KRA & CO.
Chartered Accountants
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H -1/208, Garg Tower, Netaji Subhash Place, Pitampura, New Delhi -110034

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
SARVESHWAR FOODS LIMITED**

1. We have audited the accompanying statement of Consolidated Financial Results of **Sarveshwar Foods Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries constitute "the Group") for the half year and the year ended March 31, 2018 ('the Statement'), being submitted by the Holding Company, pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Board of Directors, has been compiled from the related Consolidated Financial Statements which have been prepared in accordance with the Accounting Standards prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Consolidated Financial Statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

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

   We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

KRA & CO. FRIDAY

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor referred to in paragraph 5 below, the Statement:

   a) Includes the results of the following entities;

      i. Sarveshwar Overseas Limited

      ii. Himalayan Bio Organic Foods Private Limited

      iii. Natural Global Foods DMCC

   b) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

   c) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the profit and other financial information of the Group for the half year and year ended 31st March, 2018.

5. We did not audit the financial statement of one subsidiary included in the consolidated financial result, whose annual financial statements reflect total asset of Rs. 37.84 crores as at 31st March 2018 and the total revenue of Rs. 37.36 crores for the year ended 31st March 2018. This financial statement and other financial information have been audited by other auditor whose report have been furnished to us, and our opinion on the annual financial result, to the extent they have been derived from such annual financial statements is based solely on the report of such other auditors. Our opinion is not modified in respect of the above matters.

6. The comparative financial information of the Company for the year ended 31st March, 2017 prepared in accordance with Accounting Standards included in the Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the year ended 31st March, 2017 dated June 06, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)

KRA & CO. CA FRN 020266N

Rajat Goyal
Partner
Membership No.: 503150

Place: Jammu
Date: May 26, 2018

KRA & CO.
Chartered Accountants
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**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
SARVESHWAR FOODS LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **Sarveshwar Foods Limited** ('the Company') for the half year and the year ended March 31, 2018 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Standalone Financial Statements which have been prepared in accordance with the Accounting Standards prescribed under section 133 of the Companies Act 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Standalone Financial Statements.

3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.
   We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us the Statement:

   a) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and

   b) give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the profit and other financial information of the Company for the half year and year ended 31st March, 2018.

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5. The comparative financial information of the Company for the year ended 31st March, 2017 prepared in accordance with Accounting Standards included in the Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the year ended 31st March, 2017 dated June 06, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

For KRA & Co.
Chartered Accountants
(Firm Registration No.020266N)

Rajat Goyal
Partner
Membership No.: 503150

Place: Jammu
Date: May 26, 2018

Audited Financial Results for the Half Year and for the Year ended 31st March, 2018

Particulars	Standalone (INR IN LAKHS)				Consolidated (INR IN LAKHS)			
	Half Year Ended		Year Ended		Six Months Ended		Year Ended	
	31-Mar-18	30-Sep-17	31-Mar-18	31-Mar-17	31-Mar-18	30-Sep-17	31-Mar-18	31-Mar-17
1. Income from Operations								
(a) Net Sales/ Income from Operations	8770.72	12902.98	21673.70	20760.26	22416.58	25710.44	48127.02	41784.52
(b) Other operating income	20.05	106.41	126.46	40.58	62.05	228.44	290.49	204.40
Total income from Operations (Net)	**8790.77**	**13009.39**	**21800.16**	**20800.84**	**22478.63**	**25938.88**	**48417.51**	**41988.92**
2. Expenses								
(a) Cost of Raw Material consumed	4693.94	8577.10	13271.04	10562.60	12147.63	14288.20	26435.83	24211.37
(b) Purchase of Stock-in-Trade	6721.34	4274.70	10996.04	7908.60	12769.27	10580.83	23350.10	18548.87
(c) Changes in inventories of Finished Goods, Work-in-progress and stock-in-trade	-4159.61	-1846.04	-6005.65	-1649.95	-5792.19	-2314.55	-8106.74	-7029.87
(d) Employee benefits expense	105.33	100.64	205.97	248.26	192.60	156.27	348.87	396.85
(e) Depreciation and Amortization expense	51.12	39.57	90.69	90.65	133.41	119.61	253.02	270.57
(f) Finance Cost	335.35	371.48	706.83	819.04	1009.98	1012.56	2022.54	1872.73
(g) Other expenses	555.07	519.24	1074.31	1244.63	1051.18	888.56	1939.74	1955.99
Total Expenses	**8302.54**	**12036.69**	**20339.23**	**19223.83**	**21511.87**	**24731.48**	**46243.35**	**40226.51**
3. Profit/(Loss) from operations before other income and exceptional items (1-2)	**488.23**	**972.70**	**1460.93**	**1577.01**	966.76	**1207.40**	**2174.16**	**1762.41**
4. Profit from ordinary activities before tax and exceptional items (3+4)	**488.23**	**972.70**	**1460.93**	**1577.01**	966.76	**1207.40**	**2174.16**	**1762.41**
5. Profit from ordinary activities after finance costs but before exceptional items	**488.23**	**972.70**	**1460.93**	**1577.01**	966.76	**1207.40**	**2174.16**	**1762.41**
6. Exceptional Items	-	-	-	-		-		-
7. Profit from ordinary activities before tax	**488.23**	**972.70**	**1460.93**	**1577.01**	966.76	**1207.40**	**2174.16**	**1762.41**
8. Tax expense- Income Tax	**60.71**	**338.01**	**398.72**	**424.25**	106.90	**417.09**	**523.99**	**489.33**
Deferred Tax (Asset)/Liability	**7.99**	**-1.31**	**6.68**	**-4.16**	0.25	**-2.63**	**-2.38**	**-7.81**
9. Net profit from ordinary activities after tax	**419.53**	**636.00**	**1055.53**	**1156.92**	859.62	**792.94**	**1652.56**	**1280.89**
10. Extraordinary Items (Net of tax expense)	-	-	-	-		-		-
11. Net profit for the period	**419.53**	**636.00**	**1055.53**	**1156.92**	859.62	**792.94**	**1652.56**	**1280.89**
12. Share of profit of associates	-	-	-	-	-	-	-	-

SARVESHWAR FOODS LIMITED Jammu

13. Minority Interest	-	-	-	-	-	-	1.84	-
14. Net profit after taxes, minority interest and share of profit of associates	**419.53**	**636.00**	**1055.53**	**1156.92**	859.62	**792.94**	**1652.56**	**1280.89**
15. Paid-up equity share capital (Face value of Rs. 10 each)	**2456.72**	**1810.00**	**2456.72**	**1810.00**	**2456.72**	**1810.00**	**2456.72**	**1810.00**
16. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year		**3424.43**		**280.58**	2987.12	**3779.04**	**4633.69**	**2987.12**
17. (i) Earnings per share (before extraordinary items) (of Rs.10/- each)								
(a) Basic	**6.39**	**7.01**	**5.72**	**6.39**		**8.95**		**7.08**
(b) Diluted	**6.39**	**7.01**	**5.72**	**6.39**		**8.95**		**7.08**
18. (ii) Earnings per share (after extraordinary items) (of Rs.10/- each)								
(a) Basic	**6.39**	**7.01**	**5.72**	**6.39**		**8.95**		**7.08**
(b) Diluted	**6.39**	**7.01**	**5.72**	**6.39**		**8.95**		**7.08**

Notes:

1. The Audit Committee and the Board of Directors at its meeting held on **26th of May, 2018** reviewed and approved the Standalone & Consolidated Audited Financial Statements audited by **M/s. K R A & Co**, Chartered Accountants for the Half Year and the year ended 31st of March, 2018.
2. The Consolidated Financial statements have been prepared in accordance with applicable Accounting Standards, based on the Audited Financial Statements of the "**Sarveshwar Foods Limited**" ('the Company') and its subsidiaries i.e **Sarveshwar Overseas Limited, Himalayan Bio Organic Foods Private Limited and Natural Global Foods DMCC.**
3. The Consolidated financial results as given above have been prepared as per Accounting Standard–21 (Consolidated Financial Statements).
4. Based on guiding principles given in AS-17 "Segment Reporting", the business segment has been considered as the primary segment and the geographic segment has been considered as the secondary segment. As the processing and trading of rice is the only business segment, the disclosure requirement for primary business segment is not applicable.

The Company has two geographic segments; domestic and export. Revenue from the geographic segment, based on location of customers is as follows:

Particulars	**Standalone**		**(INR In Lakhs)**	
	Half Year ended on		Year ended on	
	31-Mar-18	30-Sept-17	31-Mar-18	31-Mar-17
Domestic	7738.07	11235.79	19100.03	17537.11
Export	1032.65	1667.19	2699.84	3263.73

Particulars	**Consolidated**			
	Half Year ended on		Year ended on	
	31-Mar-18	30-Sept-17	31-Mar-18	31-Mar-17
Domestic	20675.66	23666.35	44632.51	37611.31
Export	1740.92	2044.09	3785.00	4377.61

SARVESHWAR FOODS LIMITED Jammu

The Company does not hold any fixed assets outside India. Hence, no disclosure has been made for segment assets.

5. The Equity Shares of the company were listed on Emerge Platform of National Stock Exchange of India Limited (NSE Emerge) w.e.f. 15/03/2018. Pursuant to Initial Public offering (IPO), 64,67,200 Equity Shares of Face Value of Rs 10/- each were allotted at a premium of Rs. 75/- per share. The details of utilization of IPO proceeds are as follows:

Objects of the Issue	**Amount (In Lakhs)**	**Utilised upto 31/03/2018**	**Pending Utilisation**
Part Finance of Long term working Capital	3000.00	1000.00	2000.00
Investment in our subsidiary Himalayan Bio Organics Pvt. Limited	1500.00	-	1500.00
General Corporate Purpose	392.10	-	392.10
Issue Expenses	605.00	502.78	102.22
Total	**5497.10**	**1502.78**	**3994.32**

6. IPO related expenses aggregating to Rs. 502.78 Lacs incurred during the financial year 2017-18 have been adjusted against Securities Premium Account.

7. The Financial Results for the half year ended 31st March, 2018 is the balancing figure between audited result in respect of full financial year and published year to date figure of half year ended 30th September, 2017.

8. The Financial Result for the Half Year and year ended March 31, 2018 is being prepared in accordance with the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles generally accepted in India.

9. The Equity Shares of the company being listed w.e.f. 15/03/2018, so the corresponding figures for half year ended 31/03/2017 are not provided as they are not available.

10. The unutilized amount of IPO proceeds will be utilized in the current financial year.

11. Figures of the previous year/period have been regrouped/ rearranged wherever considered necessary.

For and on behalf of the Board of Directors

Place: Jammu
Dated: 26/05/2018

ROHIT GUPTA
MANAGING DIRECTOR
DIN: 02715232

SARVESHWAR FOODS LIMITED
Jammu

Audited Standalone & Consolidated Statement of Assets & Liabilities

(INR In Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		As at 31-March -18	As at 31-March -17	As at 31-March -18	As at 31-March -17
A	**EQUITY AND LIABILITIES**				
1.	**Shareholders' Funds**				
	(a) Share Capital	2456.72	1810.00	4656.72	4010.00
	(b) Reserves & Surplus	8191.23	2788.43	8981.31	2987.12
	(c) Money received against share warrants	-	-	-	-
	Sub Total: Shareholders Funds	**10647.95**	**4598.43**	**13638.03**	**6997.12**
2.	**Share Application Money Pending Allotment**	-	-	-	-
3.	**Minority Interest***	-	-	18.77	16.93
4.	**Non Current Liabilities**				
	(a) Long-term borrowings	-	14.67	101.88	559.69
	(b) Deferred tax Liability (net)	-	-	-	-
	(c) Other Long term liabilities	10.50	96.13		
	(d) Long-term provisions	-	-	-	-
	Sub Total: Non-Current Liabilities	**10.50**	**110.80**	**101.88**	**559.69**
5.	**Current liabilities**				
	(a) Short Term Borrowings	6018.44	7411.28	17811.58	17537.34
	(b) Trade payables	2387.31	3065.61	9669.32	6270.44
	(c) Other current liabilities	205.26	228.32	710.50	935.21
	(d) Short-term provisions	43.72	159.13	118.99	184.79
	Sub Total: Current Liabilities	**8654.73**	**10874.35**	**28310.39**	**24927.78**
	TOTAL-EQUITY & LIABILITIES	**19313.17**	**15583.57**	**42069.07**	**32501.52**

SARVESHWAR FOODS LIMITED
Jammu

(INR In Lakhs)

Sr. No.	Particulars	Standalone		Consolidated	
		As at 31-March -18	As at 31-March -17	As at 31-March -18	As at 31-March -17
B	**ASSETS**				
1.	**Non Current assets**				
	(a) Fixed assets	-	-	-	-
	(i)Tangible assets	455.53	514.91	2366.87	2512.63
	(ii) Intangible assets	-	-	-	-
	(iii) Capital Work in Progress	-	9.90	-	9.90
	(iii) Goodwill on Consolidation*	-	-	-	-
	(b) Non-current investments	-	-	-	-
	(c) Deferred tax Asset (net)	10.62	17.30	32.61	30.23
	(d) Long-term loans and advances	-	-	-	-
	(e) Other non-current assets	1498.71	1857.61	-	820.00
	Sub Total: Non-Current Assets	**1964.86**	**2399.72**	**2399.48**	**3372.76**
2.	**Current assets**				
	(a) Current investments	-	-	-	-
	(b) Inventories	12312.49	9191.38	27988.91	22371.06
	(c) Trade receivables	3219.24	3920.25	9753.12	6595.65
	(d) Cash and bank balances	1617.30	17.86	1648.54	23.86
	(e) Short-term loans and advances	-	-	-	-
	(f) Other current assets	199.29	54.37	279.01	138.19
	Sub Total: Current Assets	**17348.31**	**13183.85**	**39669.58**	**29128.76**
	TOTAL-ASSETS	**19313.17**	**15583.57**	**42069.07**	**32501.52**

SARVESHWAR FOODS LIMITED
Jammu