

B. S. MEHTA & CO.
CHARTERED ACCOUNTANTS

Bansi S. Mehta
(Chief Mentor)

D.I.SHAH **Y.A.THAR**
A.A.DESAI **P.H.CLERK**
K.R.GANDHI (Ms.) **R.G.DOSHI**
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Independent Auditor's Report on Quarterly Financial Results and Year to Date Financial Results of Foods and Inns Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Directors
of Foods and Inns Limited**

1. We have audited the accompanying Statement of Consolidated Financial Results of FOODS AND INNS LIMITED ("the Company") and its subsidiary and its associates (the Company and its subsidiary and its associates together referred to as "the Group") and the Standalone Financial Results of the Company for the quarter and year ended March 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements of the Group and the standalone financial statements of the Company which is in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountant 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 judgement, including the assessment of the risks of material misstatement in the accompanying 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. We did not audit the financial statements of the subsidiary and associates included in the consolidated financial results, whose financial statements reflect total assets of ₹ 1977.69 Lacs as at March 31, 2016, total revenue of ₹ 2585.31 Lacs for the year ended March 31, 2016, and the total profit after tax of ₹ (22.24) Lacs for the year ended March 31, 2016, as considered in the consolidated financial results. These financial statements have been



audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the Statement:
- a. in the case of the consolidated financial results of the Group, includes the results for the year ended March 31, 2016 of the entities listed in Note 7 to the Statement:
 - b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India –
 - i. in the case of the consolidated financial results of the Group, of the net profit and other financial information of the Group for the year ended March 31, 2016.
 - ii. in the case of the standalone financial results of the Company, of the net profit and other financial information of the Company for the year ended March 31, 2016.
5. In the Statement, the figures for the quarter ended March 31, 2016 and March 31, 2015 as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures upto the end of the third quarter had only been subject to limited review by us and not had been subject to audit.

Emphasis of matter

As regards Consolidated Financial Results, we draw attention to the fact that the preparation of the results of Finns Frozen Foods (I) Limited ("Finns"), the Company's associate, is on a going concern basis despite the erosion in its net worth. The appropriateness of the going concern assumption in the associate is dependent on the said associate's ability to establish consistent profitable operations as well as raising adequate finance to meet its short term and long term obligations. Based on the mitigating factors, as per the management of the associate, it is believed that the going concern assumption is appropriate and no adjustment is required in the financial results for the year ended March 31, 2016.

For **B. S. MEHTA & CO.**
Chartered Accountants
Firm Registration No. 106190W



A handwritten signature in black ink, appearing to be "P.H. Clerk", written over a horizontal line.

PARESH H. CLERK
Partner
Membership No. 36148

Place : Mumbai

Date : 30th May, 2016.

FOODS AND INNS LIMITED

CRN:L55200MH1967PLC013837

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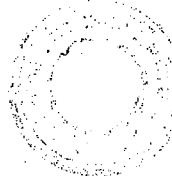
STATEMENT OF AUDITED RESULTS FOR QUARTER AND YEAR ENDED MARCH 31, 2016

(In Lacs)

Particulars	STANDALONE				CONSOLIDATED			
	Quarter ended		Year ended		Year ended			
	March 31, 2016 (Audited) Refer Note B	December 31, 2015 (Unaudited)	March 31, 2015 (Audited) Refer Note B	March 31, 2016 (Audited)	March 31, 2015 (Audited)	March 31, 2016 (Audited)		
1	Income from Operations							
a	Net Sales / Income from Operations (Net of Excise duty)	8,742.28	8,126.31	7,771.06	32,285.11	34,516.75	32,285.10	34,516.76
b	Other Operating Income	297.57	318.99	344.23	1,263.80	1,392.02	1,263.80	1,392.02
	Total Income from Operations (Net)	9,039.85	8,445.30	8,115.29	33,548.91	35,908.78	33,548.90	35,908.78
2	Expenses							
a	Cost of Materials Consumed	692.08	855.30	2,023.33	23,884.29	19,603.55	23,884.29	19,603.55
b	Purchase of Stock-in-Trade	(16.50)	381.90	79.89	1,330.90	2,216.10	1,330.90	2,216.10
c	Changes in Inventories of finished goods and Stock-in-Trade	6,211.65	5,062.63	3,553.34	(3,111.92)	1,577.18	(3,111.92)	1,577.18
d	Employee Benefits Expense	362.33	471.01	319.30	1,644.14	1,282.20	1,644.14	1,282.20
e	Depreciation, Amortisation and Impairment Expenses	208.04	193.94	471.17	800.58	1,058.85	800.58	1,058.85
f	Other Expenses							
	i. Processing Charges	22.31	209.94	96.21	1,282.71	693.97	1,282.71	693.97
	ii. Stores and Repairs Expenses	49.05	20.62	35.27	348.58	370.73	348.58	370.73
	iii. Freight Expenses	305.88	302.51	384.16	1,284.31	1,716.23	1,284.31	1,716.23
	iv. Power and Fuel Expenses	159.79	101.77	196.27	867.16	991.86	867.16	991.85
	v. Realised Exchange Gain (Net)							
	Realised Loss / (Gain)	165.41	-	-	135.71	-	135.71	-
	Unrealised Loss / (Gain)	(130.01)	-	-	116.95	-	116.95	-
		35.40	-	-	252.67	-	252.67	-
	vi. Others	509.29	517.75	998.75	2,825.85	3,047.50	2,831.72	3,055.68
	Total Expenses	8,589.93	8,117.97	8,157.99	31,409.25	32,558.56	31,415.84	32,566.33
3	Profit / (Loss) from operations before other income, Finance Costs and Exceptional Items (1-2)							
		500.51	327.93	(42.42)	2,139.65	3,350.62	2,133.76	3,342.43
4	Other Income							
	i. Realised Exchange Gain (Net)							
	Realised (Loss) / Gain	-	(91.97)	218.45	-	218.45	-	218.45
	Unrealised (Loss) / Gain	-	98.47	246.46	-	(188.59)	-	(188.59)
		-	6.50	464.91	-	29.86	-	29.86
	ii. Others	103.59	87.72	100.28	378.61	408.43	378.61	395.63
	Total Income	108.59	94.21	565.19	378.61	438.29	378.61	435.43
5	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items (3 + 4)							
		604.11	422.15	522.77	2,518.27	3,788.93	2,512.37	3,777.83
6	Finance Costs							
		566.26	361.38	652.98	1,970.36	2,219.11	1,970.36	2,219.26
7	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional Items (5 - 6)							
		37.85	60.78	(130.21)	547.90	1,569.82	542.01	1,558.57
8	Exceptional Items							
		-	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before tax (7-8)							
		37.85	60.78	(130.21)	547.90	1,569.82	542.01	1,558.57
10	Tax Expense							
		115.09	70.17	(174.81)	486.42	299.45	486.42	299.45
11	Net Profit / (Loss) from ordinary activities after tax (9-10)							
		(77.23)	(9.40)	44.60	61.48	1,270.37	55.59	1,249.22
12	Paid-up Equity Share Capital (Face value of ` 10 each)							
		145.10	145.10	145.10	145.10	145.10	145.10	145.10
13	Reserve excluding Revaluation Reserves (As per balance sheet of previous accounting year)							
					4,241.91	4,201.69	4,054.40	4,014.99
14	Basic and Diluted Earnings per share of ` 10 each (not annualised) in `							
		(5.32)	(0.65)	3.07	4.24	87.55	3.83	86.09



May 30, 2016
at Mumbai



Milind Lal

Notes:

1. Statement of Assets and Liabilities as required under Clause 41(ea) of the Listing Agreement:

in Lacs

Particulars	STANDALONE		CONSOLIDATED	
	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)	As at March 31, 2016 (Audited)	As at March 31, 2015 (Audited)
A. EQUITY AND LIABILITIES				
1. Shareholders' Funds				
a. Share Capital	145.10	145.10	145.10	145.10
b. Reserves and Surplus	5,159.34	5,142.63	4,971.82	4,955.93
Sub-total - Shareholders' Fund	5,304.44	5,287.73	5,116.92	5,101.03
2. Non-Current Liabilities				
a. Long-term Borrowings	706.79	984.91	707.28	965.53
b. Deferred Tax Liabilities (Net)	822.07	492.07	822.07	492.07
c. Long-term Provisions	129.37	101.12	129.37	101.12
Sub-total - Non-Current Liabilities	1,658.24	1,558.11	1,658.73	1,558.73
3. Current Liabilities				
a. Short-term Borrowings	18,766.33	13,718.00	18,766.33	13,718.00
b. Trade Payables	2,700.68	4,292.69	2,700.68	4,292.69
c. Other Current Liabilities	2,114.69	2,983.03	2,115.62	2,983.03
d. Short-term Provisions	217.46	296.40	217.46	296.40
Sub-total - Current Liabilities	23,799.15	21,290.12	23,800.10	21,290.12
TOTAL - EQUITY AND LIABILITIES	30,761.83	28,135.96	30,575.75	27,949.88
B. ASSETS				
1. Non-current Assets				
a. Fixed Assets	10,749.29	10,461.57	10,749.29	10,461.57
b. Non-current Investments	201.86	201.99	21.13	16.23
c. Long-term Loans and Advances	1,041.59	1,121.60	1,085.73	1,120.66
d. Other Non-current Assets	-	-	-	-
Sub-total - Non-current Assets	11,992.74	11,785.16	11,896.16	11,598.46
2. Current Assets				
a. Current Investments	1.46	9.39	1.46	9.39
b. Inventories	11,413.69	9,629.46	11,413.69	9,629.46
c. Trade Receivables	4,573.48	3,471.74	4,573.48	3,471.74
d. Cash and Cash Equivalents	880.16	876.69	880.65	877.32
e. Short-term Loans and Advances	1,303.12	1,809.74	1,303.12	1,809.74
f. Other Current Assets	597.18	553.78	597.18	553.78
Sub-total - Current Assets	18,769.09	16,350.80	18,769.59	16,351.43
TOTAL - ASSETS	30,761.83	28,135.96	30,575.75	27,949.88

2. The Board of Directors have recommended Dividend of ₹ 2.50 per share for the year ended March 31, 2016.
3. The above results have been audited by the Statutory Auditors of the Company, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 28, 2016.
4. The Company is engaged in only one primary business segment, i.e. "Food Products". The breakup of revenue by secondary segment i.e. geographical segment is as shown below:

in Lacs

Segment Revenue	Quarter ended			Year ended	
	March 31, 2016	December 31, 2015	March 31, 2015	Year Ended March 31, 2016	Year Ended March 31, 2015
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
Within India	3,635.50	2,625.47	3,268.54	11,097.95	11,232.86
Outside India	5,662.59	5,985.83	5,571.77	13,270.07	22,970.05
	9,298.09	8,611.30	8,840.31	34,368.02	36,202.91

5. Tax expense relating to prior period:
For the quarter and year ended March 31, 2016 includes ₹ 145.95 Lacs and ₹ 338.31 Lacs, respectively.
For the quarter ended December 31, 2015 ₹ 62.80 Lacs;
6. Employee Benefits Expense for the year ended March 31, 2016 and quarter ended March 31, 2016 includes ₹ 105.57 Lacs and ₹ 7.99 Lacs towards one time settlement of workers of Chembur factory.
7. The consolidated financial results include the figures of the following entities:
a) Wholly owned subsidiary:
i. FNI Asia PTE Limited.
b) Associates:
i. Finns Frozen Foods (India) Limited
ii. Asim Exports International Limited
iii. Dravya Finance Limited
8. The figures for the quarter ended March 31, 2016 and March 31, 2015 are balancing figures between the audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year. Also, the figures upto the end of the third quarter were subjected to limited review and not subjected to audit.
9. Figures for the previous periods have been regrouped and reclassified, wherever necessary.

Place: London
Date: May 28, 2016



May 30, 2016
Mumbai

By order of the Board
For FOODS AND INNS LIMITED

MILAN DASA
Director
DIN:00062453