically look into the mechanism of redressal of grievances of shareholders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends.

There was no meeting of the Committee during the year.

The composition of this Committee is given below:

Name of the Member	Category	Number of meetings attended
Atul Kumar Chaturvedi	Member - Independent	N.A.
Rajesh Goel	Member- Independent	N.A.
Pawan Kumar Singh	Member- Independent	N.A.

Details of Shareholders' Complaints received, resolved & pending during FY. 2018-19

Particulars	Nos.
Complaints pending as on 1 April, 2018	Nil
Complaints received during the year ended 31 March, 2019	Nil
Complaints disposed of during the year ended 31 March, 2019	Nil
Complaints pending as on 31 March, 2019	Nil

Name, designation & address of Compliance Officer:-

Ms. Preeti Kataria

Company Secretary

W-321, Ground Floor, Chirag Delhi,

New Delhi – 110017

Ph. #011-46095455; 41009092

E-Mail: aayushfoodherbs@gmail.com, cs@aayushfood.com

INTERNAL FINANCIAL CONTROL

Your Company has adequate internal control system in place, commensurate with the size, scale and complexity of the operations. The Statutory Auditor has also commented on the internal financial control on financial reporting in their report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT - 9 in **Annexure-B** as per provisions of the Act and rules framed there under is annexed to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture and Associate Company.

CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

RELATED PARTY TRANSACTIONS

No related party transactions ("RPT") entered into during FY 2018-19.

PROHIBITION OF INSIDER TRADING

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code"), as approved by the Board is in force. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Aayush Food and Herbs Limited at the time when there is unpublished price sensitive information.

SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS/ COURTS

There were no significant material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and Company's operations in future.

There were also no material changes and commitments after the closure of the year till the date of this report, which affect the financial position of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required by the Section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2019:

A. Conservation of energy-

- | | | |
|-------|---|-----|
| (i) | the steps taken or impact on conservation of energy: | NIL |
| (ii) | the steps taken by the company for utilizing alternate sources of energy: | NIL |
| (iii) | the capital investment on energy conservation equipments: | NIL |

(B) Technology absorption-

- | | | |
|-------|--|-----|
| (i) | the efforts made towards technology absorption: | NIL |
| (ii) | the benefits derived like product improvement, cost reduction, product development or import substitution: | NIL |
| (iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | NIL |
| (iv) | the expenditure incurred on Research and Development: | NIL |

C. Foreign Exchange Earning and outgo:

- (i) Activities relating to exports; Initiative taken to increase exports, development of new markets for products and services; and export plans:

During the year under review the Company was engaged in the export of Non Basmati Rice in different weight of packing. All the export was made to Gulf Countries basically to Saudi Arabia & Dubai (UAE). The Company receives all the remittances within the requisite time as per the LOA signed with customers. The Company abides all the rules & regulations with regard to foreign currency remittances prescribed by RBI.

- | | | |
|-------|--------------------------------|-----------------|
| (ii) | Total Foreign Exchange Earned: | USD 11828149.63 |
| (iii) | Total Foreign Exchange Used: | NIL |

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with sub-rules (2) and (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said Rules.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection at the registered office and the same shall be furnished on request.

STATUTORY AUDITORS

M/s SRDP & Co. (Formerly known as Sudhir Agarwal & Associates), Chartered Accountant, Firm Registration No. 509930C, retiring auditor of the Company be and are hereby re-appointed as Statutory Auditors of the

Company, to hold office from the conclusion of Thirty fifth (35th) Annual General Meeting until the conclusion of the Fortieth (40th) Annual General Meeting of the Company. Members of the Company at the current AGM held on 26th September, 2019 had approved the appointment of M/s S R D P & Co. (Formerly known as Sudhir Agarwal & Associates) for a period of five financial years. As required by the provisions of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM. Accordingly, requisite resolution forms part of the notice convening the AGM.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed Mr. K. O. Siddiqui, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended 31 March, 2019. The Secretarial Audit Report is annexed in **Annexure-C** herewith and forms part of this report.

AUDITORS' QUALIFICATION

There are no qualifications in the reports of the Statutory Auditors and Secretarial Auditors.

RISK MANAGEMENT

The Company has already identified the key risks areas which may affect the business goals and periodically revisits the relevance of the identified risks and progress of the mitigation plans undertaken.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act. It establishes various levels of accountability and overview within the Company.

The Audit Committee of the Board of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the Company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has in place a Policy in line with the requirements of The Sexual Harassment of Women at the Work place (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee ("ICC") is in place to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc.,) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed of during the year 2018-19:-

- No. of complaints received - NIL
- No. of complaints disposed of - NIL

VIGIL MECHANISM

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, the Company has established a **vigil mechanism** and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the

chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

The Company has adopted a policy on Vigil Mechanism which is available on our website i.e. www.aayushfoods.com.

ACKNOWLEDGEMENT

The Board takes this opportunity to sincerely thank all its stakeholders i.e. shareholders, customers, suppliers, contractors, bankers, employees, government agencies, local authorities and the immediate society for their un-stinted support and co-operation during the year.

**On behalf of the Board of Directors
For Aayush Food and Herbs Limited**

**On behalf of the Board of Directors
For Aayush Food and Herbs Limited**

**Sd/-
Pallavi Mittal
Managing Director
DIN: 07704583**

**Sd/-
Reema Aggarwal
Director
DIN: 01644142**

**Place: Delhi
Date: 26.08.2019**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY

Rice is one of the most important food stuff in the world and is the staple diet for nearly half of the global population. It ranks third after wheat and maize in terms of worldwide production. Over 90% of the global rice output and consumption is centered in Asia, wherein the world's largest rice producers, China and India, are also the world's largest rice consumers. High domestic consumption, combined with the restrictive trade policies being followed by several countries for rice, citing food security objectives and the need to provide income support to producers, have restricted international trade in rice to only 6-7% of the production.

Globally, the major rice producers and consumers are China, India, Indonesia, Bangladesh and Vietnam and Thailand. The non-Basmati variety is known to be almost 50% cheaper than the Basmati variety. In India, states like West Bengal, Uttar Pradesh, Odisha, Andhra Pradesh, Bihar, Assam and Telangana are among the largest consumers of non-Basmati rice.

Sella rice, an indigenous variety of rice, accounted for most exported rice. Rice is the staple food of people in eastern and southern India, and consumption of the total produced milled (white) rice grew by 0.79% in 2017 and 3.43% in 2016. There are 1000 of varieties of rice produced worldwide but in India white rice and brown rice are the major varieties of rice produced. Of the aromatic type of rice, India is also famous for basmati rice, but they don't acquire major share in total rice exports as compared to non-basmati rice.

As agriculture in India is monsoon based, the past 2 years experienced lower production of rice. But in 2017 the rice industry re-emerged and by 2018 it is expected to include African nations in the export countries, which have been importing from Thailand. The government of India heavily supports the rice producing farmers and the rice mills, by providing seeds, fuel, funds and advanced machineries.

Goldstein Research analyst forecast that the India rice industry is expected to grow at CAGR of 2.0% over the forecast period. India rice production was estimated at 110 million metric tons in 2017. The factors such as government support in rice production, favorable monsoons, rising number of rice processing companies, increasing exports are majorly impacting the growth of India rice industry.

INDIAN ECONOMY, INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian basmati rice industry is on the verge of clocking its highest ever exports of around Rs. 30,000 Crore in FY2019 (previous high of Rs. 29,300 Crore in FY2014), according to an ICRA report released.

The growth has been fuelled by considerable firming up of average realizations, strong demand from Iran and steady increase in paddy prices for three years in a row. As per an ICRA note, the momentum of the current fiscal is likely to percolate into the next fiscal, FY 2020 as well with expectation of 4-5% growth in exports, given the high base. This growth has been despite some challenges that surfaced during FY2018-19 pesticide residue issue leading to a decline in exports to European Union (EU), Saudi Arabia mulling adoption of stringent pesticide rules, payment issues from some Iranian importers and uncertainty due to imposition of trade sanctions on Iran by the US Government. The stringent pesticide norms by EU led to loss of exports worth around Rs. 1,000 crore in 9M FY2019, and the same could exacerbate going forward. Nevertheless, the fact that EU contributed around 8% to the exports till FY2018, allowed for the loss to be compensated by exports to the Middle Eastern countries.

The Indian non-Basmati rice industry is characterized by a few large and established players and a large number of small to medium size industry participants. Indian exporters normally sell to local agents and retail chains who market the rice under their own brands. There are only a handful of players who have a well-established brand in the domestic market. The large non-Basmati rice players hold a competitive advantage over their smaller counterparts, given the working capital intensity, intense competition in the industry, and the risks related to the export markets, viz. foreign exchange and credit risks.

Further, the industry has been able to tide through most of the other issues, as demonstrated by steady increase in exports to Saudi Arabia and establishment of the rupee payment mechanism to facilitate future trade between India and Iran, its prime market for Basmati exports. However, overall, tightening of pesticide residue norms by key importers could be a long-term risk for the industry.

OUTLOOK

Global Rice Market is expected to grow at a significant CAGR in the upcoming period as the scope and its applications are rising enormously across the globe. Rice is an edible starchy cereal grain, a staple food consumed by half of the population across the globe. It is a seed of a grass species *Oryza Glaberrima* (African rice) or *Oryza Sativa* (Asian rice). The rice consists of 12 minerals and vitamins, which are necessary for daily growth of body and mind.

Rising technological innovations to raise yields and expansion of cropped area are the factors playing a major role in the growth of overall market. However, adverse effects of pesticides on rice crops may restrain overall market growth in the years to come. Rice Market is segmented based on type, distribution channel, and countries.

FINANCIAL AND OPERATIONAL PERFORMANCE

The financial and operational performance of the company has been discussed in detail in Director's Report forming part of this Annual Report.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company is working on enhancing its competencies to take care of current and future business. Its employee strength as on March 31, 2019 was thirty. The company has adequate developed systems on recruitment, performance management, learning and development, and employee engagement.

CAUTIONARY STATEMENT

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

Annexure-B to the Director's Report
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L01122DL1984PLC018307
2	Registration Date	2-Jun-1984
3	Name of the Company	Aayush Food and Herbs Ltd.
4	Category/Sub-category of the Company	Company Limited by shares Indian Non-Government Company
5	Address of the Registered office & contact details	"W-321, Ground Floor, Chirag Delhi, New Delhi- 110017;Ph#011-46095455; 41009092 Preeti Kataria Company Secretary & Compliance Officer Ph#011-41009092"
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Mr. Bhawendra Jha- Senior Manager Beetal Financial & Computer Services (P) Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi – 110062, Ph#011-29961281; Fax#011-29961284

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of cereals and pulses	46201	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Not Applicable				

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	16,63,901	-	16,63,901	51.28%	16,63,901	-	16,63,901	51.28%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	16,63,901	-	16,63,901	51.28%	16,63,901	-	16,63,901	51.28%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	16,63,901	-	16,63,901	51.28%	16,63,901	-	16,63,901	51.28%	0.00%

B. Public Shareholding										
1. Institutions										
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%	
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%	
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%	
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%	
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%	
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%	
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%	
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%	
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%	
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%	
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	7,21,391	100	7,21,491	22.23%	627985	100	6,28,085	19.36%	-12.95%	
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%	
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	295016	82,150	3,77,166	11.62%	3,03,854	82,150	3,86,004	11.90%	2.34%	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	4,51,616	-	4,51,616	13.92%	4,76,143	-	4,76,143	14.67%	5.43%	
c) Others (specify)	-	-	-							
Non Resident Indians	746	-	746	0.02%	-	-	-	0.00%	-100.00%	
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%	
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%	
Clearing Members	1,361	-	1,361	0.04%	211	-	211	0.01%	-84.50%	
Individual HUF	28,619	100	28,719	0.89%	90556	100	90,656	2.79%	215.67%	
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%	
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%	
Sub-total (B)(2):-	14,98,749	82,350	15,81,099	48.72%	14,98,749	82,350	15,81,099	48.72%	0.00%	
Total Public (B)	14,98,749	82,350	15,81,099	48.72%	14,98,749	82,350	15,81,099	48.72%	0.00%	
C. Shares held by Custodian for GDRs & ADRs				0.00%				0.00%	0.00%	
Grand Total (A+B+C)	31,62,650	82,350	32,45,000	100.00%	31,62,650	82,350	32,45,000	100.00%	0.00%	

(ii) Shareholding of Promoter								
SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pallavi Mittal	1663901	51.28%	0	1663901	51.28%	0	0.00%
		16,63,901	51.28%	0.00%	16,63,901	51.28%	0.00%	0.00%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)							
SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Pallavi Mittal						
	At the beginning of the year	01.04.2018		16,63,901	51.28%	16,63,901	51.28%
	At the end of the year	31.03.2019		16,63,901	51.28%	16,63,901	51.28%

(iv) Shareholding Pattern of top 10 Shareholders*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	PNR Financial Services Pvt. Ltd.						
	At the beginning of the year	01.04.2018		4,75,600	14.66%	4,75,600	14.66%
	At the end of the year	31.03.2019		4,75,600	14.66%	4,75,600	14.66%
2	Rajnish Goenka						
	At the beginning of the year	01.04.2018		3,95,767	12.20%	3,95,767	12.20%
	At the end of the year	31.03.2019		3,95,767	12.20%	3,95,767	12.20%
3	Ace Infracity Developers Private						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	At the end of the year	31.03.2019		1,78,390	5.50%	1,78,390	5.50%
4	Tanvi Jignesh Mehta						
	At the beginning of the year	01.04.2017		25,953	0.80%	25,953	0.80%
	At the end of the year	31.03.2018		51,733	1.59%	51,733	1.59%
5	Vinod Fojmalji Kothari H.U.F .						
	At the beginning of the year	01.04.2018		16,412	0.51%	16,412	0.51%
	At the end of the year	31.03.2019		36,208	1.12%	36,208	1.12%
6	Rahul Anantra Mehta						
	At the beginning of the year	01.04.2018		25,932	0.80%	25,932	0.80%
	At the end of the year	31.03.2019		28,578	0.88%	28,578	0.88%
7	C Ajay						
	At the beginning of the year	01.04.2018		-	0.00%	-	0.00%
	At the end of the year	31.03.2019		15,091	0.47%	15,091	0.47%
8	Manoj Kumar						
	At the beginning of the year	01.04.2018		13,800	0.43%	13,800	0.43%
	At the end of the year	31.03.2019		13,800	0.43%	13,800	0.43%
9	Pushpa Sharma						
	At the beginning of the year	01.04.2018		10,000	0.31%	10,000	0.31%
	At the end of the year	31.03.2019		10,000	0.31%	10,000	0.31%
10	Umrao Singh Rathi						
	At the beginning of the year	01.04.2018		8,291	0.26%	8,291	0.26%
	At the end of the year	31.03.2019		8,291	0.26%	8,291	0.26%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the Beginning of the year as on 1.4.2018		Change in the Shareholding during the year		Shareholding at the end of the year as on 31.3.2019	
		No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
1	Pallavi Mittal	16,63,901	51.28%	-	0.00%	16,63,901	51.28%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	5,80,303.00	-	5,80,303.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	5,80,303.00	-	5,80,303.00
Change in Indebtedness during the financial year				
* Addition	83,34,152.00	-	-	83,34,152.00
* Reduction	-	5,80,303.00	-	5,80,303.00
Net Change	83,34,152.00	5,80,303.00	-	89,14,455.00
Indebtedness at the end of the financial year				
i) Principal Amount	83,34,152.00	-	-	83,34,152.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	83,34,152.00	-	-	83,34,152.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs.)
		Name Designation	Pallavi Mittal Managing Director	WTD	
1	Gross salary		13,20,000.00	450000	17,70,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act,		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission - as % of profit - others, specify		-	-	-
5	Others, please specify		-	-	-
	Total		13,20,000.00	4,50,000.00	17,70,000.00
	Ceiling as per the Act	As per Schedule V of the Act.			

B. Remuneration to other Directors	Not Applicable
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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs.)
		Name Designation	CEO	CFO	
1	Gross salary	Not Applicable	Danish Ahmed	Preeti Kataria	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	1,10,000.00	3,30,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act,		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission - as % of profit - others, specify		-	-	-
5	Others, please specify		-	-	-
	Total		1,10,000.00	3,30,000.00	4,40,000.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Not Applicable					

A. COMPANY

Penalty		NIL
Punishment		
Compounding		

B. DIRECTORS

Penalty		NIL
Punishment		
Compounding		

C. OTHER OFFICERS IN DEFAULT

Penalty		NIL
Punishment		
Compounding		

On behalf of the Board of Directors
For Aayush Food and Herbs Limited
Sd/-
Pallavi Mittal
Managing Director
DIN: 07704583

On behalf of the Board of Directors
For Aayush Food and Herbs Limited
Sd/-
Reema Aggarwal
Director
DIN: 01644142

Place: Delhi
Date: 26.08.2019

Annexure-C to the Director's Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
(For the Financial year ended 31st March 2019)

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Aayush Food and Herbs Limited
W 321, Ground Floor, Chirag Delhi,
New Delhi 110017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AAYUSH FOOD AND HERBS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **AAYUSH FOOD AND HERBS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **AAYUSH FOOD AND HERBS LIMITED** for the financial year ended on **31st March 2019** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **The Company is not having any FDI, ODI or ECB.**
-
- i. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- ii. The Company has complied with various provisions of Labour Laws, Environmental Laws and other industry specific Laws to extent applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has had no major events or actions which are having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We have to further state that

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our

responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Siddiqui & Associates
Company Secretaries**

**Place New Delhi
Date: 10.08.2019**

**Sd/-
K.O.SIDDIQUI
FCS 2229; CP 1284**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AAYUSH FOOD & HERBS LIMITED

I. Report on the Audit of the Standalone financial Statements

1. Qualified Opinion

A. We have audited the accompanying Standalone Financial Statements of **AAYUSH FOOD & HERBS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

B. In our opinion and to the best of our information and according to the explanations given to us, except for the incomplete disclosure of the information referred to in the Basis for Qualified opinion section of our report 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for qualified Opinion

During the course of audit we found that company covers under Payment of gratuity Act. As per the Act company should make a provision for payment of gratuity and during the financial year 18-19 company complied the same. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the companies Act, 2013 and the Rules made there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

3. Going Concern Section

During course of audit We found no uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Going Concern Basis of Accounting

The Company's financial statements have been prepared using the going concern basis of accounting. Management is responsible for assessing the Company's ability to continue as a going concern, including Whether the use of the going concern basis of accounting is appropriate. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease Operations,

or has no realistic alternative but to do so. Management is also responsible for disclosing [in the financial statements] a material uncertainty of which management becomes aware related to events or Conditions that may cast significant doubt on the Company's ability to continue as a going concern.

As part of our audit, we conclude regarding the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements in the context of the applicable financial Reporting framework. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to Continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial statements. Our conclusions Are based on information available to us at the date of the auditor's report. However, future events or Conditions may cause an entity to cease to continue as a going concern.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition the matter describe in the Basis of Qualified opinion Section, we have determined that the matter describe below to the Key Audit Matters to be communicated in our report.

As per section 138 of companies Act, 2013 In case of every listed company, it is mandatory to appoint a internal Auditor or a firm of internal auditors, who shall either be a chartered accountant or a cost accountant, or such other professional as may be decided by the Board to conduct internal audit of the functions and activities of the company. We found that company appointed the internal auditor or a firm of internal Auditors which is contravention of the provisions of section 138 of the Act and fulfilled all the provisions of the Act.

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

- A. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information to the extent applicable, 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.
- B. In connection with our audit of the 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 material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

6. Management's Responsibility for the Standalone Financial Statements

- A. 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

- B. In preparing the Standalone Financial Statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

- A. 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.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - i) 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.
 - ii) Obtain an understanding of internal financial controls 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 our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv) 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.

- v) 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.
- C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in
 - (i) planning the scope of our audit work and in evaluating the results of our work; and
 - (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. 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.
- E. 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.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

II. Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, based on our audit 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 relevant books of account.
 - D. In our opinion, the aforesaid standalone financial statements comply with the IND AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

E. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- H. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

• 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 to the extent applicable.

For: SRDP & CO.

Chartered Accountants

FRNo. 509930C

Sd/-

CA Sudhir Kumar Agarwal

(Partner)

M. No.088583

Place: New Delhi

Dated: 27th May 2019

AAYUSH FOOD & HERBS LIMITED

Annexure "A" to the Independent Auditors Report

Pursuant to Companies (Auditors Report) Order 2016

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

We have audited the internal Financial Controls over financial reporting of **AAYUSH FOOD & HERBS LIMITED** ("the Company") as at March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 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') and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 of our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. **Opinion** In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For: SRDP & CO.

Chartered Accountants

FRNo. 509930C

CA Sudhir Kumar Agarwal

(Partner)

M. No. 088583

Place: New Delhi

Dated: 27th May 2019

AAYUSH FOOD & HERBS LIMITED Annexure "B" to the Independent Auditors Report

Pursuant to Companies (Auditors Report) Order 2016

- (I) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year at reasonable intervals having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
- (c) As explained to us, there was no immovable property held by the company.
- (ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its business. No material discrepancy was noticed.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clause 3(iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees, and security.
- (v) The company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, in respect of the activities carried on by the company. (vii)(a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has not been generally regular in depositing undisputed statutory dues including provident fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable. (b) According to the information and explanations given to us, there are no dues of Income Tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues of banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term loans. Accordingly, the provisions of clause 3 (ix) of the order are not applicable to the company and hence not commented upon.

- (x) Based upon the audit procedures performed and 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 year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration 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) In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause 4(xii) of the order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For: SRDP & CO.

Chartered Accountants

FRNo. 509930C

Sd/-

CA Sudhir Kumar Agarwal

(Partner)

M. No. 088583

Place: New Delhi

Dated: 27th May 2019

AAYUSH FOOD & HERBS LIMITED

CIN NO. L01122DL1984PLC018307

G-321, Chirag Delhi, New Delhi-110017

Balance Sheet As on 31st March, 2019

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	64,51,060	71,93,021
(b) Capital Work in Progress		-	-
(c) Intangible assets		-	-
(d) Investment in Property	4	19,43,610	19,43,610
(e) Financial assets		-	-
(f) Deferred tax assets (net)	5	1,22,497	1,69,565
(g) Other non-current assets	6	5,60,737	14,18,285
		90,77,904	1,07,24,482
Current assets			
(a) Inventories	7	7,68,11,168	17,22,26,884
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables	8	23,40,28,891	18,36,52,748
(iii) Cash and cash equivalents	9	2,60,31,158	4,55,06,076
(c) Current Income tax assets (net)		-	-
(d) Other current assets	10	69,71,146	1,34,40,386
		34,38,42,363	41,48,26,094
Total Assets		35,29,20,267	42,55,50,576
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	3,24,50,000	3,24,50,000
Reserve & Surplus	12	2,51,59,222	1,91,24,948
		5,76,09,222	5,15,74,948
Liabilities			
Non-current Liabilities			
(a) Financial liabilities			
(i) Borrowings	13	83,34,152	5,80,303
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
Total A		6,59,43,373	5,21,55,251
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	14	28,11,17,261	36,68,55,361
(b) Other current liabilities	15	34,81,335	37,59,383
(c) Provisions	16	23,78,298	27,80,581
Total B		28,69,76,894	37,33,95,325
Total equity and liabilities (A+B)		35,29,20,267	42,55,50,576

See accompanying note nos. 1 to 27 forming part of the financial statements

In terms of our report attached of the even date

For and on behalf of Directors
Aayush food & herbs LimitedFor S R D P & CO.
Chartered Accountants
FRN. 509930CSd/-
Pallavi Mittal
Managing Director
(DIN-07704583)Sd/-
Reema Agarwal
Director
(DIN-01644142)Sd/-
Preeti Kataria
(C.S)Sd/-
Danish Ahmed
(C.F.O)Sd/-
Sudhir Kumar Agarwal
Partner
M No-088583Place: New Delhi
Date: 27th May, 2019

AAYUSH FOOD & HERBS LIMITED

CIN NO. L01122DL1984PLC018307

G-321, Chirag Delhi, New Delhi-110017

Profit & Loss Account for the year ended 31st March, 2019

Particulars		Note No	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
I	Revenue from operations (gross)	17	1,316,780,680	1,875,235,354
II	Other income	18	13,896,015	4,116,028
III	Total income (I + II)		1,330,676,695	1,879,351,382
IV	Expenses:			
	Cost of materials consumed			
	Changes in inventories of finished goods and work-in-progress Excise Duty on sales	19	95,415,716	(156,749,169)
	Purchases		1,140,843,841	1,870,354,784
	Power and Fuel			
	Employee benefits expense	20	9,761,484	9,497,058
	Finance costs	21	3,558,182	3,219,799
	Depreciation and amortisation expense Other expenses	3	1,048,166	237,620
	Administrator & Other expenses	22	71,831,277	143,685,473
	Total expenses		1,322,458,666	1,870,245,565
V	Profit/(loss) before exceptional item and tax (III-IV)		8,218,030	9,105,817
VI	Exceptional item		-	-
VII	Profit/(loss) before tax (V-VI)		8,218,030	9,105,817
VIII	Tax-expense/(Credit):			
	-Current tax		2,136,688	2,238,667
	-Deferred tax(reversed)		47,068	106,081
IX	Profit/(loss) for the year (VII-VIII)		6,034,274	6,761,069
X	Other Comprehensive income/(loss)			
	Item that will not be subsequently reclassified to profit or loss			
	(a) Re-measurement gains/(losses) on defined benefit obligations		-	-
	(b) Income tax effect		-	-
	Item that may be subsequently reclassified to profit or loss:			
	(a) Cash flow hedges		-	-
	(b) Income tax effect		-	-
	Total Other Comprehensive income/(loss) for the year			-
XI	Total Comprehensive income/(loss) for the year		6,034,274	6,761,069
XII	Earnings/(loss) per equity share (of Rs. 10/- each)		1.860	2.084
	Basic and Diluted (in Rs. per share)			

See accompanying note nos. 1 to 27 forming part of the financial statements

In terms of our report attached of the even date

For and on behalf of Directors
Aayush food & herbs LimitedSd/-
Pallavi Mittal
Managing Director
(DIN-07704583)Sd/-
Reema Agarwal
Director
(DIN-01644142)Sd/-
Preeti Kataria
(C.S)Sd/-
Danish Ahmed
(C.F.O)For S R D P & CO.
Chartered Accountants
FRN. 509930CSd/-
Sudhir Kumar Agarwal
Partner
M No-088583Place: New Delhi
Date: 27th May, 2019

AAYUSH FOOD & HERBS LIMITED

CIN NO. L01122DL1984PLC018307
G-321, Chirag Delhi, New Delhi-110017

Cash Flow Statement as on 31st March, 2019

	Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
A.	Cash flow from operating activities		
	Profit/(loss) before tax from	82,18,030	91,05,817
	- Continuing Operations		
	-Discontinud Operations	-	-
	Profit before Income Tax including discontinued operations	82,18,030	91,05,817
	Adjustments For:		
	Depreciation and amortisation expense	10,48,166	2,37,620
	Provision for Adjustments	-	1,07,632
	Change in operating assets and liabilities		
	(Increase)/Decrease in inventories	9,54,15,716	(15,67,49,169)
	Increase/(Decrease) in trade payables	(8,57,38,100)	26,20,76,754
	(Increase)/Decrease in other Liabilities	-	-
	(Increase)/Decrease in trade receivables	(5,03,76,143)	(4,76,15,308)
	(Increase)/Decrease in Other Current Assets	73,26,788	(90,67,403)
	Increase/(Decrease) in Short Term loans & Advances	-	-
	Increase/(Decrease) in other liabilities	(2,78,048)	39,53,716
	Increase/(Decrease) in provisions	(4,02,283)	-
	(Increase)/Decrease in other assets	-	-
	Sub-Total	(3,30,03,905)	5,29,43,842
	Cash Generated from Operations	(2,47,85,875)	6,20,49,659
	Net Income taxes (paid) / refunds	21,36,688	22,38,667
	Net cash inflows from operating activities	(2,69,22,563)	5,98,10,992
B.	Cash flow from investing activities		
	Capital expenditure on property, plant and equipments including capital advances	(3,06,204)	(73,35,162)
	Net cash outflow from investing activities	(3,06,204)	(73,35,162)
C.	Cash flow from financing activities		
	Repayments of Short Term Borrowings	77,53,849	(89,09,498)
	Net cash outflow in financing activities	77,53,849	(89,09,498)
	Net (decrease) / increase in cash and cash equivalents	(1,94,74,918)	4,35,66,332
	A+B+C		
	Cash and cash equivalents as at the beginning of the year	4,55,06,076	19,39,745
	Cash and cash equivalents as at the End of the year	2,60,31,158	4,55,06,076

See accompanying note nos. 1 to 27 forming part of the financial statements

In terms of our report attached of the even date

For and on behalf of Directors
Aayush food & herbs Limited

For S R D P & CO.
Chartered Accountants
FRN. 509930C

Sd/-
Pallavi Mittal
Managing Director
(DIN-07704583)

Sd/-
Reema Agarwal
Director
(DIN-01644142)

Sd/-
Preeti Kataria
(C.S)

Sd/-
Danish Ahmed
(C.F.O)

Sd/-
Sudhir Kumar Agarwal
Partner
M No-088583

Place: New Delhi
Date: 27/05/2019

AAYUSH FOOD AND HERBS LIMITED

CIN: L01122DL1984PLC018307

Registered Office: G-321, Chirag Delhi, New Delhi – 110017

Notes forming part of the Financial Statements

1. Company Overview

M/s Aayush Food & Herbs Limited (the "Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act 1956 then applicable in India. It has been engaged primarily in the business of trading of rice in different varieties. The Company sale basmati and non-basmati rice in India as well as in out-side India. During the financial year beginning from 1April, 2018 to 31st March, 2019, the company has recorded Its major portion of revenue by selling rice in different gulf countries.

2. Significant Accounting policies

2.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ("IND AS"). The Company has prepared its financial statements up to the year ended 31st March, 2017 in accordance with generally accepted accounting principles in the India, including accounting standards read with Section 133of the Companies Act, 2013 notified under Companies (Accounting Standards) Rules, 2006 ("Previous GAAP").

2.2 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and presentation requirements of Schedule III to the Act under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value.

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.

2.3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the IND AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing 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 the revision and future periods if the revision affects both current and future periods.

Critical Judgments In the process of applying the Company's accounting policies, management has made the

following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Contingences and commitments: In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, company treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, company do not expect them to have a materially adverse impact on the financial position or profitability.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Income taxes: The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid /recovered for uncertain tax positions.

Useful lives of property, plant and equipment: As described in Note 2.8, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

Allowances for doubtful debts: The Company makes allowances for doubtful debts based on an assessment of the recover ability of trade and other receivables. The identification of doubtful debts requires use of judgment and estimates.

2.4 Operating Cycle and Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification in accordance with Part-I of Division- II of Schedule III of the Companies Act, 2013.

An asset is treated as current when it,

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle;
- (b) Held primarily for the purpose of trading; or
- (c) Expected to be realized within twelve months after the reporting period, or
- (d) The asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when,

- (a) It is expected to be settled in normal operating cycle; or
- (b) It is held primarily for the purpose of trading; or
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counter party, results in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its normal operating cycle.

2.5 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties and government.

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.

Interest income Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends that there is no any dividend income has earned by the company during the current financial year, Generally, the company has policy to recognized the dividend income from investments when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

2.6 Segment Reporting

The company operates in a one type of business and single geographical segment i.e. with in India Accordingly no separate disclosures for primary Business and Second Geographical segment are required

2.7 Foreign Currencies

Functional currency: The functional currency of the Company is the Indian rupee.

Transactions and translations: In general all foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

The Company not having any 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 Company recognised its debtors and creditor which are located into overseas/offshore region at Foreign Currency Rate at transactions date. Thus, all the foreign Debtors/ Creditors if any has been recognising in Indian Rupee at balance sheet date.

2.8 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the Statement of Profit or Loss when the asset is derecognized.

For transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as on April 1, 2016 measured as per previous GAAP as it deemed cost on the date of transition.

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Plant and Equipment : 10 - 15 years

Office Equipment* : 3 to 6 years

Furniture And Fixture : 10 years

Electrical Installation and Equipment: 10 years Vehicle: 10 years

*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule-I of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

2.9 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.10 Intangible assets

Intangible assets are measured on initial recognition at cost and subsequently are carried at cost less accumulated amortization and accumulated impairment losses, if any.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on de-recognition are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

The Company amortizes intangible assets with a finite useful life using the straight-line method over the useful lives determined by the terms of the agreement /contract. The estimated useful life is reviewed annually by the management.

2.11 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case,

the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax: Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax: Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.12 Impairment of assets

Financial assets: The Company assesses on a forward looking basis the expected credit losses associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by IND AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

PPE and intangibles assets: Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

2.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original

maturities of three months or less that are readily convertible to known amounts of cash and equivalent subject to an insignificant risk of changes in value.

2.14 Provisions and Contingent Liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.15 Inventories

Inventories are valued at lower of cost on FIFO 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 octroy and other levies, transit insurance and receiving charges. Work-in-progress 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 the estimated costs of completion and the estimated costs necessary to make the sale.

2.16 Non-derivative financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a. Financial assets- Subsequent measurement

Financial assets at amortized cost: Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets 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.

Financial assets at fair value through other comprehensive income (FVTOCI): Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL): Financial assets are measured at fair value

through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

b. Financial liabilities- Subsequent measurement

Financial liabilities are measured at amortized cost using the effective interest method. The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost on accrual basis.

Composite financial Instrument: The fair value of the liability portion of an optionally convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity.

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

C. Offsetting of financial instruments:

Financial assets and financial liabilities are set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.17 Borrowing costs

General and specific borrowing costs (including exchange differences arising from foreign currency borrowing to the extent that they are regarded as an adjustment to interest cost) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.18 Employee Benefits

Employee benefits consist of Short Term Employment benefits such as salary, bonus, commission etc, and contribution to employees state insurance, provident fund, gratuity fund and compensated absences.

Post-employment benefit plans Defined Contribution plans

Contributions to defined contribution schemes such as Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

2.19 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

(a) Property, plant and equipment

The Company did not opt deemed cost exemption as per IND AS 101 'First time Adoption of Indian Accounting Standard.' The Company has applied the IND AS 16, Property, Plant and Equipment (PPE) as if the same has always been applied i.e. with retrospective effect and accordingly, the carrying value for all of its property, plant and equipment as recognized in the financial statements has been measured as per the historical cost determined in accordance with IND AS 16 instead of revalued amount of certain items of property, plant and equipment as per previous GAAP.

(b) Bank Deposit with maturity more than 12 months

As per provisions of Schedule-III of the Act, Bank deposits with more than 12 months maturity are re-grouped as noncurrent other financial assets.

(c) Non-Current Tax Assets

Advance Tax Assets not adjustable against the current tax liability have been regrouped and presented as non-current tax assets.

(d) Revenue from Sale of Goods

Under Previous GAAP, revenue was recognized net of trade discounts, rebates, sales taxes and excise duties. Under IND AS, revenue is recognized at the fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as sales tax and value added tax except excise duty.

(e) Other Comprehensive Income

Under the previous GAAP, the Company has not presented OCI separately. Hence, it has reconciled previous GAAP profit or loss to profit or loss as per IND AS. Further, previous GAAP profit or loss is reconciled to total comprehensive income as per IND AS.

AAYUSH FOOD & HERBS LIMITED

CIN NO. L01122DL1984PLC018307

G-321, Chirag Delhi, New Delhi-110017

Statement of Changes in Equity for the year ended March 31, 2019

A Equity share capital	As at March 31, 2019				
Particulars	Numbers of shares		Rupees		
Equity shares of Rs. 10 each issued, subscribed and fully paid:					
As at April 1, 2017	32,45,000		3,24,50,000		
As at March 31, 2018	32,45,000		3,24,50,000		
As at March 31, 2019	32,45,000		3,24,50,000		
B Other equity					
Particulars					
	Capital Reserve	Retained Earnings	Debenture Redemption Reserve	Securities Premium Reserve	Total reserves
Balance as at April 1, 2017	-	47,56,247	-	75,00,000	1,22,56,247
Profit for the year	-	67,61,069	-	-	67,61,069
Earlier Tax Adjustment	-	1,07,632	-	-	1,07,632
Total comprehensive income/(loss) for the year		1,16,24,948		75,00,000	1,91,24,948
Transferred (from)/to Debenture Redemption Reserve	-	-	-	-	-
Income tax refund	-	-	-	-	-
Balance as at April 1, 2018	-	1,16,24,948	-	75,00,000	1,91,24,948
Profit for the year	-	60,34,274	-	-	60,34,274
Other comprehensive income/(loss) for the year ³	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	1,76,59,222	-	75,00,000	2,51,59,222
Balance as at March 31, 2019	-	1,76,59,222	-	75,00,000	2,51,59,222

Note 3: Property, Plant and Equipment

Particulars	Freehold Land	Freehold Buildings	Furniture, Fittings and Equipment	Plant and Machinery	Total	Capital Work-in-Progress
Year ended 31 March 2018						
Gross Carrying Amount						
Opening gross carrying amount	-	-	2,90,425	76,80,372	79,70,797	-
Exchange differences	-	-	-	-	-	-
Acquisition of subsidiary	-	-	-	-	-	-
Additions	-	-	31,191	2,75,014	3,06,205	-
Assets classified as held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Closing gross carrying amount	-	-	3,21,616	79,55,386	82,77,002	-
Accumulated depreciation and impairment						
Opening accumulated depreciation	-	-	2,37,374	5,40,402	7,77,776	-
Depreciation charge during the year	-	-	20,062	10,28,104	10,48,166	-
Impairment loss(if any)	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-
Closing accumulated depreciation and impairment	-	-	2,57,436	15,68,506	18,25,942	-
Net Carrying Amount	-	-	64,180	63,86,880	64,51,060	-

Notes Forming Part of The Financial Statements

(Amount in ₹)

4 Financial Assets - Non Current : Investment Properties

Particulars	As at March 31, 2019	As at March 31, 2018
Gross Carrying Amount		
Opening gross carrying amount / Deemed cost	19,43,610	19,43,610
Additions	-	-
Closing Gross Carrying Amount	19,43,610	19,43,610
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing Accumulated Depreciation	-	-
Net Carrying Amount	19,43,610	19,43,610

5 Deferred Tax Assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets	1,22,497	1,69,565
Total	1,22,497	1,69,565

6 Financial Assets - Non Current : Other Non-Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Sales Tax Refund	-	2,66,003
Advance Fees	5,60,737	11,52,282
Total	5,60,737	14,18,285

7 Financial Assets-Current: Inventories

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Finished goods	7,68,11,168	17,22,26,884
Total	7,68,11,168	17,22,26,884

Note: Inventory in the nature of Bye-Product has been valued at Net Reliasable Value as on 31st March, 2019.

8 Financial Assets-Current: Trade Receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivables	16,80,94,174	18,36,52,748
Advance to supplier	6,59,34,717	-
Receivables from Related Parties	-	-
Less: Allowance for Doubtful debts	-	-
Total	23,40,28,891	18,36,52,748

9 Financial Assets - Current : Cash and Cash Equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	9,255	21,035
Balances with banks:		
Union Bank of India	14,188	25,658
Kotak Mahindra Bank	2,57,76,791	4,53,81,526
Axis Bank	1,51,065	77,857
Indusind Bank	68,423	-
Allahabad Bank	11,435	-
Imprest Account	-	-
Total	2,60,31,158	4,55,06,076

10 Financial assets - Current : Other Current Assets

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
Security Deposit	2,82,500	2,82,500
FDR	1,02,904	1,017
Prepaid expenses	95,603	5,40,133
Insurance Claim Receivable	2,32,283	2,44,492
Employee Advance	2,47,149	-
Duty Draw Back Receivable	3,13,993	5,21,420
Service Tax Receivable	1,35,935	2,02,770
Income Tax Refund (2012-13)	-	6,826
GST Refundable	55,60,779	1,01,41,228
Advance Tax	-	15,00,000
Total	69,71,146	1,34,40,386

Notes Forming Part of The Financial Statements

(Amount in ₹)

11 Share Capital				
Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Share Capital				
Opening/Closing balance (equity shares of ₹10 each)	35,00,000	3,50,00,000	35,00,000	3,50,00,000
TOTAL	35,00,000	3,50,00,000	35,00,000	3,50,00,000
(b) Issued, Subscribed and Fully Paid up				
Opening/Closing balance (equity shares of ₹10 each)	32,45,000	3,24,50,000	32,45,000	3,24,50,000
TOTAL	32,45,000	3,24,50,000	32,45,000	3,24,50,000

Terms/rights attached to equity shares The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

(c) Details of shares held by each shareholder holding more than 5% shares

Name of Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% Holding	No. of Shares held	% of Holding
PNR Financial Services Pvt. Ltd.	4,75,600	14.65%	4,75,600	14.65%
Rajnish Goenka	3,95,767	12.19%	3,95,767	12.19%
SuryaMedi-Tech Ltd.	-	-	2,20,418	6.79%
Pallavi Mittal	16,63,901	51.26%	16,63,901	51.26%
Ace Ifracity Developers Pvt.Ltd.	1,78,390	5.49%	-	0.00%

12 Reserve & Surplus

Particulars	As at March 31, 2019		As at March 31, 2018	
	Amount		Amount	
Security Premium Reserve		75,00,000		75,00,000
	A	75,00,000		75,00,000
Profit/(loss):Opening balance		1,16,24,948		47,56,247
Add: Current Year Profit		60,34,274		67,61,069
Add: Earlier Tax Adjustment				1,07,632
	B	1,76,59,222		1,16,24,948
TOTAL	A+B	2,51,59,222		1,91,24,948

Note: Retained earnings comprises of prior and current year's undistributed earnings after tax.

Note:Initially, The company had issued its shares at premium (over and above the Face Value of Shares) the amount excess amount received are kept separately in the account of Security Premium.The Security Premium shall be utilized in accordance with the provision of the Companies Act, 2013.

Notes Forming Part of The Financial Statements

(Amount in ₹)

Non-Current Liabilities:**Financial Liabilities****13 Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
ECL Finance Limited	-	5,80,303
Loan against WHR	83,34,152	-
Total	83,34,152	5,80,303

Current Liabilities**Financial Liabilities****14 Trade Payables.**

Particulars	As at March 31, 2019	As at March 31, 2018
Sundry Creditors	27,91,90,596.00	36,68,55,361
Advance from Customer	19,26,665.00	
Total	28,11,17,261	36,68,55,361

15 Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured :		
Expenses Payable	28,56,165	32,57,503
Audit Fee Payable	3,70,000	10,000
Staff Imprest	43,199	-
TDS Payables	2,11,971	4,91,880
Total	34,81,335	37,59,383

16 Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Income Tax	21,36,688	22,38,667
Provision Made for Expenses	2,41,610	5,41,914
Total	23,78,298	27,80,581

Notes Forming Part of The Financial Statements

(Amount in ₹)

17 Revenue from Operations

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
Revenue from operation (gross)	1,31,67,80,680	1,87,52,35,354
Revenue from operation (gross)	1,31,67,80,680	1,87,52,35,354

18 Other Income

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
Interest Income	1,887	17
Discount Received	1,13,29,625	7,24,300
Duty Drawback	1,06,485	12,75,087
Service Tax Refund Part of Duty Rebate on Export.	-	2,78,613
Shortage & Rebate	2,64,524	4,18,334
Quality Disccunt Received from Suppliers	21,93,494	14,19,677
Total	1,38,96,015	41,16,028

19 Changes in Inventories of Finished Goods and Work-in-Progress

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
Opening Inventories Finished Goods Work in Progress By Products	17,22,26,884	1,54,77,715
Closing Inventories Finished goods Work in Progress By Products	7,68,11,168	17,22,26,884
Total	9,54,15,716	(15,67,49,169)

20 Employee Benefits Expense

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
(a) Salaries and Wages (Including Bonus)	73,37,150	74,49,330
(b) Director's Remuneration	17,70,000	14,70,000
(c) Staff Welfare Expenses	6,54,334	5,77,728
Total	97,61,484	94,97,058

Notes Forming Part of The Financial Statements

(Amount in ₹)

21 Finance Cost

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
Interest Expense	7,35,266.37	24,59,100
Bank Charges	10,70,805.14	7,60,699
Other borrowing cost	11,00,000.00	-
Net loss on foreign currency transactions and translation (considered as finance cost)	6,52,110.04	-
Total	35,58,182	32,19,799

22 Other Expenses

Particulars	For the Year Ended	
	31-Mar-19	31-Mar-18
Annual Listing Fees	3,05,000.00	3,27,925.00
Advertising Expenses	1,38,840.00	1,17,028.00
Audit Fee	4,00,000.00	3,00,000.00
Consumable Stores	5,13,501.00	5,12,682.00
Conveyance Expenses	2,69,128.00	2,86,965.00
Diwali Expenses	34,445.00	29,609.00
Electricity Expenses	15,84,477.00	7,44,360.00
Fumigation Expenses	1,17,990.00	1,09,781.00
Generator Running Expenses	85,605.00	1,23,959.00
Legal and Professional expenses	14,67,089.00	14,80,538.77
Travelling Expenses	1,75,016.00	3,74,956.00
Office Expenses	2,26,580.40	3,99,203.00
Printing & Stationary	2,11,723.58	84,651.96
Computer Expenses	720.00	14,495.00
Income Tax	-	61,870.00
Insurance Transit	7,27,811.31	6,21,457.26
Coc Expenses	16,250.00	21,759.00
Laundry Expenses	4,690.00	16,530.00
Fees & Subscription	1,78,540.58	2,44,274.17
Postage & Courier Expenses	1,84,546.40	4,97,946.36
Domain Expenses	37,414.00	20,224.31
Telephone Expenses	1,66,134.65	1,33,541.38
Donation & Charity	1,43,000.00	-
Preliminary Expenses Written Off	5,91,545.00	5,91,545.20
Rent Paid	24,83,452.00	13,56,380.00
Clearing & Forwarding Expenses	96,80,144.50	2,29,67,435.20
Freight Outward Expense	1,20,03,679.00	1,07,68,690.00
Inspection & Testing Expenses	13,48,778.45	11,63,288.00
Ocean Freight Incurred	2,56,59,303.92	7,33,90,009.65
Inland Haulage/Rail Freight Incurred	31,77,900.00	1,34,25,515.42
Freight & Forwarding (Inward)	34,82,834.00	79,11,467.00
Export Expenses	6,88,709.00	9,62,686.00
Labour Expenses	47,07,155.00	40,96,597.29
Repair & Maintenance	3,66,811.07	2,03,598.00
Service Tax	-	2,72,848.76
Storage Expenses	1,78,589.23	41,936.00
Water Expenses	10,315.00	9,720.00
Interest on EPF	70,768.00	-
Interest on GST	1,600.00	-
Amount W/O	2,35,828.00	-
Interest on Income Tax	1,55,363.00	-
Total	7,18,31,277.09	14,36,85,472.73

Notes Forming Part of The Financial Statements (Amount in ₹)

23. Payment to Auditors		
Particulars	Year ended March 31,2019	Year ended March 31,2018
As Auditor-Statutory Audit and Internal Review	4,00,000	3,00,000
For other services	-	-
Reimbursement of Expenses	-	-
Total	4,00,000	3,00,000

24. Earning Per Shares		
Particulars	Year ended March 31,2019	Year ended March 31,2018
Net Profit/(Loss) for the Year(In Rupees)	60,34,274	67,61,069
Weighted No. of Ordinary Shares for Basic EPS	32,45,000	32,45,000
Nominal Value of Ordinary Shares (in Rupee per Share)	10	10
Basic and Diluted Earning for Ordinary Shares (in ₹ Per Shares)	1.8596	2.0835

25. Contingent Liabilities and Commitments		
Particulars	Year ended March 31,2019	Year ended March 31,2018
Guarantee given by bank	NIL	NIL
Income Tax matter in dispute	NIL	NIL

26. Obligation & Commitments Outstanding		
Particulars	Year ended March 31,2019	Year ended March 31,2018
a). Estimated Value of contracts remaining to be executed	NIL	NIL
b). Bill Discounted with Bank	NIL	NIL

Notes Forming Part of The Financial Statements

Note No. 27 RELATED PARTY DISCLOSURES

A Names of Related Parties and Description of Relation :

Name	Relationship
N A FOOD PVT LTD	Director's Relative Company
ASIA & AFRICA GENERAL TRADING LLC	Sister Concern Company

Key Management Personnel

Name	Post holding
PALLAVI MITTAL	MANAGING DIRECTOR
REEMA AGGARWAL	DIRECTOR
RAJESH GOEL	DIRECTOR
ATUL KUMAR CHATURVEDI	DIRECTOR
PAWAN KUMAR SINGH	DIRECTOR
PREETI KATARIA	COMPANY SECRETARY
DANISH AHMED	C.F.O

(a) Key Management Personnel Compensation

Particulars	31-Mar-19	31-Mar-18
Short-term employee benefits		
Pallavi Mittal	13,20,000	13,20,000
Reema Aggarwal	4,50,000	1,50,000
Bhavdish Shrey	-	1,37,806
Khushboo Mittal	-	2,07,111
Preeti Kataria	3,30,000	85,161
Danish Ahmed	2,29,550	-
Total compensation	23,29,550	19,00,078

(b) Transactions with Related Parties

The following transactions occurred with related parties:

Particulars	31-Mar-19	31-Mar-18
<i>Sales and purchases of goods and services</i>		
Sale of goods to associates		
Purchases of raw materials from Ashish Associates		41,284.00
Purchase of management services from parent		
Purchases of various goods and services from entities controlled by relatives and key management personnel:		
Sale of goods to N.A.Food Pvt. Ltd.		-
Sale of goods to Ashish & Associates	-	9,21,550
Sale of goods to Asia & Africa General Trading LLC	33,85,53,312	91,18,19,182
Purchases of Goods From N.A.Food Pvt. Ltd.	4,15,01,302	7,82,944
Any Other Expenses Reimbursement directly/Indirectly by Related Person		
Santosh Overseas Limited		
Expenses Reimbursed to Santosh Overseas Ltd.	-	7,65,095
Purchase of Packing Materials	-	34,49,125

(c) Outstanding Balances Arising from Sales/Purchases of Goods and Services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31-Mar-19	31-Mar-18
Trade Payables (purchases of goods and services)		
Name of the Related Parties		
Associates		
Entities controlled by relative or key management personnel		
Total Payables to Related Parties		

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31-Mar-19	31-Mar-18
Trade Receivables (purchases of goods and services)		
Name of the Related Parties		
Asia & Africa General Trading LLC	1,30,09,471	16,10,15,628
Entities controlled by relative or key management personnel		
Total Receivable from Related Parties	1,30,09,471.00	16,10,15,628.00

(f) Loans to/from Related Parties

	31-Mar-19	31-Mar-18
Loans to /from relative or key management personnel		
Beginning of the year		
Loans advanced		
Loan repayments received		
Interest charged		
Interest received		
End of the year		

**Form No. MGT-11
PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

CIN : L01122DL1984PLC018307
Name of the Company : Aayush Food and Herbs Limited
Registered Office : W-321, Ground Floor, Chirag Delhi, New Delhi- 110017

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

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

1. Name:
Address:
E-mail Id:
Signature:

Or failing him

2. Name:
Address:
E-mail Id:
Signature:

Or failing him

3. Name:
Address:
E-mail Id:
Signature:

as my or our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting to be held on Thursday, the 26th day of September, 2019 at 09.30 a.m. at Madhuban Hotel, B -71, Greater Kailash -1, New Delhi - 110048 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
<i>Ordinary Business</i>			
1	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2019 together with the reports of the Board of Directors and Auditors' thereon		
2	Appointment of M/s SRDP & Associates (Formerly known as Sudhir Agarwal & Associates), Chartered Accountants, as the Statutory auditors of the Company		
<i>Special Business</i>			
3	Regularization of Ms. Kamna - Additional Director		
4	Regularization of Mr. Vivek Saxena-Additional Independent Director		

Signed this day of 2019

Signature of the Member _____

Signature of Proxy holder(s) _____

Affix Re. 1/- Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Attendance Slip

AAYUSH FOOD AND HERBS LIMITED

CIN: L01122DL1984PLC018307

Regd. Office: W-321, Ground Floor, Chirag Delhi, New Delhi 110017

Email: aayushfoodherbs@gmail.com

35th ANNUAL GENERAL MEETING ON THURSDAY, THE 26TH DAY OF SEPTEMBER, 2019 AT 09.30 A.M.

At: Madhuban Hotel, B-71, Greater Kailash-1 New Delhi, 110048

Regd. Folio no. _____

DP ID no. _____

Client ID no. _____

Number of shares held _____

I certify that I am a member/proxy/authorized representative for the member of the Company.

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company at Madhuban Hotel, B-71, Greater Kailash-1, New Delhi, 110048 on Thursday, the 26th Day Of September, 2019 AT 09.30.

Name of the Member/Proxy
(In Block letters)

Signature of the member/proxy

Note: Please sign & fill this Attendance Slip and hand it over at the Attendance Verification Counter at the Entrance of the Meeting Hall.

The cover features a light blue background with a large, faint white circle in the center. The text 'ANNUAL REPORT' is positioned to the left of this circle. The design is accented with several overlapping geometric shapes in shades of red and dark grey, primarily located in the top-left and bottom-right corners.

ANNUAL REPORT