



**FOODS AND INNS LIMITED**

**44<sup>th</sup> Annual Report  
2015 - 16**

## Corporate Information

### Board of Directors

<b>Mr. Bhupendra Dalal</b>	Chairman
<b>Mr. Utsav Dhupelia</b>	Managing Director
<b>Mr. Milan Dalal</b>	Non Executive Director
<b>Mr. Raymond Simkins</b>	Non Executive Director
<b>Mr. Dadi Engineer</b>	Non Executive, Independent Director (ceased (expired) 30.5.2016)
<b>Mr. Dinkarray Trivedi</b>	Non Executive, Independent Director
<b>Mr. Divakar Gavaskar</b>	Non Executive, Independent Director (ceased w.e.f 18.11.2015)
<b>Mr. Vinod Kumar Beswal</b>	Non Executive, Independent Director
<b>Mrs. Kamlini Maniar</b>	Non Executive, Independent Director

### Chief Executive Officer

**Mr. Moloy Saha** (w.e.f 18.3.2016)

### Registrars & Transfer Agents

#### **Link Intime India Pvt. Ltd**

C-13, Pannalal Silk Mills Compound  
L.B.S Marg, Bhandup (W) Mumbai 400 078

### Registered Office

Sion Trombay Road,  
Punjabwadi, Deonar, Mumbai 400 088

### Principal Bankers

**Andhra Bank**  
**Bank of India**  
**State Bank of India**  
**Bank of Maharashtra**  
**Export Import Bank of India**  
**Corporation Bank**

### Statutory Auditors

**M/s. B.S. Mehta & Co**  
Chartered Accountants

### Secretarial Auditor

**Mr. J.Y. Gupte**  
Practising Company Secretary

### Listed At

**Bombay Stock Exchange Limited**

### Corporate Office

224, Dulwich Mansion, 3<sup>rd</sup> Floor,  
Tardeo, Mumbai 400 007  
Tel: 022-23533103/04  
Fax: 022-23533105/06  
Website: [www.foodsandinns.com](http://www.foodsandinns.com)  
Email: [writetous@foodsandinns.com](mailto:writetous@foodsandinns.com)  
**CIN:L55200MH1967PLC013837**

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### **ANNUAL GENERAL MEETING**

Date : Thursday September 08, 2016 Time: 4.30 p.m  
Venue : Sir Vithaldas Chambers, 6<sup>th</sup> Floor, 16 Mumbai Samachar Marg, Fort, Mumbai 400 001.



## NOTICE

Notice is hereby given that the 44<sup>th</sup> Annual General Meeting (AGM) of the Members of Foods and Inns Limited will be held on Thursday September 08, 2016, at 4.30 p.m. at Sir Vithaldas Chambers, 6<sup>th</sup> Floor, 16, Mumbai Samachar Marg, Fort, Mumbai 400 001 to transact the following business:

### Ordinary Business:

#### Item No 1- Adoption of Financial Statements

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

**“RESOLVED THAT** the Company to consider and approve the Audited Financial Statements of the Company on standalone and consolidated basis for the Financial Year ended March 31, 2016, together with the Reports of the Directors and Auditors thereon.”

#### Item No 2- Declaration of Dividend

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

**“RESOLVED THAT** the Company to declare final dividend of ₹ 2.50 per equity shares for the year ended 31<sup>st</sup> March, 2016.”

#### Item No 3- Appointment of Mr. Raymond Simkins as a director liable to retire by rotation

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

**“RESOLVED THAT** the Company to re-appoint Mr. Raymond Simkins (DIN: 01573312), who retires by rotation and is eligible, as the Director of the Company.”

#### Item No 4- Appointment of auditors

To Consider and if thought fit, to pass with or without modification(s) the following resolution as Ordinary Resolution:

To ratify the appointment of the auditors of the company

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of M/s B.S.Mehta & Co, Chartered Accountants, (Firm registration No 106190W), as auditors of the Company to hold office from the conclusion of the Forty Fourth Annual General Meeting till the conclusion of Forty Fifth Annual General meeting to be held in 2017 to examine and audit the accounts of the Company for the financial year 2016-17 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### Special Business:

#### Item No - 5: Preferential issue of Equity Shares

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1) (c), Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (“the Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations”), relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Uniform Listing Agreements entered into by the Company with the Stock exchange where the shares of the Company are listed and subject to the requisite approvals, permissions or consents, if any, of the Central Governments, Reserve Bank of India, Stock Exchanges, SEBI, banks, financial institutions, and any other appropriate authorities under any other applicable laws, rules and regulations in force for the time being and from time to time (“Concerned Authorities”) in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company(hereinafter referred to as “the Board” which expression shall include any committee constituted by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to the consent and approval of the Member of Company be and is hereby accorded to the Board to create, offer, issue and allot an aggregate of 1,50,000 equity shares (the “Equity Shares”), for cash, at a price of ₹ 720/- (Rupees Seven Hundred Twenty only) per equity share with a premium of ₹ 710/- (Rupees Seven Hundred Ten Only per equity share) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, to persons other than promoter and promoter group i.e. Daksha Jayeshbhai Thakker, Bhairavi Paresh Thakker, Paresh Tahkarshi Thakkar, Reena Aggarwal, Daulat Ram (HUF), Kailash Jain & Sons (HUF), Goutam Jain & Sons (HUF), Deep Chand Raghunathmal (HUF), Purnimaben Avatinath Thakkar and Avatinath Chaturbhai Thakkar (collectively referred to as “Strategic Investors”) through a preferential issue , in accordance with the

provisions of Chapter VII of the SEBI ICDR Regulations, at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this regards. The details of Strategic Investors are as under:

Sr. No.	Name of Strategic Investors	Address	PAN No.	No. of Equity Shares to be allotted
1	Daksha Jayeshbhai Thakker	B/901 Runwal Tower, LBS Marg , opp Veena Nagar, Mulund West Mumbai 400080	AAAPT2506N	25000
2	Bhairavi Paresh Thakker	503, Sunflower Apt, Opp Rajawadi Garden, Rajawadi, Ghatkopar (E) Mumbai 400077	ABBPT1455C	17500
3	Paresh Tahkarshi Thakkar	503, Sunflower Apt, Opp Rajawadi Garden, Rajawadi, Ghatkopar (E) Mumbai 400077	AACPT4013G	7500
4.	Reena Aggarwal	297, SFS,PH-4, Ashok Vihar , Delhi-110052	AFLPA6343L	10000
5.	Daulat Ram (HUF)	297, SFS,PH-4, Ashok Vihar , Delhi-110052	AADHD5555J	10000
6.	Kailash Jain & Sons (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AADHK4719B	10000
7.	Goutam Jain & Sons (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AAEHG0408A	10000
8.	Deep Chand Raghunathmal (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AACHD1347K	10000
9	Purnimaben Avatinath Thakkar	F/1004, Avasari Tower, Near Wide Angel Cinema, Satellite, Ahmedabad 380015	ABIPT7625F	25000
10	Avantinath Chaturbhai Thakkar	F/1004, Avasari Tower, Near Wide Angel Cinema, Satellite, Ahmedabad 380015	AAVPT7977N	25000
<b>Total</b>				<b>1,50,000</b>

**“RESOLVED FURTHER THAT** the relevant date for the purpose of determination of the issue price of Equity Shares, under chapter VII of SEBI ICDR Regulations be fixed as August 9, 2016 being 30 days prior to the date of Annual General Meeting.

**“RESOLVED FURTHER THAT** since the equity shares of the Company are not frequently traded, the price determined by the Company shall take into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of equity shares of the Company as specified under chapter VII of the SEBI ICDR Regulations.”

**“RESOLVED FURTHER THAT** the equity shares to be allotted shall be in dematerialised form and the Equity Shares to be offered, issued and allotted through the preferential issue shall rank pari passu with the existing equity shares of the Company in all respects, including but not limited to dividend, subject to lock-in as per requirements of SEBI ICDR Regulations and shall be subject to the provisions of the Memorandum and the Articles of the Company.”

**“RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted shall be subject to lock-in, for a period of one (1) year from the date of trading approval granted as specified in accordance with the regulation 78 of Chapter VII of SEBI ICDR Regulations.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitations, to issue and allot Equity Shares, issuing certificates/ clarifications, effecting any modifications or changes to the foregoing (including modifications to the terms of the issue), entering into contract, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubt that may arise in regard to the offer, issue and allotment of the Equity Shares and utilization of proceeds of the Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decision of the Board shall be final, binding and conclusive in all respects.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director(s) or to any committee of Directors or any other officer(s) of the Company or any other person as the Board may at its absolute discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings etc as may be necessary to give effects to the aforesaid resolution.”

#### **Item No – 6: Preferential issue of Warrants convertible into fully paid-up equity shares**

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(c), Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (“Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)

Regulations, 2009 ("SEBI ICDR Regulations"), relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Uniform Listing Agreements entered into by the Company with the Stock Exchange where the shares of the Company are listed and subject to the requisite approvals, permissions or consents, if any, of the Central Governments, Reserve Bank of India, Stock Exchanges, SEBI, banks, financial institutions, and any other appropriate authorities under any other applicable laws, rules and regulations in force for the time being and from time to time ("Concerned Authorities") in this regard and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of the Concerned Authorities while granting such approvals, permissions or consent as may be necessary or which may be agreed to, by the Board of Directors of the Company (hereinafter referred to as "the Board" which expression shall include any committee constituted by the Board to exercise the powers conferred on the Board by this Resolution) and subject to such terms, conditions and modifications as the Board may in its discretion impose or agree to the consent and approval of the Member of the Company be and is hereby accorded to the Board to create, offer, issue and allot an aggregate of 72,000 fully convertible warrants ("Warrants"), convertible into equity shares of face value of ₹ 10/- each of the Company, at any time within 18 months from the date of allotment of the Warrants, for cash, at an exercise price of ₹ 720/- (Rupees Seven Hundred Twenty only) per Warrant (including premium) aggregating upto ₹ 710/- (Rupees Seven Hundred Ten Only) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, to following persons belonging to promoter and promoter group of the Company i.e. Mr. Milan Dalal and Mr. Utsav Dhupelia (collectively referred to as "Allottees") through preferential issue, in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this regards. Each Warrant shall be convertible into 1 (one) equity share of nominal value of ₹ 10/- each. The details of Allottees are as under:

Sr. No.	Name of Proposed Allottees	Address	PAN No.	Number of Warrants to be allotted
1	Mr. Milan Dalal	42, Chitrakoot, Altamount Road, Mumbai 400 026	AAUPD0935H	36,000
2	Mr. Utsav Dhupelia	13 Ocean view Annexe, 100 Bhulabhai Desai Road, Mumbai 400 026	AABPD8798H	36,000
<b>Total</b>				<b>72,000</b>

Without prejudice to the generality of the above, the aforesaid issue of warrants shall be on the following terms:

1. An amount equivalent to 25% of the issue price of the Warrants shall be payable at the time of subscription and allotment of Warrant. The balance 75% of the Issue price shall be payable by the Allottees upon exercise of the entitlement attached to warrant(s) to subscribe for Equity share(s). The amount paid against Warrants shall be adjusted/ set off against the Issue Price of the resultant equity shares.
2. If the entitlement against Warrants to apply for the equity shares is not exercised within eighteen months from the date of issue of Warrants, the entitlement of the Allottees to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrant shall stand forfeited by the issue.
- 3.. The Allottees shall also be entitled to any future issue of bonus/ rights, if any, of equity shares or warrants convertible into equity shares or such other securities by the Company, in the same proportion and manner as any other Members of the Company for the time being and the Company shall reserve proportion of such entitlement for Allottees.

**"RESOLVED FURTHER THAT** the relevant date for the purpose of determination of the issue price of securities, under chapter VII of SEBI ICDR Regulations be fixed as August 9, 2016 being 30 days prior to the date of Annual General Meeting..

**"RESOLVED FURTHER THAT** since the equity shares of the Company are not frequently traded, the price determined by the Company shall take into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of equity shares of our Company as specified under chapter VII of the SEBI ICDR Regulations."

**"RESOLVED FURTHER THAT** the equity shares to be allotted pursuant to conversion of Warrants shall be in dematerialised form and the equity to be issued upon exercise of option by warrants holders shall rank pari passu with the existing equity shares of the Company in all respects, including but not limited to dividend. Further, they shall be subject to the provisions of the Memorandum and the Articles of the Company.

**"RESOLVED FURTHER THAT** the Warrants to be issued and allotted to the Allottees shall be subject to lock-in, for a period of three years from the date of trading approval granted for equity shares allotted pursuant to exercise of the option attached to the Warrants as specified in regulation 78 of Chapter VII of SEBI ICDR Regulations."

**"RESOLVED FURTHER THAT** the entire pre-issue shareholding of Allottees shall be under lock in from the relevant date up to a period of six months from the date of trading approval."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitations, to issue and allot equity shares upon exercise of the entitlement attached to Warrants, issuing certificates/ clarifications, effecting any modifications or changes to the foregoing (including modifications to the terms of the issue), entering into contract, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), in

connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any fresh approval of the shareholders of the Company and to settle all questions, difficulties or doubt that may arise in regard to the offer, issue and allotment of the Warrants and utilization of proceeds of the Warrants, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and that the decision of the Board shall be final, binding and conclusive in all respects.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred by above resolutions to any Director(s) or to any committee of Directors or any other officer(s) of the Company or any other person as the Board may at its absolute discretion deem appropriate, to do all such acts, deeds, matters and things as also to execute such documents, writings etc as may be necessary to give effects to the aforesaid resolution.”

#### Item No 7- Commission to Non Executive Directors

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 149(9), 197 and other applicable provisions, if any of the Companies Act, 2013 (the “Act”) and the rules thereunder (including any statutory modifications or re- enactment thereof, for the time being in force), a profit related commission of a sum not exceeding in aggregate one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, be paid to and distributed amongst any or all of the Directors of the Company other than Managing Director / Joint Managing Director/ Whole Time Director(s) of the Company, but including the independent Directors of the Company in such amounts or proportions and in such manner and in all respects as may be approved by the Board of Directors, for a period of five financial years commencing from 01-04-2016.

**“RESOLVED FURTHER THAT** no such commission will be paid where there are no profits for any financial year or where company suffers loss in any financial year during the said period of five years.

By order of the Board of Directors  
For **Foods and Inns Limited**

Mumbai, July 28, 2016

#### Registered Office:

Foods and Inns Building  
Sion-Trombay Road  
Punjabwadi, Deonar  
Mumbai – 400 088

**Bhupendra Dalal**  
Chairman

#### NOTES:

- A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the Meeting.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company. However, 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 shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith.
- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies Lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business to be transacted at the Annual General Meeting is annexed hereto.
- In respect of Resolution at Item No 3, a statement giving additional information on the Director seeking re-appointment is provided below as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	<b>Mr. Raymond Simkins</b>
Date of Birth & Age	03-06-1943 (72 years)
Appointed on	09-08-1995
Qualifications	M.E.
Expertise/ Experience	Commercial, Marketing Operations and International business
Shareholding	175820

The other Directorships / Committee Membership of Mr. Raymond Simkins are as follows:

Name of the Company	Committee Membership	Board Membership
Muller & Phipps (India) Limited	N.A	Director
Finns Frozen Foods (India) Limited	N.A	Director



Getz Pharma Private Limited	N.A	Director
Getz Pharma Research Private Limited	N.A	Director

5. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday September 5, 2016 to Thursday September 8, 2016 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company in advance, a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote on their behalf the Annual General meeting.
7. Members, Proxies and authorised representatives are requested to bring their attendance slip, duly filled in, for attending the meeting. Copies of the Attendance Slips will not be distributed at the Meeting. In case of joint holders attending the Meeting, the members whose names appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
8. Only registered members of the Company or any proxy appointed by such registered member, as on the cut-off date decided for the purpose, being Friday September 2, 2016, may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company/ RTA for assistance in this regard.
10. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
11. SEBI Regulations has mandated companies to credit the dividends electronically to the Member's bank account. Members who hold shares in dematerialized form should inform their depository Participants (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.

In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including financial statements, Board report, etc by electronic mode. The Company is accordingly forwarding soft copies of the notice of Annual General Meeting and Attendance Slip to all those members, who have registered their e-mail ids with their respective depository participants or with the share transfer agent of the Company. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may also note that the aforesaid documents are also available on the Company's website [www.foodsandinns.com](http://www.foodsandinns.com) for download.

12. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Further, members who have casted their vote electronically shall not vote by way of poll, if held at the meeting. To provide an opportunity to vote at the meeting to the shareholders, who have not exercised the remote e-voting facility, shall be provided polling papers before the commencement of the meeting. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only.
13. 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 their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their pan to the Company/ RTA.
14. Kindly note that as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, (hereinafter referred to as 'Listing Regulations') it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to update/ register your correct bank account details with the Company/ RTA/ Depository participant as the case may be.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Notices, Circulars, etc. from the Company electronically.
16. A Route map showing directions to reach the venue of the 44th AGM is given at the end of this Notice as per the requirements of the Secretarial Standards-2 on "General Meeting".
17. Members wishing to claim dividend, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agents. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.

**18. Voting through Electronic means:**

- (i) In compliance with provisions of Section 108 of the Companies Act, 2013, and the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of SEBI Listing Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to exercise votes on the items of the business given in the Notice through electronic voting system, to Members holding shares on Friday September 2, 2016 (end of day), being the Cut-off date for the purpose of Rule 20 (4) (vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by the National Securities Depository Limited (NSDL) or to vote at the Annual General Meeting. Person who is not a member as on the cut-off date should treat this Notice for information purpose only. Those Members, who do not wish to use the remote e-voting facility, the Company is enclosing a Ballot Form.
- (ii) The remote e-voting period will commence at 10.00 am on Monday September 5, 2016 and will end at 5.00 pm on Wednesday September 7, 2016.
- (iii) The Company has appointed Mr. J.Y. Gupte, Practising Company Secretary (ACS No 4539, CP No 3589), to act as the Scrutinizer, to scrutinize the entire remote e-voting process in a fair and transparent manner.

**The instructions for remote E-Voting are as under:****(A) For members who receive notice of Annual General Meeting through e-mail**

- (a) Those members whose valid e-mail IDs are registered with the Company/ Depository Participant(s) will receive an e-mail from NSDL.
- (b) Open e-mail and open PDF file viz; "F&I E-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (c) Launch internet browser by typing the following URL: <http://www.evoting.nsdl.com>
- (d) Click on "Shareholders-Login"
- (e) Put user ID and password as initial password noted in step (i) above. Click "Login"
- (f) "Password change" menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (g) Home page of "e-voting" opens. Click on "e-voting: Active E-voting Cycles"
- (h) Select "EVEN" (Electronic Voting Event Number) of Foods and Inns Limited
- (i) Now you are ready for e-voting as "Cast Vote" page opens.
- (j) Cast your vote by selecting appropriate option and click on "Submit" and also click on "Confirm" when prompted.
- (k) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (l) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (m) For the votes to be considered valid, the corporate and institutional shareholders (companies, trust, societies etc) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution / Appropriate Authorization etc. together with attested specimen signature of the duly authorised signatory(ies), to the Scrutinizer through e-mail at [rjg62000@yahoo.com](mailto:rjg62000@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**(B) For members who receive the notice of Annual General Meeting in physical form:**

- (a) User ID and initial password is provided as per the format given in the Attendance Slip of the Annual General Meeting:
- (b) Please follow all steps from Sl. No (A)(b) to (A)(m) above, to cast your vote.

**(C) Voting facility at Annual General Meeting**

- (a) In addition to the remote e voting facility as described above, the Company shall make voting facility available at the venue of the annual general meeting through ballot forms and members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.
- (b) Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.



#### (D) General Instructions

- (a) If you forget your password, you can reset your password by using 'Forget User Details/ Password' option available on <http://www.evoting.nsdl.com>
- (b) Any person, who acquired shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e September 2, 2016 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [santosh.jaiswal@linkintime.co.in](mailto:santosh.jaiswal@linkintime.co.in).
- (c) The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unlock the votes in the presence of atleast two (2) witnesses, not in the employment of the company and make, not later than three (3) days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
- (d) The Scrutinizer shall submit his report to the Chairman, who shall declare the results of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website [www.foodsandinns.com](http://www.foodsandinns.com) and on the website of NSDL and shall also be communicated to the Stock Exchange. The resolution shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on Thursday September 8, 2016.

#### EXPLANATORY STATEMENT (Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items 5-7 of the accompanying notice.

#### For Item No 5. & Item No. 6

The Board of Directors of the Company at its meeting held on Thursday July 28, 2016 approved the proposal to create, offer, issue and allot an aggregate of 1,50,000 equity shares ("the Equity Shares") for cash, at a price of ₹ 720/- (Rupees Seven Hundred Twenty only) per equity share (with a premium of ₹ 710/- (Rupees Seven Hundred Ten Only) per equity share) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations to persons other than promoter and promoter group i.e. Daksha Jayeshbhai Thakker, Bhairavi Paresh Thakker, Paresh Tahkarshi Thakkar, Reena Aggarwal, Daulat Ram (HUF), Kailash Jain & Sons (HUF), Goutam Jain & Sons (HUF), Deep Chand Raghunathmal (HUF), Purnimaben Avatinath Thakkar and Avatinath Chaturbhai Thakkar (collectively referred to as "Strategic Investors") and an aggregate of 72,000 fully convertible warrants ("Warrants"), convertible into equity shares of face value of ₹ 10/- each of the Company, at any time within 18 months from the date of allotment of the Warrants, for cash, at an exercise price of ₹ 720/- (Rupees Seven Hundred Twenty only) per Warrant (including premium) aggregating upto ₹ 710/- (Rupees Seven Hundred Ten Only) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, to the persons belonging to promoter and promoter group of the Company i.e. Mr. Milan Dalal and Mr. Utsav Dhupelia (collectively referred to as "Allottees") (Equity Shares and Warrants collectively referred to as "Securities") through a preferential issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") and subject to the approval of members of the Company and other necessary approval(s) of the regulatory authorities from time to time.

The relevant date for the purpose of determination of the issue price of Equity Shares, under chapter VII of SEBI ICDR Regulations be fixed as August 9, 2016 being 30 days prior to the date of Annual General Meeting.

The following disclosure is made in accordance with the provisions of Chapter VII of SEBI ICDR Regulations and the Companies (Share Capital and Debentures) Rules, 2014 and any amended thereto for the preferential issue:

#### 1. Objects of the preferential issue and details of utilization of proceeds:-

The Company's current equity capital stands at ₹ 1,45,10,400 (Rupees One Crore Forty Five Lacs Ten Thousand and Four Hundred only) and the turnover of the company for the year ended March 31, 2016 is ₹ 3,35,48,90,545. It is necessary to augment the capital. The strengthening of the capital base would also enhance the Company's ability to participate in tendering and execution of future expansion of projects if any.

#### 2. Intention of the promoters/ directors/ key managerial personnel to subscribe to the offer:-

The preferential issue is being made, amongst others, to Mr. Milan Dalal and Mr. Utsav Dhupelia covered under Director and promoter & promoters group. Both Milan Dalal and Mr. Utsav Dhupelia are interested in the proposal to the extent of the Warrants to be allotted to them. None of the other directors/ key managerial personnel of the Company would be subscribing to the preferential issue of equity shares and / or warrants proposed to be issued by the Company.

#### 3. Basis on which the price has been arrived at along with report of the registered valuer:

The price of the Securities to be issued is being calculated in accordance with the provisions laid under Chapter VII of SEBI ICDR Regulations and since the shares of the Company are not frequently traded, we have taken into consideration various valuation

parameters including book value, comparable trading multiples, and such other parameters as are customary for valuation of the equity shares of our Company.

A certificate from an independent chartered accountant, having a minimum experience of ten years, for valuation of equity share of the Company, issued by CA Nitin V Kulkarni (Membership No.: 032651), partner of APR & Associates, Chartered Accountants (Firm Registration No.: 105409W ) dated July 28, 2016.

**4. Terms of Issue of Warrants:-**

The Allottees of Warrants shall be required to pay an amount equivalent to 25% of the issue price at the time of subscription and allotment of each Warrant. The balance 75% of the issue price shall be payable by the Allottees upon exercise of the entitlement attached to Warrant(s) to subscribe for equity share(s) within a period of eighteen months from the date of allotment of warrants. The initial amount of 25% paid against the Warrants shall be adjusted/ set off against the issue price of the resultant equity shares. The Allottees shall be entitled to exercise their right to subscribe for the equity shares in one or more tranches as and when they deem fit within the prescribed period of eighteen months. The Allottees shall be required to pay the balance amount of 75% of the Issue price to the extent of the number of equity shares they intend to subscribe in each such trench.

If the entitlement against the Warrants to apply for the equity shares is not exercised by the Allottees, within the specified period of eighteen months as stipulated under regulation 75 of ICDR Regulations 2009, the entitlement of the Allottees to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited by the Company.

Upon receipt of the requisite payment of the remaining 75% of the consideration payable in respect of the Warrants, as above, the Board (or a committee thereof) shall allot one equity share per warrant by appropriating ₹ 10/- towards equity share capital and the balance amount paid against each warrants towards the securities premium. The allotment shall only be made in the dematerialized form.

The Allottees shall also be entitled to any future issue of bonus/ rights, if any, of equity shares or warrants convertible into equity shares or such other securities by the Company, in the same proportion and manner as any other Members of the Company for the time being and the Company shall reserve proportion of such entitlement for Allottees..

The equity shares to be issued upon exercise of option by Allottees shall rank pari passu with the existing equity shares of the Company in respect including but not limited to dividend, subject to lock-in as per requirements of SEBI ICDR Regulations and shall be subject to the provisions of the Memorandum and the Articles of the Company.

**5. Lock in period:-**

The Equity Shares of the Strategic Investors shall be locked-in for a period of 1(one) year from the date of trading approval and the Warrants allotted to the Allottees shall be locked-in for a period of 3 (three) years from the date of granting trading approval by the Stock Exchange for such equity shares allotted pursuant to exercise of the option attached to Warrant in terms of Regulation 78(1) and 78 (2) of Chapter VII of the SEBI ICDR Regulations.

Strategic Investors currently do not hold any equity shares in our Company and hence Pre-Preferential lock in requirements as mentioned in Regulation 78(6) of Chapter VII of the SEBI ICDR Regulations shall not be applicable to them. The entire pre-preferential allotment shareholding of Allottees shall be under lock in from the relevant date up to a period of six months from the date of trading approval obtained. Pursuant to conversion of warrants into equity shares.

**6. The class or classes of persons to whom the allotment is proposed to be made:**

Equity Shares are to be allotted to the persons other than promoter and promoter group (defined as "Strategic Investors") and Warrants are to be allotted to persons belonging to the promoter and promoter group (defined as "Allottees"). The details of Strategic Investors are given as under:

Sr No	Name of Strategic Investors	Address	PAN No.	No. of Equity Shares to be allotted
1	Daksha Jayeshbhai Thakker	B/901 Runwal Tower, LBS Marg , opp Veena Nagar, Mulund West Mumbai 400080	AAAPT2506N	25000
2	Bhairavi Paresh Thakker	503, Sunflower Apt, Opp Rajawadi Garden, Rajawadi, Ghatkopar (E) Mumbai 400077	ABBPT1455C	17500
3	Paresh Tahkarshi Thakkar	503, Sunflower Apt, Opp Rajawadi Garden, Rajawadi, Ghatkopar (E) Mumbai 400077	AACPT4013G	7500
4	Reena Aggarwal	297, SFS,PH-4, Ashok Vihar , Delhi-110052	AFLPA6343L	10000
5	Daulat Ram (HUF)	297, SFS,PH-4, Ashok Vihar , Delhi-110052	AADHD5555J	10000
6	Kailash Jain & Sons (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AADHK4719B	10000
7	Goutam Jain & Sons (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AAEHG0408A	10000
8	Deep Chand Raghunathmal (HUF)	C-11, Ashok Vihar, Ph-1, New Delhi-110052	AACHD1347K	10000
9	Purnimaben Avatinath Thakkar	F/1004, Avasari Tower, Near Wide Angel Cinema, Satellite, Ahmedabad 380015	ABIPT7625F	25000
10	Avantinath Chaturbhai Thakkar	F/1004, Avasari Tower, Near Wide Angel Cinema, Satellite, Ahmedabad 380015	AAVPT7977N	25000
<b>Total</b>				<b>1,50,000</b>

The details of Allottees are given as under:

Sr. No.	Name of Proposed Allottees	Address	PAN No.	Number of Warrants to be allotted
1	Mr. Milan Dalal	42, Chitrakoot, Altamount Road, Mumbai 400 026	AAUPD0935H	36,000
2	Mr. Utsav Dhupelia	13 Ocean view Annexe, 100 Bhulabhai Desai Road, Mumbai 400 026	AABPD8798H	36,000
<b>Total</b>				<b>72,000</b>

7. **Pre and Post preferential issue shareholding pattern:-**

Sr. No.	Category	Pre Issue (as on July 22, 2016)		Post issue of Equity Shares		Post conversion of Warrants	
		No. of Shares Held	% of Share holding	No. of Shares Held	% of Share holding	No. of Shares Held	% of Share holding
A	<b>Promoters Holding:</b>						
1	<b>Indian :</b>						
	Individual	533,608	36.77	533,608	33.04	605,608	35.90
	Bodies Corporate	146,285	10.08	146,285	9.06	146,285	8.67
2	<b>Foreign Promoters</b>	-	-	-	-	-	-
	<b>Sub Total (A)</b>	<b>679,893</b>	<b>46.86</b>	<b>679,893</b>	<b>42.10</b>	<b>751,893</b>	<b>44.57</b>
B	<b>Non – Promoters' Holding :</b>		-		-		-
1	<b>Institutional Investors</b>	<b>24,170</b>	<b>1.67</b>	<b>38,170</b>	<b>2.36</b>	<b>38,170</b>	<b>2.26</b>
2	<b>Non-Institution</b>		-		-		-
	Individual	395,151	27.23	505,151	31.28	505,151	29.94
	Bodies Corporate	151,273	10.43	151,273	9.37	151,273	8.97
	Clearing Members	765	0.05	765	0.05	765	0.05
	Directors & Director's Relatives	176,170	12.14	176,170	10.91	176,170	10.44
	Non Residents	7,553	0.52	7,553	0.47	7,553	0.45
	HUF	15,965	1.10	55,965	3.47	55,965	3.32
	Trusts	100	0.01	100	0.01	100	0.01
	<b>Sub Total (B)</b>	<b>771,147</b>	<b>53.14</b>	<b>935,147</b>	<b>57.90</b>	<b>935,147</b>	<b>55.43</b>
	<b>Grand Total (A + B)</b>	<b>1,451,040</b>	<b>100.00</b>	<b>1,615,040</b>	<b>100.00</b>	<b>1,687,040</b>	<b>100.00</b>

8. **The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and / or who ultimately control the allottees is as follows:**

Identity of the proposed allottees	Category	Pre Issue holding	The maximum number of Equity Shares proposed to be allotted to Strategic Investors	% Shareholding post issue of Equity Shares	The maximum number of equity shares proposed to be allotted to Allottees post Conversion of Warrants	% Shareholding post conversion of Warrants into equity shares	Natural persons who are the ultimate beneficial owner of the shares proposed to be issued
Mr. Milan Dalal	Promoter and promoter group	20,575	NA	1.29	36,000	3.38	NA
Mr. Utsav Dhupelia	Promoter and promoter group	133,010	NA	8.31	36,000	10.10	NA
Daksha Jayeshbhai Thakker	Non –Promoter	Nil	25000	1.56	NA	1.49	NA
Bhairavi Paresh Thakker	Non –Promoter	Nil	17500	1.09	NA	1.05	NA
Paresh Tahkarshi Thakkar	Non –Promoter	Nil	7500	0.47	NA	0.45	NA
Reena Aggarwal	Non –Promoter	Nil	10000	0.62	NA	0.60	NA
Daulat Ram (HUF)	Non –Promoter	Nil	10000	0.62	NA	0.60	Daulat Ram Aggarwal

Identity of the proposed allottees	Category	Pre Issue holding	The maximum number of Equity Shares proposed to be allotted to Strategic Investors	% Shareholding post issue of Equity Shares	The maximum number of equity shares proposed to be allotted to Allottees post Conversion of Warrants	% Shareholding post conversion of Warrants into equity shares	Natural persons who are the ultimate beneficial owner of the shares proposed to be issued
Kailash Jain & Sons (HUF)	Non –Promoter	Nil	10000	0.62	NA	0.60	Kailash Jain
Goutam Jain & Sons (HUF)	Non –Promoter	Nil	10000	0.62	NA	0.60	Goutam Jain
Deep Chand Raghunathmal (HUF)	Non –Promoter	Nil	10000	0.62	NA	0.60	Deep Chand Jain
Purnimaben Avatinath Thakkar	Non –Promoter	Nil	25000	1.56	NA	1.49	NA
Avantinath Chaturbhai Thakkar	Non –Promoter	Nil	25000	1.56	NA	1.49	NA

**9. Proposed time within which allotment shall be completed:-**

The securities shall be issued and allotted within a period of fifteen (15) days from the date of passing of the Special Resolution in Annual General Meeting i.e. September 08, 2016 provided that where the allotment of such securities is pending on account of pendency of any regulatory approval for such allotment, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under the applicable SEBI ICDR Regulations as amended from time to time.

**10. Change in Control:-**

There will be no change in the Board of Directors and no change in the control over the company consequent to the preferential issue as aforesaid.

**11. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

This is not applicable in the present case since the Company being a listed company the pricing is in terms of SEBI ICDR Regulations. Further, the proposed allotment is for cash consideration.

**12. Undertakings:-**

In terms of SEBI ICDR Regulations, the Company hereby undertakes that:

- It shall re compute the price of the specified securities in terms of the provisions of these regulations where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked in till the time such amount is paid by allottees.
- The Company, directors and none of our promoters are categorized as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI

**13. Number of persons to whom allotment on preferential basis has been made in the current financial year, in terms of number of securities as well as the price:**

Post 31<sup>st</sup> March, 2016 and up to the date of this Notice, no allotment has been made on preferential basis

**14. Auditor's Certificate:-**

A copy of certificate issued by M/s B.S.Mehta & Co, Chartered Accountants, Statutory Auditors of the Company certifying that the proposed issue of equity shares and warrants are being made in accordance with the Chapter VII of SEBI ICDR Regulations, will be laid before the said General meeting.

Pursuant to the provisions of Section 62(1)(c) of the Companies Act, 2013 and as per SEBI ICDR Regulations, the above preferential issue requires approval of members by way of Special Resolution.

The Board recommends the said resolution to be passed as a Special Resolution.



Mr. Milan Dalal and Mr. Utsav Dhupelia, directors and promoters of the Company, are concerned and interested in the resolution to the extent of the Warrants to be allotted to them. None of the others Directors, Key Managerial Persons of the Company or any relatives of such directors/ promoters or KMP are in any way concerned or interested in the proposed resolution.

Documents referred in the accompanying Notice are open for inspection at the Corporate office of the Company on all working days except Saturdays and holidays between 02.30 P.M. to 04.30 P.M. upto the date of Annual General Meeting.

**For Item No 7.**

The Members at the 36<sup>th</sup> Annual General meeting of the Company held on 08-03-2008 passed a special resolution under erstwhile Section 309(4) of the Companies Act, 1956, approving the payment of commission not exceeding 3% of the net profits of the Company determined as per erstwhile sections 349 and 350 of the Companies Act, 1956, to then Non- Whole Time Directors of the Company namely Mr. Utsav Dhupelia and Mr. Milan Dalal for a period of five years commencing from 01-10-2007.

The Companies Act, 2013, the amendments to listing agreement and dynamic business environment have placed more onerous responsibilities on the Non executive Directors particularly the Independent Directors. This requires the directors to play a more pro-active role along with greater involvement in Company's decision making process. Considering the above and with a view to align the remuneration payable to non executive directors, independent directors with the industry standards, it is proposed to revise the overall commission payable to all non- executive, independent directors to one percent for a period of five financial years commencing from 01-04-2016.

Within the overall limits, commission will be distributed amongst the Directors in accordance with the recommendation of Nomination and Remuneration committee and directions given by the Board of Directors in respect of each financial year. The commission will be in addition to fees payable to the Directors for attending the meetings of the Board or committee thereof and reimbursement of expenses for participation in the board and other meetings.

Accordingly, it is proposed to seek fresh approval of the shareholders by way of special resolution for payment of commission to non executive directors.

The Board of directors recommends the Special resolution set out in item no 7 of the Notice, for approval of Members,

The non Executive Directors and the Independent Directors may be deemed to be concerned or interested in passing of the resolution at Item No 7. No Key managerial personnel or their relatives are in any way concerned or interested in the resolution set out in Item No 7 of the Notice

By order of the Board of Directors  
For **Foods and Inns Limited**

Mumbai, July 28, 2016

**Registered Office:**

Foods and Inns Building  
Sion-Trombay Road  
Punjabwadi, Deonar  
Mumbai – 400 088

**Bhupendra Dalal**  
Chairman

**Route Map**

Sir Vithaldas Chambers, 6<sup>th</sup> Floor, 16, Mumbai Samachar Marg, Fort, Mumbai 400 001







## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

We are pleased to present our report together with Management Discussion and Analysis for the year ended 31<sup>st</sup> March 2016.

### 1. FINANCIAL RESULTS

A snapshot of the financial performance for the year gone by and its comparison with previous year is given below:

	Standalone		Consolidated	
	2015 – 2016 (₹)	2014 - 2015 (₹)	2015 – 2016 (₹)	2014 - 2015 (₹)
<b>Revenue from operations</b>	<b>3,35,48,90,545</b>	3,59,08,77,834	<b>3,35,48,90,545</b>	3,59,08,77,834
<b>Profit/ (Loss) before tax</b>	<b>5,47,89,567</b>	15,69,79,903	<b>5,42,01,967</b>	15,48,68,760
Provision for Taxation	<b>1,51,00,000</b>	3,50,00,000	<b>1,51,00,000</b>	3,50,00,000
Tax Adjustments of Earlier Years	<b>NIL</b>	(93,513)	<b>NIL</b>	(93,513)
Deferred tax	<b>3,30,00,000</b>	(44,19,891)	<b>3,30,00,000</b>	(44,19,891)
MAT Credit	<b>NIL</b>	(5,41,675)	<b>NIL</b>	(5,41,675)
MAT Credit (Reversal)	<b>5,41,675</b>	NIL	<b>5,41,675</b>	NIL
<b>Profit after Tax</b>	<b>61,47,892</b>	12,70,34,982	<b>55,60,292</b>	12,49,23,840
Prior period adjustments	<b>NIL</b>	NIL	<b>NIL</b>	NIL
Balance Brought Forward	<b>12,41,99,992</b>	4,14,20,330	<b>12,41,79,010</b>	4,22,23,588
Profit / (Loss) Available for Appropriation	<b>13,03,47,884</b>	16,84,55,312	<b>13,02,29,734</b>	16,84,34,330
Appropriations				
Proposed Dividend	<b>36,27,600</b>	36,27,600	<b>36,27,600</b>	36,27,600
Tax on Dividend	<b>8,49,404</b>	6,27,720	<b>8,49,404</b>	6,27,720
Transfer to General Reserves	<b>NIL</b>	4,00,00,000	<b>NIL</b>	4,00,00,000
<b>Balance carried to Balance Sheet</b>	<b>12,58,70,880</b>	12,41,99,992	<b>12,57,52,730</b>	12,41,79,010

### 2. RESULTS OF OPERATIONS

As per the Standalone Financials for year ended on March 31, 2016 the turnover of the Company is ₹ 335.49 crores as compared to ₹.359.09 crores for the year ended on March 31, 2015. The Company made a profit before tax of ₹.5.48 crores during the year ended March 31, 2016 against the profit before tax of ₹.15.70 crores during the year ended on March 31, 2015.

As per the Consolidated Financials for year ended on March 31, 2016 the turnover of the Company is ₹ 335.49 crores as compared to ₹.359.09 crores for the year ended on March 31, 2015. The Company made a profit before tax of ₹.5.42 crores during the year ended March 31, 2016 against the profit before tax of ₹.15.49 crores during the year ended on March 31, 2015.

The Company's exports during the year was ₹.232.70 crores (₹.229.40 crores) and domestic sale was ₹.96.08 crores (₹.131.36 crores). This translates into a ratio of 69.36% to 28.64 % (63.59% to 36.41%) between exports and domestic sales.

The company has been able to maintain moderate growth in export sales for the year irrespective of overall de growth in exports from India, however due to lower off take in domestic market our overall sales is lower by 7% compared to previous year.

The spray drying operations at Chembur Factory were closed down from 30th December, 2015. The said operations are now being carried out at newly started spray drying unit at Nasik Factory from 01st January, 2016.

### 3. DIVIDEND

Your Board of Directors, in its meeting held on May 28, 2016, has recommended a Final Dividend of ₹ 2.50 (i.e.25%) per equity share (last year ₹ 2.50 per equity share) for the financial year ended March 31, 2016. The total outgo on dividend payment for the year ended 31 March 2016 is estimated to be ₹ 43,66,107 including dividend distribution tax of ₹ 7,38,507 as against ₹ 42,55,320 including dividend distribution tax of ₹ 6,27,720 for the year ended 31 March 2015. The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

### 4. TRANSFER TO RESERVES

The Company proposes to transfer ₹ NIL to the general reserves out of the amount available for appropriation and an amount of ₹ 12.59 crores is proposed to be retained in the profit and loss account.

### 5. FIXED DEPOSITS

The Company had discontinued its Fixed Deposit scheme in the financial year 2014-15. The total amount of fixed deposits of ₹ 0.84 crores are outstanding as on March 31, 2016 which will be repaid on or before the due date of its maturity. The Company, during the year, has not accepted any deposits from the public falling within the ambit of section 73 of the Act, and the Rules framed thereunder.

### 6. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was ₹ 1.45 crores. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any scheme.

## 7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting financial position between end of the financial year and the date of the report.

## 8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (i) Overview of the Indian food processing industry:

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

The food industry, which is currently valued at US\$ 39.71 billion is expected to grow at a Compounded Annual Growth Rate (CAGR) of 11 per cent to US\$65.4 billion by 2018.

The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses and 100 per cent export oriented units. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The Company has participated in this growth and hope to take advantage of the future upsides in fruit processing.

### (ii) Expansion plan and strategic outlook:

Over the last few years, the Company has laid significant emphasis on setting up a new plant in Western Part of India to help scale up our business. The company has initiated the process and targeting to commence phase wise production. First phase of production is planned to commence by May, 2017

Additionally the Company is also performing a cost benefit analysis of renewing our spray drying unit in Nashik. The company started off with this operation in the year 1971 and we like to stick to our roots since we see large upsides in fruit powder going forward....

Our strategic outlook remains bullish, with our unconditional focus on the building customer trust and professional yet very experienced management team the Company continues to focus on providing a quality product whilst assessing all new opportunities in the market as India partakes in the slow but steady growth curve.

### (iii) Risk management:

Risk management is key to the Company's strategy, it is not only used as a tool for risk mitigation but to also assist in finding opportunities for continuous development. The Company is constantly evolving whilst developing a well-documented risk management framework hence assisting in timely identification, assessment and mitigation of risks.

The Company has constituted a Risk management committee which has been entrusted with responsibility to assist the Board in overseeing the Company's risk management process and control, setting strategic plans and objectives for risk management, review the Company's risk appetite and strategy relating to key risk including market risk, product risk.

The Company has adopted a risk management policy in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Board takes responsibility for the overall process of risk management in the organization.

Few key risks identified by the Company are as under:

- a) Blockage of working capital due to characteristic nature of business cycle.
- b) Limitation of plant utilization due to seasonal nature of business resulting in restricted processing of variety of fruits.
- c) Global warming resulting in untimely rains affecting the quality, fruit availability and price.

### iv) Internal control system and adequacy:

In order to ensure orderly and efficient conduct of business, the Company has planned to put more focused and necessary internal control systems in line with business requirements, scale of operations and geographical spread. These systems will largely include policies and procedures, IT systems, delegation of authority, segregation of duties and internal audit review framework.

In line with regulation the Company will continue to implement necessary internal financial controls and systems with regard to adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Additionally the company is building thorough Standard Operating Procedures (SOPs) for the overall operations of the Company.

### (v) Cautionary Statement:

The statements made and figures given in the various sections of "Management Discussion and Analysis" are keeping in mind the company's objectives, estimates and expectations. The actual results may differ from those expected depending upon the economic conditions, changes in Government regulations, tax regimes and other external and internal factors.

## 9. SUSTAINABILITY

Our strategic outlook puts immense focus on sustainability as an intrinsic part of the Company's business model and is vital to its long term growth strategy. Whilst operating in the Indian agricultural space coupled with a plethora of western customers sustainability is manifested in our operating practices and systems to ensure we are geared towards conservation of resources and environment management to create value for all our stakeholders. Sustainability matters a regularly discussed at Board level. Few sustainability initiatives we have recently undertaken include:

- a) Promoting Sustainable agricultural Farm Practices with our sourcing partners through implementation of various globally acclaimed certification programs
- b) Rain water harvesting
- c) Reduce carbon dioxide emissions
- d) Optimising efficient energy via solar panels
- e) Utilisation of processed waste and Conversion to energy

## 10. CORPORATE SOCIAL RESPONSIBILITY

The Company has always considered Corporate Social Responsibility (CSR) as a voluntary activity and a part of its long term vision of creating value for all its stakeholders. Our Company believes that giving back to society is not a mandate but something which is integral to its beliefs. Accordingly CSR is an integral part of the Company's business and is even promoted at the Board level.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure I** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014.

## 11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure II** to this report

## 12. SUBSIDIARY COMPANIES

As on March 31, 2016, the Company has 1 direct subsidiary and 2 associates.

During the year, the Board of Directors reviews the affairs of the subsidiary. In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company, which forms part of this Annual Report. Further, a statement containing the salient features of the financial statements of our subsidiary and associates in the prescribed Format AOC-1 is attached to financial statements.

## 13. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standards (AS-21) on Consolidated Financial Statements read with AS-23 on Accounting for investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report

## 14. CORPORATE GOVERNANCE

Corporate Governance is about maximizing shareholders value legally, ethically and sustainably. We believe sound corporate governance is critical to enhance and retain investor trust. Our Board exercises its fiduciary responsibilities in the widest sense of term.

Our Corporate governance report forms part of this Annual report.

## 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

All Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (7) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Mr. Divakar Gavaskar, Independent Director resigned from the Board of Directors of the Company with effect from November 18, 2015. The Board placed on record its appreciation for the contributions made by Mr. Divakar Gavaskar during the tenure of office.

In accordance with the provisions of the Act, Mr. Raymond Simkins retires by rotation and is eligible for re-appointment.

Mr. Dadi B Engineer who was the Independent Director of the Company expired on May 30, 2016. Mr. Engineer played Key role in advisory capacity on various issues pertaining to the operations of Company. The Directors placed on record their profound grief on passing away of Mr. Engineer.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee designated Mr. Moloy Saha as Chief Executive Officer of the Company with effect from March 18, 2016.

## 16. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that;

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- we have 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 financial year ended March 31, 2016 and of the profit of the Company for that year.
- we have 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.
- we have prepared the Annual Accounts on a going concern basis.
- we have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- we have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 17. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Board and Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meeting like preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in meetings.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Director, performance of non Independent directors, performance of the board as whole and performance of the Chairman was evaluated, taking into account the views of executive director and non executive directors.

## 18. NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the financial year, the details of which are given in the Corporate Governance report.

## 19. COMMITTEES OF THE BOARD

Currently, the Board has five committees, the audit committee, the nomination and remuneration committee, the stakeholder's relationship committee, the corporate social responsibility committee and the risk management committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance report section of this Annual Report.

## 20. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on director's appointment and remuneration and other matters provided in Section 178 (3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Director's Report.

## 21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements

## 22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large and hence, enclosing of Form AOC-2 is not required.

All related party transactions are placed before the Audit committee as also the Board for approval. Prior omnibus approval of the Audit committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions is placed before the Audit committee and the Board of Directors for their approval on a quarterly basis. The Company has developed a policy on Related Party Transactions as approved by the Board.

Details of related party transactions are given in the notes to the financial statement.

## 23. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are given below:

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No	Name of the director	Total (₹ in lakhs)	Ratio (times)
A)	Median Employee Remuneration	2.17	
B)	Non Executive Directors Remuneration		
1.	Mr. Bhupendra Dalal	2.40	1.11

2.	Mr. Milan Dalal	1.90	0.88
3.	Mr. Dadi Engineer	0.75	0.35
4.	Mr. D.D. Trivedi	0.45	0.21
6.	Mr. V.K. Beswal	0.60	0.28
5.	Mr. Divakar Gavaskar (ceased on 18-11-2015)*	0.10	0.05
7	Mr. Raymond Simkins	---	---
8.	Mrs. Kamlini Maniar	0.35	0.16
<b>C)</b>	<b>Executive Directors Remuneration</b>		
9	Mr. Utsav Dhupelia	94.03	43.33

\* Since this information is for part of the year, the same is not comparable.

- ii. The percentage increase/ (decrease) in remuneration of each director, Chief Executive Officer, Company Secretary, if any, in the financial year:  
Chief Executive Officer: (2.03) %, Managing Director: 68.09% Company Secretary: NIL
- iii. The percentage increase in the median remuneration of employees in the financial year: 21.30 %
- iv. There were 264 permanent employees on the rolls of the Company as on March 31, 2016.
- v. The explanation on the relationship between average increase in remuneration and Company performance:  
The profit after tax for the financial year ended March 31, 2016 decreased by 95.16 % whereas the increase in median remuneration was 21.30 %. The average increase in median remuneration was in line with the increase of salary in the industry.
- vi. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY 16 (₹ in Lakh)	145.22
Revenue (₹ in Lakh)	33,548.90
Remuneration of KMPs( as % of revenue)	0.43
Profit before tax (PBT) (₹ in Lakh)	547.90
Remuneration of KMP (as % of PBT)	26.50

- vii. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and In case of unlisted companies , the variations in the net worth of the Company as at the close of the current financial year and previous financial year:

Particulars	March 31, 2016	March 31, 2015	% change
No. of Equity Shares	1451040	1451040	0.00
Market price per share (BSE)	475.00	730.00	(34.93)
Market capitalization	68,92,44,000	105,92,59,200	(34.93)
Earnings per share	4.24	87.55	(95.16)
Price earnings ratio	112.03	8.34	1,243.29

- viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The Average increase in the remuneration of all employees was 26.52% in F.Y. 2016. The average increase in remuneration of managerial personnel (i.e. managing director) was at 68.09% as per schedule V of the Companies Act, 2013

The average increase in the remuneration of both, the managerial and non managerial personnel was determined based on the overall performance of the Company. Further the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.

- ix. Comparison of each remuneration of the key managerial personnel against the performance of the Company

Name of the KMP	Mr. Utsav Dhupelia, MD	Mr. Moloy Saha, CEO (w.e.f.18-03-2016)
Remuneration in FY 16 (₹ in Lakhs)	94.03	51.19
Revenue (₹ in Lakhs)	33,548.90	
Remuneration as % of revenue	0.28	0.15
Profit before tax (₹ in Lakhs)	547.90	
Remuneration (as % of PBT)	17.16	9.34

- x. The key parameters for any variable component of remuneration availed by the director:

There are no variable component of remuneration availed by the directors except the Managing Director which is a part of his remuneration package and the same is based on the recommendations of the Nomination and Remuneration Committee.

- xi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NONE
- xii. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

## 24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year, no significant or material orders were passed by any regulators against the Company other than that disclosed separately in the notes of the financial statements.

## 25. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure III** in the prescribed **Form MGT-9**, which forms part of this report.

## 26. AUDITORS

### 26.1 Statutory Auditors

The Company's Auditors Messrs B.S. Mehta & Co, Chartered Accountants, were appointed as statutory auditors of the company from the conclusion of the Forty Second Annual General Meeting of the Company held on 22-09-2014 till the conclusion of the Forty Fifth Annual General Meeting to be held in the year 2017, subject to ratification of their appointment at every AGM. They have confirmed their eligibility under section 141 of the Act, and the rules framed thereunder for reappointment as Auditors of the Company as required under SEBI regulations, the Auditors have also confirmed that they hold a valid certificate issued by the peer review Board of the Institute of Chartered Accountants of India.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors.

### 26.2. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act, and the rules framed thereunder, the Company has appointed Mr. J.Y. Gupte, Practising Company Secretary, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith as **Annexure IV** to this report.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the report issued by him for the financial year 2015-16 which call for any explanation from the Board of Directors.

## 27. DISCLOSURE ON SEXUAL HARASSMENT OF WOMAN AT WORKPLACE

The Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of woman employees at workplace. There was no case of sexual harassment reported during the year under review.

## 28. UNCLAIMED DIVIDEND

The Company / RTA has been periodically intimating the concerned shareholders, requesting them to encash their dividend before it becomes due for transfer to the IEPF.

Unclaimed dividend amounting to ₹ 0.53 Lakhs for F.Y. 2007-08 was transferred to the IEPF on April 22, 2016. Further, the unclaimed dividend in respect of F.Y 2008-09 must be claimed by shareholders by February 28, 2017, failing which it will be transferred to the IEPF within a period of 30 days from the said date.

## 29. GREEN INITIATIVES

Electronic copies of the Annual Report 2015-16 are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). For members who have not registered their email addresses, physical copies are sent.

## 30. ACKNOWLEDGEMENT

We thank our customers, vendors, investors, bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, cooperation and support.

On behalf of the Board of Directors

Mumbai, July 28, 2016

**Bhupendra Dalal**  
Chairman



**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

<b>1. A. brief outline of the Company CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects</b>	<p>CSR policy is committed to operate and grow its business in a socially responsible way. The Company vision is aimed at demonstrating care for the community through its focus on health &amp; wellness and environmental sustainability.</p> <p>The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013.</p>
<b>2. Composition of the CSR Committee</b>	<p>Mr. Dadi Engineer (Chairman) (upto 30-05-2016)</p> <p>Mrs. Kamlini Maniar (Chairperson) (w.e.f 28-07-2016)</p> <p>Mr. Utsav Dhupelia</p> <p>Mr. Milan Dalal</p> <p>Mr. Moloy Saha</p> <p>During the year under review, the committee met once, on November 30, 2015. All the members of the committee attended the meeting.</p>
<b>3. Average net profit of the Company for the last three financial years</b>	₹ 8.19 crores
<b>4. Prescribed CSR Expenditure (two percent of the amount mentioned in item 2 above)</b>	₹ 16.37 lakhs
<b>5. Details of CSR spent during the financial year:</b>	₹ 5.10 lakhs
<b>Total amount to be spent for the financial year</b>	₹ 16.37 lakhs
<b>Amount unspent, if any</b>	₹11.27 lakhs
<b>Manner in which the amount spent during the financial year</b>	Given in CSR spent table

**Details of Amount Spent on CSR Activities during the Financial Year 2015-16**

(₹ in lakhs)

CSR Project / activity/ identified	Sector covered within Schedule VII	Location of the project/ program	Amount Outlay	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent direct/ implementing agency
Providing essential materials to those affected by natural disasters	Disaster Relief	Chennai, Cuddalore (Tamil Nadu)	5.10	5.10	5.10	Foods and Inns limited
<b>TOTAL</b>			<b>5.10</b>	<b>5.10</b>	<b>5.10</b>	

**6. In case the Company has failed to spent the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its board report.**

The Company has spent 0.61% of its average net profit in the reporting period. The reasons for being unable to spend the prescribed 2% CSR amount are as below:

With the CSR law being in its second year of implementation, the Company had considered to contribute to non-profit organizations in India. However, it was noticed that such organizations are still in the process of building their internal capacities and also to scale up their presence in CSR work and consequential results. The disbursement of CSR funds will be carried out in future years on larger scale.

**7. The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.'**

**Bhupendra Dalal**  
Chairman

**Mrs. Kamlini Maniar**  
Chairperson, CSR Committee  
(w.e.f. 28-07-2016)

Mumbai, July 28, 2016

## ANNEXURE II

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014****A. CONSERVATION OF ENERGY****(i) Steps taken for conservation of energy**

Energy conservation dictates how efficiently a company can conduct its operations. Due to our sustainability initiatives the Company has and will continue to undertake various energy efficient practices that have reduced the growth in carbon di-oxide (CO<sub>2</sub>) emissions and strengthened the Company's commitment towards becoming an environment friendly organization.

**Major energy conservation initiatives taken during the F.Y 2015-16**

Optimal Utilization of Plant and equipments

Implementation of energy efficient plant

**(ii) Steps taken by the Company for utilizing alternate source of energy**

The company has planned conversion by 2016 of all its boilers to bio mass fuel and also generation of methane from the effluent treatment plant.

Trials are being conducted for conversion of waste to fuel for online feeding to the boilers.

**B. TECHNOLOGY ABSORPTION**

Company has integrated central research & technology unit that helps create superior value by harnessing internal research and development skills and competencies and by innovating in emerging technology domains related to company's business.

Data relating to imported technology

Technology imported during the last three years reckoned from the beginning of the financial year – NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUT GO****(a) Activities relating to exports: Initiatives taken to increase exports: development of new export markets for products and services and export plans:**

The Company is, at present exporting its products in industrial and consumer packs to U.K., Kuwait, Canada, Saudi Arabia, Yemen, Japan, Germany and West Asia. The Company is continuously exploring the possibilities of exporting more of its products to different markets.

**(b) TOTAL FOREIGN EXCHANGE USED AND EARNED:**

Total foreign exchange earnings and outgo for the financial period is as follows:

- |    |                                 |   |
|----|---------------------------------|---|
| a. | Total Foreign Exchange earnings | : FOB value of exports ₹ 2,16,81,22,855 |
|    |                                 | (Previous year ₹.2,15,16,48,563)        |
| b. | Total Foreign Exchange outgo    | : ₹. 8,73,76,696                        |
|    |                                 | (Previous year ₹.10,09,26,055)          |

**FORM NO MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended 31-03-2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

CIN	L55200MH1967PLC013837
Registration Date	October 11, 1967
Name of the Company	FOODS AND INNS LIMITED
Category/ Sub- Category of the Company	Company Having Share Capital
Address of the Registered Office and contact details	Sion Trombay Road, Punjabwadi, Deonar, Mumbai 400 088 Tel 022-23533103/104
Whether Listed Company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Link In-Time India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (W) Mumbai 400078 Tel: 022 25960320

**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**

Name and Description of main Products / services	NIC Code of the Product/ Service	% to total turnover of the Company
Fruit Pulp and Concentrate (Mango)	99611215	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Name and Address of the Company	CIN/ Registration No	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
<b>FNI Asia PTE Ltd</b> 17 Phillips Street, #05-01, Grand Building, Singapore 048695	201327110M	Subsidiary	100	2(87)
<b>Finns Frozen Foods (India)Limited</b> Foods and Inns Building, Sion Trombay Road, Punjabwadi, Deonar, Mumbai 400 088	U29195MH1982PLC026696	Associate	48	2(6)
<b>Dravya Finance Limited</b> Foods and Inns Building, Sion Trombay Road, Punjabwadi, Deonar, Mumbai 400 088	U65923MH1981PLC024580	-do-	27.56	2(6)
<b>Asim Exports International Limited</b> Foods and Inns Building, Sion Trombay Road, Punjabwadi, Deonar, Mumbai 400 088	U51900MH1981PLC023661	-do-	49.59	2(6)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category –wise Shareholding**

Category of Shareholders	No of Shares held at the beginning of the year 01-04-2015				No of Shares held at the end of the year 31-03-2016				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	490625	29908	520533	35.88	533608	---	533608	36.77	0.89
b) Central Govt.	---	---	---	---	---	---	---	---	---
c) State Govt.(s)	---	---	---	---	---	---	---	---	---
d) Bodies Corporate	136142	9600	145742	10.04	146285	---	146285	10.08	0.04
e) Banks /FI	---	---	---	---	---	---	---	---	---
f) Any Other	---	---	---	---	---	---	---	---	---
<b>Sub-Total (A) (1)</b>	<b>626767</b>	<b>39508</b>	<b>666275</b>	<b>45.92</b>	<b>679893</b>	<b>---</b>	<b>679893</b>	<b>46.86</b>	<b>0.94</b>

Category of Shareholders	No of Shares held at the beginning of the year 01-04-2015				No of Shares held at the end of the year 31-03-2016				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
<b>(2) Foreign</b>									
a) NRI- Individuals	---	---	---	---	---	---	---	---	---
b) Other- Individuals	---	---	---	---	---	---	---	---	---
c) Bodies Corporate	---	---	---	---	---	---	---	---	---
d) Banks/ FI	---	---	---	---	---	---	---	---	---
e) Any Other	---	---	---	---	---	---	---	---	---
<b>Sub-Total (A) (2)</b>	---	---	---	---	---	---	---	---	---
<b>Total Shareholding of Promoters (A)=(A)(1)+(A)(2)</b>	<b>626767</b>	<b>39508</b>	<b>666275</b>	<b>45.92</b>	<b>679893</b>	---	<b>679893</b>	<b>46.86</b>	<b>0.94</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/ UTI	---	---	---	---	---	---	---	---	---
b) Banks/ FI	---	---	---	---	---	---	---	---	---
c) Central Govt.	---	---	---	---	---	---	---	---	---
d) State Govt.(s)	---	---	---	---	---	---	---	---	---
e) Venture Capital Funds	---	---	---	---	---	---	---	---	---
f) Insurance Companies	---	150	150	0.01	---	150	150	0.01	---
g) FIIs	27254	---	27254	1.88	65020	---	65020	4.48	2.60
h) Foreign Venture Capital Funds	---	---	---	---	---	---	---	---	---
i) Other (specify)	---	---	---	---	---	---	---	---	---
<b>Sub-Total (B) (1)</b>	<b>27254</b>	<b>150</b>	<b>27404</b>	<b>1.89</b>	<b>65020</b>	<b>150</b>	<b>65170</b>	<b>4.49</b>	<b>2.60</b>
<b>(2) Non- Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	156209	24052	180261	12.42	139719	1951	141670	9.76	(2.66)
ii) Overseas	---	---	---	---	---	---	---	---	---
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ₹ 2 Lakh	218939	88633	307572	21.20	241597	80958	322555	22.23	1.03
ii) Individual Shareholders holding nominal share capital in excess of ₹ 2 Lakh	83218	---	83218	5.74	50217	---	50217	3.46	(2.28)
<b>c) Others (specify)</b>									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	---	---	---	---	---	---	---	---	---
ii) Other Foreign Nationals	---	---	---	---	---	---	---	---	---
iii) Foreign Bodies	---	---	---	---	---	---	---	---	---
iv) NRI/ OCBs	6062	200	6262	0.42	7533	200	7733	0.53	0.11
v) Clearing Members/ Clearing House	4078	---	4078	0.28	7832	---	7832	0.55	0.27
vi) Trusts	100	---	100	0.01	100	---	100	0.01	---
vii) Limited Liability Partnership	---	---	---	---	---	---	---	---	---
viii) Foreign Portfolio Investor (Corporate)	---	---	---	---	---	---	---	---	---
ix) Qualified Foreign Investor	---	---	---	---	---	---	---	---	---
x) Directors/ Relatives	50	175820	175870	12.12	50	175820	175870	12.12	---
<b>Sub- Total (B) (2)</b>	<b>468656</b>	<b>288705</b>	<b>757361</b>	<b>52.19</b>	<b>447048</b>	<b>258929</b>	<b>705977</b>	<b>48.65</b>	<b>(3.54)</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>495910</b>	<b>288855</b>	<b>784765</b>	<b>54.08</b>	<b>512068</b>	<b>259079</b>	<b>771147</b>	<b>53.14</b>	<b>(0.94)</b>

Category of Shareholders	No of Shares held at the beginning of the year 01-04-2015				No of Shares held at the end of the year 31-03-2016				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
C. Shares held by Custodian for GDRs & ADRs	---	---	---	---	---	---	---	---	---
Grand Total (A+B+C)	1122677	328363	1451040	100	1191961	259079	1451040	100	--

## ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year 01-04-2015			Shareholding at the end of the year 31-03-2016			% 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	
Pallavi Dhupelia	162905	11.23	---	162905	11.23	---	---
Western Press Pvt. Ltd	114357	7.88	5.17	115000	7.93	---	0.05
Utsav Dhupelia	133010	9.17	---	133010	9.17	---	---
Rekha Dalal	72950	5.03	---	75000	5.17	---	0.14
Veena Dalal	35075	2.42	---	35075	2.42	---	---
Satyen Dalal	60093	4.14	2.10	60093	4.14	---	---
Cifco Limited	21685	1.49	---	21685	1.49	---	---
Asim Dalal	21350	1.47	1.47	26350	1.82	---	0.35
Aditi Dalal	15950	1.10	1.10	15950	1.10	---	---
Milan Dalal	14550	1.00	---	20575	1.42	---	0.42
Satyen Holdings Ltd	9600	0.66	---	9600	0.66	---	---
Devdutt Dalal	4200	0.29	---	4200	0.29	---	---
Avanti Dalal	300	0.02	---	300	0.02	---	---
Gaurika Dalal	150	0.01	---	150	0.01	---	---
Bombay Swadeshi Stores Ltd	100	0.01	---	---	---	---	(0.01)
<b>Total</b>	<b>666275</b>	<b>45.92</b>	<b>9.84</b>	<b>679893</b>	<b>46.86</b>	<b>---</b>	<b>0.95</b>

## iii) Change in Promoters Shareholding

Shareholding at the beginning of the year			Cumulative Shareholding during the year	
	No of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	666275	45.92	666275	45.92
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease	#		#	
At the end of the year	679893	46.86	679893	46.86

### # Increase/ Decrease in Promoters shareholding

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year	
		No of Shares beginning on 01-04-2015/ end of the year 31-03-2016	% of the total shares of the company				No of Shares	% of total shares of the Company
1.	Mr. Milan Dalal	14550	0.00	01/04/2015				
				25/06/2015	6025	Purchase	20575	0.00
		20575	0.00	31/03/2016			20575	0.00
2.	Mrs. Rekha Dalal	72950	0.00	01/04/2015				
				25/06/2015	2050	Purchase	75000	0.00
		75000	0.00	31/03/2016				
3.	Mr. Asim Dalal	21350	0.00	01/04/2015				
				20/07/2015	2000	Purchase	23350	0.00
				15/09/2015	3000	Purchase	26350	0.00
		26350	0.00	31/03/2016				

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year	
		No of Shares beginning on 01-04-2015/ end of the year 31-03-2016	% of the total shares of the company				No of Shares	% of total shares of the Company
4.	Western Press Private Limited	114357	0.00	01/04/2015				
				28/06/2015	643	Purchase	115000	0.00
		115000	0.00	31/03/2016				
5.	Bombay Swadeshi Store Limited	100	0.00	01/04/2015				
				23/04/2015	(100)	Sold	0	0.00
		0	0.00	31/03/2016				

**iv) Shareholding Pattern of Top Ten Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)**

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2015		Shareholding at the end of the year 31-03-2016	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Pilot Consultant Private Limited	62500	4.31	62500	4.31
Karan G Mehta	28561	1.97	28561	1.97
Orange Mauritius Investments Limited	27254	1.88	65020	4.48
Manphool Exports Limited	22449	1.55	22449	1.55
Vijaya Devi Nahar	21656	1.49	21656	1.49
Oceanic Investments Limited	21101	1.45	--	--
Chandrasen G Jhaveri	16543	1.14	16548	1.14
Sarju C Jhaveri	16458	1.13	16303	1.12
Adikaran Fincom Private Limited	16032	1.10	16032	1.10
Corum Securities Pvt. Ltd	13500	0.93	13500	0.93

**v) Shareholding of Directors and Key Managerial Personnel**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of Shares	% of total share of the company	No of Shares	% of total shares of the Company
<b>Mr. Utsav Dhupelia, Managing Director</b>				
At the beginning of the year	133010	9.17	133010	9.17
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	---	---	---	---
At the end of the year	133010	9.17	133010	9.17
<b>Mr. Milan Dalal, Director</b>				
At the beginning of the year	14550	1.00	14550	1.00
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	6025 (Purchase)	0.42	6025 (Purchase)	0.42
At the end of the year	20575	1.42	20575	1.42
<b>Mr. Raymond Simkins, Director</b>				
At the beginning of the year	175820	12.12	175820	12.12
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	---	---	---	---
At the end of the year	175820	12.12	175820	12.12
<b>Mr. D.D.Trivedi, Director</b>				
At the beginning of the year	50	0.01	50	0.01
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	---	---	---	---
At the end of the year	50	0.01	50	0.01
<b>Mrs. Kamlini Maniar, Director</b>				
At the beginning of the year	300	0.02	300	0.02
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	---	---	---	---
At the end of the year	300	0.02	300	0.02



For Each of the Directors and KMP	Name of the Key Managerial Personnel			
	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
<b>Mr. Moloy Saha, Chief Executive Officer (w.e.f. 18-03-2016)</b>				
At the beginning of the year	5730	0.39	5730	0.39
Date wise Increase/ Decrease in shareholding during the year specifying the reasons for increase / decrease	---	---	---	---
At the end of the year	5730	0.39	5730	0.39

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness (₹ crore)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	146.30	3.15	3.43	152.88
ii) Interest due but no paid	---	---	---	---
iii) Interest accrued but not due	0.56	---	0.14	0.70
<b>Total (i+ii+iii)</b>	<b>146.86</b>	<b>3.15</b>	<b>3.57</b>	<b>153.58</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	254.99	3.59	1.91	260.49
Reduction	(214.72)	---	---	(214.72)
<b>Net Change</b>	<b>40.27</b>	<b>3.59</b>	<b>1.91</b>	<b>45.77</b>
Indebtedness at the end of the financial year				
i) Principal Amount	187.13	6.74	5.44	199.31
ii) Interest due but no paid	---	---	0.01	0.01
iii) Interest accrued but not due	---	---	0.03	0.03
<b>Total (i+ii+iii)</b>	<b>187.13</b>	<b>6.74</b>	<b>5.48</b>	<b>199.35</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole Time Director and / or Manager

Sr. No	Particulars of Remuneration	Mr. Utsav Dhupelia Managing Director	Total Amount (₹ Lakh)
1	Gross Salary		
	(a) Salary as per the provisions contained in Section 17 (1) of the Income tax Act, 1961	83.60	83.60
	(b) Value of perquisites under Section 17(2) Income tax Act, 1961	0.40	0.40
	(c ) Profits in lieu of Salary under Section 17(3) Income Tax Act, 1961	---	---
2	Stock Options	---	---
3	Sweat Equity	---	---
4	Commission		
	- as % of profit	---	---
	- others, specify	---	---
5	Others, please specify		
	i) Deferred bonus (pertaining to the current financial year payable in 2018)	---	---
	ii) Retrials	---	---
	iii) Contribution to Statutory Provident Fund	10.03	10.03
	<b>Total (A)</b>	<b>94.03</b>	<b>94.03</b>

**B. Remuneration to other Directors:****1. Independent Directors**

Sr. No	Particulars of Remuneration	Name of Directors					Total Amount (₹ Lakh)
		Mr. Dadi Engineer	Mr. D.D. Trivedi	Mr. Divakar Gavaskar (ceased on 18-11-2015)	Mr. V.K. Beswal	Mrs. Kamlini Maniar	
	Fees for attending Board/ Committee Meetings	0.75	0.45	0.10	0.60	0.35	2.25
	Commission	---	---	---	---	---	---
	Others, please specify	---	---	---	---	---	---
						<b>Total (B) (1)</b>	<b>2.25</b>

**2. Other Non- Executive Directors**

Sr. No	Particulars of Remuneration	Name of Directors			Total Amount (₹ Lakh)
		Mr. Bhupendra Dalal	Mr. Milan Dalal	Mr. Raymond Simkins	
	Fees for attending Board/ Committee Meetings	2.40	1.90	--	4.30
	Commission	---	---	---	---
	Others, please specify	---	---	---	---
					<b>Total (B) (2)</b>
					<b>4.30</b>
	<b>Total (B)= (B)(1)+(B) (2)</b>				<b>6.55</b>

**C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD**

Sr. No	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Moloy Saha Chief Executive Officer (w.e.f 18-03-2016)	Total Amount (₹ Lakh)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	47.03	47.03
	(b) Value of perquisites under section 17(2) Income tax Act, 1961	0.40	0.40
	(c ) Profit in lieu of salary under section 17(3) Income tax act, 1961		
2	Stock Options	---	---
3	Sweat Equity	---	---
4	Commission		
	- as % of profit	---	---
	- others specify	---	---
5	Others , please specify- Retrials		
	i) Contribution to Statutory Provident Fund	1.67	1.67
	ii) Contribution to Superannuation Fund	2.09	2.09
	<b>Total (C )</b>	<b>51.19</b>	<b>51.19</b>

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties/ punishment/ compounding of offence for the breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year

On behalf of the Board of Directors

Mumbai, July 28, 2016

**Bhupendra Dalal**  
Chairman

## FORM NO MR-3 SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

**[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,  
Foods and Inns Limited  
Sion-Trombay Road, Punjabwadi, Deonar,  
Mumbai 400 088

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Foods and Inns Limited (hereinafter called "the Company") Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 March 31, 2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period).
  - (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 (Not applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- (vi) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws, and Regulation to the Company. The list of major head/groups of Acts, Laws and Regulation as applicable to the Company are as under:
  1. Factories Act, 1948;
  2. Industries Development Regulation Act, 1951;
  3. Labour Laws and their incidental laws related to labour and employees appointed by the Company either on its pay rolls or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
  4. Acts prescribed under prevention and control of pollution;
  5. Acts prescribed under environmental protection;

6. Acts as prescribed under Direct Tax and Indirect Tax;
7. Land Revenue Laws of respective States;
8. Labour Welfare Act of respective States;
9. Trade Marks Act 1999 & Copy Right Act 1957;
10. Acts as prescribed under Shop and Establishment Act of various local authorities
11. Laws related to manufacturing activity, viz. Energy Conservation, Customs Act, Central Excise, Boiler Act and Gas Cylinders Rules, etc.
12. Laws related to purchasing activity, viz. The Contract Act. The Sale of Goods Act, The Transfer of Property Act, Negotiable Instrument Act, etc.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by the Ministry of Company Affairs w.e.f 1<sup>st</sup> July, 2015. The prescribed Standards are being complied with.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.
- (iii) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (with effect from 1<sup>st</sup> December, 2015)

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director 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.

I 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.

I further report that during the audit period the Company has passed following special resolution in pursuance of the above referred Laws, Rules, Regulations, Guidelines, standards, etc

Reappointment of Shri Utsav Dhupelia as Managing Director, in terms of Section 196, 197, 198, 203 for a period of three years from 15<sup>th</sup> February, 2015 to 14<sup>th</sup> February, 2018

I further report that during the audit period there were no instances of:

- (i) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations.

I have to report that during the audit process, in implementation of the Code called the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information already formulated, the Company is in the process of obtaining necessary information/ disclosures/ declarations from the Promoters, Directors, Officers, Employees and Connected Persons.

I understand that during the financial year, in view of the provisions of the Companies (Acceptance of Deposits Rules), 2014, the Company has not accepted fresh fixed deposits from public, but is in the process of liquidating the deposits already accepted as and when they mature. Hence no insurance for the deposits is taken.

Place: Mumbai  
Date: July 28, 2016.

**J.Y. GUPTA**  
Practicing Company Secretary  
ACS No. 4539, CP No. 3589

## CORPORATE GOVERNANCE

### OUR CORPORATE GOVERNANCE PHILOSOPHY

Your Company is committed to upholding the highest standards of Corporate Governance in its operations. The policies and practices are not only in line with the statutory requirement, but also reflect your Company's commitment to operate in the best interest of its stake holders. The responsibility for maintaining high standards of governance lies with your Company's Board of Directors and various Committees of the Board, which are empowered to monitor implementation of the best Corporate Governance practices including making necessary disclosures within the framework of legal and regulatory provisions and Company conventions besides its employees.

In this direction, your Company is committed to ensure that the Company's Board of Directors continued to be constituted as per the prescribed norms, meets regularly as per the prescribed frequency, provides effective leadership, exercises control over the management, monitors executive performance and makes appropriate disclosures. In addition, establishment of a framework of strategic control and continuous reviewing of its efficacy and establishment of clearly documented and transparent management processes for policy development, implementation and review, decision making, monitoring control and reporting are the other policy directives. Your Company provides free access to the Board of all relevant information, advices and resources to enable it to carry out its role effectively.

Pursuant to Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, your Company has complied with all the mandatory requirements of the Corporate Governance in all material aspects. As required by the Listing Agreement, a report on Corporate Governance is given below.

Your Company is committed to bring about the good corporate governance practice. The Company has laid emphasis on cardinal values of fairness, transparency, accountability and equity, in all its operations, and in its interactions with stakeholders including shareholders, employees, the government and the lenders, thereby enhancing the shareholders' value and protecting the interest of shareholders. Your Company will constantly endeavor to improve on these aspects on an on going basis.

#### 1. BOARD OF DIRECTORS:

##### Composition of the Board as on March 31, 2016

Category	No of Directors
Non Executive & Independent Directors including Woman Director	4
Other Non Executive Directors	3
Executive Director (Managing Director)	1
<b>TOTAL</b>	<b>8</b>

The Chairman of the Board of Directors is a Non Executive Director. The Composition of the Board of Directors is in conformity with the SEBI Regulations.

##### Responsibilities of the Chairman and Managing Director

The Chairman is the leader of the Board. As Chairman, he is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long term benefit of the Company and all its stakeholders. The Chairman presides over meetings of the Board and of the Shareholders of the Company. The Chairman takes a lead role in managing the Board and facilitating effective communication among directors.

The Managing Director is responsible for corporate strategy, brand equity, planning, external contacts and all matters related to the management of the Company. He is also responsible for achieving annual and long term business targets.

##### Selection of new Directors

The Board is responsible for the selection of new directors. The Board delegates the screening and selection process to the Nomination and Remuneration Committee, which consists exclusively of independent directors. The Nomination and Remuneration Committee makes recommendations to the Board on the induction of new directors.

#### MEETINGS

##### Board Meetings held during the year

Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors present
May 25, 2015	9	5
August 13, 2015	9	6
November 07, 2015	9	6
February 13, 2016	8	6
March 18, 2016	8	7

**Attendance of Directors at Board Meetings and Annual General Meeting**

Name of Director	Attendance at the Board Meetings held on					Attendance at the AGM held on September 29, 2015
	May 25, 2015	August 13, 2015	November 07, 2015	February 13, 2016	March 18, 2016	
Mr. Bhupendra Dalal	√	√	√	√	√	√
Mr. Utsav Dhupelia	√	√	√	√	Leave of Absence	√
Mr. Dadi Engineer	√	√	√	√	√	√
Mr. D.D. Trivedi	Leave of Absence	Leave of Absence	√	√	√	Leave of Absence
Mr. V.K. Beswal	√	√	√	Leave of Absence	√	Leave of Absence
Mrs. Kamlini Maniar	√	Leave of Absence	Leave of Absence	√	√	Leave of Absence
Mr. Milan Dalal	Leave of Absence	√	√	√	√	√
Mr. Raymond Simkins	Leave of Absence	Leave of Absence	Leave of Absence	Leave of Absence	√	Leave of Absence
Mr. Divakar Gavaskar (ceased 18.11.2015)	Leave of Absence	√	Leave of Absence	Not Applicable	Not Applicable	Leave of Absence

**Directorships and Membership on Committees:**

The total number of Directorships held by the Directors and the position of Membership/ Chairmanship on Committees is given below. All the Directors are compliant with the provisions of the Companies Act, 2013(hereinafter referred to as "the Act") and "SEBI Regulations" in this regard

Director	Date of Appointment	*No of other Directorship held (including F&I)	Committee Membership(s) (including F&I)	
			Chairman	Member
Mr. Bhupendra Dalal	22/09/2014	6	1	2
Mr. Utsav Dhupelia	15/02/2012	6	1	3
Mr. Dadi Engineer	19/08/1992	6	4	5
Mr. Dinkarray Trivedi	26/08/1987	5	1	2
#Mr. Divakar Gavaskar (ceased w.e.f 18-11-2015)	29/09/2015	3	1	1
Mr. Vinod Kumar Beswal	29/09/2015	3	--	1
Mr. Raymond Simkins	09/08/1995	3	--	--
Mr. Milan Dalal	29/04/2006	8	--	5
Mrs. Kamlini Maniar	29/09/2015	3	--	--

# Information as available on the date of cessation

\*excludes Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies

**Board Procedures**

Agenda is circulated well in advance to the Board of Directors. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In additions to the information required under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.

**2. Committees of the Board**

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Minutes of the Committee Meetings are tabled at the Board Meetings.

**2 (a). AUDIT COMMITTEE:****Terms of Reference:**

The Audit Committee provides direction to the audit and risk management function in the Company and monitors the quality of internal audit and management audit. The responsibilities of the Audit Committee include overseeing the financial reporting process to ensure proper disclosure of financial statements, fixing the audit fees and also approving the payment for any other services, reviewing the annual financial statements before submission to the Board, reviewing adequacy of internal control systems, structure and staffing of the internal audit function, reviewing findings of the internal investigations, etc.

To grant omnibus approval for related party transactions which are in the ordinary course of business and on arm length pricing basis and to review and approve such transactions subject to the approval of the board.

The terms of reference and powers of the Audit Committee are as per Clause 49 of the Listing Agreement and also as per the Companies Act, 2013. The Audit Committee was constituted on 30<sup>th</sup> January 2010.

#### Composition:

The Audit Committee consists as at March 31, 2016 and details of the member's participation at the meetings of the committee are as under:

Name	Category	Attendance at the Audit Committee meeting held on			
		May 25, 2015	August 13, 2015	November 07, 2015	February 13, 2016
Mr. Dadi Engineer (Chairman)	Independent, Non Executive	√	√	√	√
Mr. Bhupendra Dalal	Non Independent, Non Executive	√	√	√	√
Mr. D. D Trivedi	Independent, Non Executive	Leave of Absence	Leave of Absence	√	√
Mr. V. K. Beswal	Independent, Non Executive	√	√	√	Leave of Absence

As prescribed under the Act, the Chairman of the Committee who is an Independent Director was present at the Annual General meeting of the Company

## 2 (b). STAKEHOLDERS RELATIONSHIP COMMITTEE:

#### Terms of Reference

The role and functions of the Stakeholders Relationship Committee are the effective redressal of the Complaints of the Shareholders regarding dematerialization, transfer, non-receipt of balance sheet/ dividend/interest etc. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

#### Composition

The Board of Directors formed a Stakeholders Relationship Committee, on 30<sup>th</sup> January 2010.

The composition of the Stakeholders Relationship Committee as at March 31, 2016 and details of the member's participation at the Meetings of the Committee are as under:

Name	Category	Attendance at the Stakeholders Relationship Committee meeting held on		
		August 13, 2015	November 07, 2015	February 13, 2016
Mr. D.D.Trivedi (Chairman)	Independent, Non Executive	Leave of Absence	√	√
Mr. Utsav Dhupelia	Non Independent, Executive	√	√	√
Mr. Milan Dalal	Non Independent, Non Executive	√	√	√

Number of request/complaints received from the shareholders during the period April 2015 to March.2016.	93
Number of request/ complaints solved to the satisfaction of the Shareholders during the April 2015 to March 2016.	93
Number of pending request/complaints as on March 31, 2016	NIL

## 2 (c). NOMINATION & REMUNERATION COMMITTEE:

#### Terms of Reference:

The roles and functions of the Nomination and Remuneration Committee inter alia, include identifying and selection of candidates for appointment as Directors/ Independent Directors based on certain laid down criteria. Identifying potential individuals for appointment as Key Managerial personnel and to other Senior Management positions.

#### Composition:

The Nomination & Remuneration was constituted on August 12, 2011 and the composition of the Nomination and Remuneration committee as at March 31, 2016 and the details of the member's participation at the meetings of the Committee are as under

Name	Category	Attendance at the Nomination & Remuneration Committee meeting held on	
		February 13, 2016	March 18, 2016
Mr. Dadi Engineer (Chairman)	Independent, Non Executive	√	√
Mr. D. D Trivedi	Independent, Non Executive	√	√
Mr. Milan Dalal	Non Independent, Non Executive	√	√



**2 (d). CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:****Terms of Reference:**

The terms of reference of the Corporate Social Responsibility Committee is to review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

To monitor the progress by the Company of the CSR activities undertaken.

**Composition:**

The Corporate Social Responsibility Committee was constituted on August 14, 2014 and consists of the following Directors as at March 31, 2016 and the details of the member's participation at the meetings of the Committee are as under

Name	Category	Attendance at the CSR Committee meeting held on
		November 30, 2015
Mr. Dadi Engineer (Chairman)	Independent, Non Executive	√
Mr. Utsav Dhupelia	Non Independent, Executive	√
Mr. Milan Dalal	Non Independent, Non Executive	√
Mr. Moloy Saha	Chief Financial Officer	√

**2 (e). RISK MANAGEMENT COMMITTEE:****Terms of Reference:**

The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities

The objectives and scope of the Risk Management Committees broadly comprises:

- Oversight of risk management performed by the executive management.
- Reviewing risks and evaluates treatment.
- Defining framework for identification, assessment, monitoring and reporting of risks.

**Composition:**

The Risk Management Committee was constituted on August 14, 2014 and consists of the following Directors as at March 31, 2016 and during the year the committee did not have any meeting.

Name	Category	No meetings held during the year
Mr. Utsav Dhupelia	Non Independent, Executive	---
Mr. Bhupendra Dalal	Non Independent, Non Executive	---
Mr. Milan Dalal	Non Independent, Non Executive	---

**3. INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors met on March 18, 2016, inter alia, to discuss:

- Evaluation of the performance of the Non- Independent Directors and the Board of the Directors as whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Name of Director	Category	Attendance at the Independent Committee meeting held on
		March 18, 2016
Mr. Dadi Engineer	Independent, Non Executive	√
Mr. D. D Trivedi	Independent, Non Executive	√
Mr. V. K. Beswal	Independent, Non Executive	√
Mrs. Kamlini Maniar	Independent, Non Executive	√

**4. GENERAL BODY MEETINGS:**

Details of location and time of holding the last three Annual General Meeting and the Special resolution passed thereat:

Financial Year	AGM/ EGM	Location	Date	Time
2014-15	43 <sup>rd</sup> AGM	Sir Vithaldas Chambers, 6 <sup>th</sup> Floor, 16 Mumbai Samachar Marg, Fort, Mumbai 400 001	29/09/2015	11.00A.M
2013-14	42 <sup>nd</sup> AGM	Sir Vithaldas Chambers, 6 <sup>th</sup> Floor, 16 Mumbai Samachar Marg, Fort, Mumbai 400 001	22/09/2014	11.00A.M
2012-13	41 <sup>st</sup> AGM	"BOARD ROOM" 31 <sup>st</sup> Floor, MVRDC World Trade Centre, Centre 1, Cuffe Parade, Mumbai 400 005	20/09/2013	10.00 A.M

The following Special Resolutions were passed by the requisite majority of members in the last three Annual General Meeting:

43<sup>rd</sup> Annual General Meeting held on 29-09-2015

- Re-appointment of Mr. Utsav Dhupelia as Managing Director

42<sup>nd</sup> Annual General Meeting held on 22-09-2014

- To approve the borrowing limits of the Company.
- To approve the creation of Mortgage/ charge on the movable and immovable properties of the Company.

41<sup>st</sup> Annual General Meeting held on 20-09-2013

- To approve the alterations in the Articles of Association of the Company.

## 5. CODE OF CONDUCT

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained.

## 6. DISCLOSURES

### a) Related Party Transactions

All transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure has been made in the notes to the financial statements.

### b) Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock exchange or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

### c) CEO / CFO Certification

The CEO has issued certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that the financial statements do not contain any untrue statement and these statements represents a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

### d) PCS's certificate on Corporate Governance

As required by Clause 49 of the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the PCS's certificate on corporate governance is annexed to the report

## 7. MEANS OF COMMUNICATION

The Company publishes its quarterly, half yearly, financial results in national and regional newspapers. The Company also sends the financial results to the Stock Exchange immediately after its approval by the Board. The Company has not sent half yearly report to the shareholders. No presentations were made to the Institutional Investors or analysts during the year under review.

## GENERAL SHAREHOLDER'S INFORMATION

### 1. Annual General Meeting scheduled to be held:

Date : Thursday, September 8, 2016

Time : 4.30 P.M

Venue : Sir Vithaldas Chambers, 6<sup>th</sup> Floor, 16 Mumbai Samachar Marg, Fort Mumbai 400 001

### 2. Book Closure:

Monday September 5, 2016 to Thursday September 8, 2016 (Both days inclusive).

### 3. Financial Calendar (tentative):

Financial Reporting for the Financial Year 2016-17	Tentative month of reporting
Un-audited Financial Results for the quarter ending 30 <sup>th</sup> June, 2016.	August, 2016
Un-audited Financial Results for the half year ending 30 <sup>th</sup> September, 2016.	November, 2016
Un-audited Financial Results for the quarter ending 31 <sup>st</sup> December 2016.	February, 2017
Audited Financial Results for the year ending 31 <sup>st</sup> March 2017.	May, 2017

### 4. Listing of Equity Shares on Stock Exchange :

Equity Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE). An annual listing fee for the year 2015-16 and 2016-17 has been paid to the Bombay Stock Exchange Limited, Mumbai.

**5. Stock Code:**

1. Bombay Stock Exchange Limited, Mumbai (BSE): B – 507552
2. ISIN : INE976E01015
3. CIN: L55200MH1967PLC013837

**6. Stock Price Data:**

Month wise high and low price of the Company's Shares at Bombay Stock Exchange Limited (BSE) from April, 2015 to March, 2016.

Month	Bombay Stock Exchange Limited (BSE)	
	High (₹)	Low (₹)
April 2015	874.00	624.00
May 2015	789.75	600.50
June 2015	695.00	510.00
July 2015	693.00	622.00
August 2015	705.50	524.00
September 2015	620.00	528.00
October 2015	649.25	561.00
November 2015	638.00	510.00
December 2015	591.75	498.75
January 2016	728.50	560.00
February 2016	700.00	424.00
March 2016	544.00	475.00

**7. Compliance Officer:**

Mr. Moloy Saha –Chief Executive Officer & Compliance Officer  
 224, Dulwich Mansion, 3rd Floor, Tardeo Road, Tardeo, Mumbai – 400 007.  
 Ph: 022- 23533103, email:writetous@foodsandinns.com

**8. Address For Correspondence:**

Shareholders can correspond to: Secretarial Department, 224, Dulwich Mansion, 3rd Floor, Tardeo Road, Tardeo, Mumbai – 400 007.

Link Intime India Private Limited: C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400078, Tel.No.022-25963838, Fax No. 022-25946969, email id: mumbai@linkintime.co.in.

Shareholders holding shares in electronic mode should address their Correspondence to their respective Depository Participants. The company also has designated email id: writetous@foodsandinns.com or tavhare@foodsandinns.com where shareholders can correspond with the Company.

**9. Share Transfer System**

Shares sent for transfer in physical form to R&T Agents, are registered and returned within a period of 30 days from the date of receipt, if the documents are in order. The Share Transfer Committee (Executive Committee) meets generally on a fortnightly basis to consider the transfer proposals. All requests for dematerialization of shares are processed by R&T Agent within 15 days.

**10. Dematerialization of Shares**

Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 29th January 2001 as per notification issued by the Securities & Exchange Board of India (SEBI). As on March 31, 2016, out of total Equity Capital 14,51,040 Equity Shares, 11,91,961 Equity Shares representing 82.15 % of the total Equity Shares are held in dematerialized form with NSDL and CDSL. Transfer cum demat facility is available to all Shareholders of the Company, who request for such facility.

**11. Distribution of Shareholding as on March 31, 2016**

Range in ₹	Number of Shareholders	% of Total Holders
Upto 5000	1997	93.98
5001 to 10000	61	2.87
10001 to 20000	15	0.71
20001 to 30000	13	0.61
30001 to 40000	3	0.14
40001 to 50000	6	0.28
50001 to 100000	9	0.42
100001 and above	21	0.99
<b>TOTAL.....</b>	<b>2125</b>	<b>100</b>

**12. Shareholding Pattern as on March 31, 2016**

Cat. Code	Category of Shareholder	Total No. of Shares held	% Share Holding
A.	Shareholding of Promoter and Promoter Group		
1	Indian		
(a)	Individuals / Hindu Undivided Family	533608	36.77
(b)	Central Govt. / State Govt.	--	--
(c)	Bodies Corporate	146285	10.08
(d)	Financial Institutions / Banks	--	--
(e)	Any other	--	--
	Sub Total – A(1)	679893	46.85
2	Foreign	--	--
(a)	Non Resident Individuals / Foreign Individuals	--	--
(b)	Bodies Corporate	--	--
(c)	Institutions	--	--
(d)	Any other	--	--
	Sub Total A(2)	--	--
	<b>Total Shareholding of Promoter Group</b>	<b>679893</b>	<b>46.85</b>
(B)	Public Shareholding		
1	Institutions	--	--
(a)	Mutual Funds / UTI	--	--
(b)	Financial Institutions / Banks	--	--
(c)	Central Govt. / State Govt.	--	--
(d)	Venture Capital Funds	--	--
(e)	Insurance Companies	150	0.01
(f)	Foreign Institutional Investors	65020	4.48
(g)	Foreign Venture Capital Investors	--	--
(h)	Any other	--	--
(h1)	NRI Banks	--	--
	Sub Total B(1)	65170	4.49
2	Non Institutions		
(a)	Individuals		
(a1)	Individuals-shareholders holding normal Share Capital up to Rs. 2 Lac	322555	22.23
(a2)	Individuals-shareholders holding normal Share Capital in excess of Rs. 2 Lac	50217	3.46
(b)	NBFCs Registered with RBI	--	--
(c)	Employee Trusts	--	--
(d)	Overseas Depositories (holding DRs)		
(c)	Any other (specify)		
(c1)	NRI	7028	0.48
(c2)	NRN	705	0.05
(c3)	Clearing Member	568	0.04
(c4)	Directors/ Relatives	175870	12.12
(c5)	Trust	100	0.01
(c6)	Hindu Undivided Family	7264	0.50
(c7)	Bodies Corporate	141670	9.76
	Sub Total B(2)	705977	48.65
	<b>Total Public Shareholding B(1) + B(2)</b>	<b>771147</b>	<b>53.14</b>
C	Shares held by Custodians and against which Depository receipts have been issued	---	---
	<b>Grand Total</b>	<b>1451040</b>	<b>100</b>

**Declaration regarding affirmation and Compliance of Code of Business Conduct and Ethics**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2016

On behalf of Board of Directors

**Bhupendra Dalal**  
Chairman

Mumbai, July 28, 2016

**CEO / CFO Certification**

I the undersigned, in my respective capacity as Chief Executive Officer of Foods and Inns Limited, to the best of my knowledge and belief certify that.

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2016 and that to the best of my knowledge and belief, I state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) I further state that to the best of my knowledge and belief, no transactions entered into by the company during the year ended March 31, 2016 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for financial reporting and i have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and i have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit committee:
  - (i) there has not been any significant changes in internal control over financial reporting during the year;
  - (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there has not been any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Moloy Saha**  
Chief Executive Officer

Mumbai, July 28, 2016

**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
Foods and Inns Limited

I have examined the compliance of conditions of Corporate Governance by FOODS AND INNS LIMITED ("the company") for the year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In my opinion and to the best of my information and according to the explanations given to me, I verify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I have examined that no investor grievances are pending for a period exceeding one month, as at March 31, 2016, against the Company as per the records maintained by the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**J.Y. Gupte**  
Practicing Company Secretary  
ACS No 4539, C.P.No.3589

Place: Mumbai.  
Date: July 28, 2016

## FINANCIAL HIGHLIGHTS

(₹ In Lacs)

Particulars	2015-2016	2014-2015	2013-2014	2012-2013	2010-2012 (18 Months)	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006
Sales	32285.10	34516.75	29301.49	24734.01	38114.94	20857.41	18927.64	16478.51	14138.01	10811.16
Stocks and Other Income	4754.33	1830.32	1794.20	1341.52	2201.95	8779.14	5122.46	3019.03	1643.60	893.84
Manufacturing & Other Expenses	33720.59	31499.31	28088.99	23583.05	37705.43	27429.57	21560.04	18030.18	14563.00	10619.47
Gross Profit/(Loss)	3318.84	4847.76	3006.70	2492.48	2611.46	2206.98	2490.06	1467.37	1218.61	1085.53
Interest	1970.36	2219.11	1936.96	1766.86	2856.57	1540.20	1435.62	747.64	506.78	434.32
Depreciation	800.58	1058.85	493.47	472.93	587.27	415.69	322.16	224.48	160.53	131.7
Profit/(Loss) Before Foreign Exchange Reinstatement	664.85	1758.39	1270.19	956.54	177.49	20.68	732.29	495.25	551.29	519.51
Profit/(Loss) Before Tax	547.90	1569.80	576.26	252.69	(832.38)	251.09	732.29	495.25	551.29	519.51
Taxation	156.42	343.65	8.99	(4.52)	(162.19)	41.71	104.96	60.33	177.08	150.00
Deferred Tax	330.00	(44.20)	52.11	5.48	(39.20)	106.60	(1.50)	214.05	66.21	52.41
Fringe Benefits Tax	0.00	0.00	0.00	0.00	0.00	0.00	6.42	7.33	16.91	15.55
Profit/(Loss) After Tax	61.48	1270.35	515.16	251.74	(631.00)	164.84	622.41	213.54	291.09	301.55
Balance in P & L	61.48	1270.35	515.16	251.74	(631.00)	310.55	213.95	521.92	244.73	0
Other Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.31	(25.04)
Profit for Appropriation	61.48	1270.35	515.16	251.74	(631.00)	475.39	836.36	735.46	554.13	276.50
<b>What the Company Owned</b>										
<b>Fixed Assets *</b>										
Gross Block	15908.79	14830.97	13871.46	12352.35	11480.58	9714.09	8778.06	7441.27	4591.01	3927.52
Depreciation	5159.49	4369.40	3317.00	2814.63	2343.69	1752.12	1327.53	1000.65	767.37	602.33
Net Block	10749.29	10461.57	10554.46	9537.72	9136.89	7961.97	7450.53	6440.62	3823.63	3325.1938
Investments	203.32	211.37	211.64	213.89	213.89	213.89	213.89	216.71	217.13	207.13
Current Assets, Loans & Advances	19809.22	17463.02	19286.16	16545.01	14446.69	26103.48	16378.28	13036.16	6622.77	5628.71
Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>* includes Capital work in progress</i>										
<b>Total</b>	<b>30761.83</b>	<b>28135.96</b>	<b>30052.26</b>	<b>26296.61</b>	<b>23797.47</b>	<b>34279.34</b>	<b>24042.70</b>	<b>19693.49</b>	<b>10663.53</b>	<b>9161.03</b>
<b>What the Company Owed</b>										
Long Term Funds	706.79	964.91	1715.77	1310.30	1939.55	2579.69	2925.67	1894.32	769.55	591.87
Short Term Funds	21467.01	18010.69	19305.23	17975.13	14508.76	14916.39	11203.68	10610.33	3967.91	3643.02
Current Liabilities & Provision	2461.52	3380.56	4435.05	2942.79	3512.10	12652.86	6136.56	4084.95	3219.36	2568.93
Deferred Tax	822.07	492.07	536.27	484.16	478.69	517.89	411.29	412.79	198.74	132.53
	25457.39	22848.23	25992.32	22712.38	20439.10	30666.83	20677.20	17002.39	8155.56	6936.35
<b>Net Worth of the Company</b>										
Equity Share Capital	145.10	145.10	145.10	145.10	145.10	132.88	122.58	122.58	122.58	122.58
Amount for Preferential Con. Warrents	0.00	0.00	0.00	0.00	0.00	47.05	86.71	0.00	0.00	0.00
Reserves And Surplus	5159.34	5142.63	3914.83	3439.13	3213.27	3432.57	3156.21	2568.52	2385.39	2102.1
	5304.44	5287.73	4059.93	3584.23	3358.38	3612.51	3365.50	2691.10	2507.97	2224.68
<b>Total</b>	<b>30761.83</b>	<b>28135.96</b>	<b>30052.26</b>	<b>26296.61</b>	<b>23797.47</b>	<b>34279.34</b>	<b>24042.70</b>	<b>19693.49</b>	<b>10663.53</b>	<b>9161.03</b>



## FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) rule, 2014)  
Statements containing salient features of the financial statements of subsidiaries/ associate company/ joint ventures

## PART "A": Subsidiaries

Amounts in ₹

1. Name of the Subsidiary	<b>FNI Asia PTE Ltd</b>
2. Reporting period for the subsidiary concerned , if different from the holding company reporting period	March 31, 2016
3. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	S \$ 1S\$ = ₹ 49.24
4. Share Capital	49,160
5. Reserves & Surplus	NIL
6. Total Assets	9,40,446
7. Total Liabilities	9,40,446
8. Investments	---
9. Turnover	---
10. Profit/ (Loss) before taxation	(5,87,600)
11. Provision for taxation	---
12. profit/ (loss) after taxation	(5,87,600)
13. Proposed Dividend	---
14. % of shareholding	100

Name of subsidiaries which have been liquidated or sold during the year:

Sr.No	Name of the Companies
1.	Dravya Finance Limited
2.	Asim Exports International Limited

## PART "B": Associates and Joint Ventures

Name of the Associates	Dravya Finance Limited	Asim exports International Limited
1. Latest audited Balance Sheet date	March 31, 2016	March 31, 2016
2. Shares of Associates held by the Company on the year end:		
- No	55,119 Equity Shares of ₹ 10/- each	24,794 Equity Shares of ₹10/- each
- Amount of investment in Associate	5,51,190	2,47,940
- Extent of Holding %	27.56%	49.59%
3. Description of how there is significant influence	There is a significant influence due to percentage of Share Capital held	There is a significant influence due to percentage of Share Capital held
4. Reasons why the associates is not consolidated	Not applicable	Not Applicable
5. Networth attributable to shareholding as per latest audited balance sheet	12,32,328	1,92,174
6. Profit/( Loss) for the year	18,64,652	(47,303)
i. Considered in Consolidation	5,13,889	(32,310)
ii. Not Considered in Consolidation	---	---

\* Written off in earlier year

For and on behalf of the Board of Directors

**M.B.Dalal**  
Director  
(DIN: 00062453)

**V.K.Beswal**  
Independent Director  
(Din:00120095)

**D.D.Trivedi**  
Independent Director  
(Din:00380306)

Place: London  
Date: May 28, 2016

## INDEPENDENT AUDITORS' REPORT

To the Members of **Foods and Inns Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Foods and Inns Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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; and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company has disclosed the impact, if any, of pending litigations on its financial position in its standalone financial statements – Refer Note 29 of the standalone financial statements;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards.
    - iii. there has been no delay in transferring amounts, 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 of India in terms of Section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place: Mumbai  
Dated: May 30, 2016

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **Foods and Inns Limited** ("the Company") as of March 31, 2016 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 (the "Guidance Note") 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 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.

#### Auditors' 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 and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### 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 expenditure of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place: Mumbai  
Dated: May 30, 2016

## ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date to the members of the Company on the standalone financial statements for the year ended March 31, 2016.

### **Report on the Companies (Auditor's Report) Order, 2016, issued in terms of Section 143(11) of the Companies Act, 2013 ("the Act") of Foods and Inns Limited ("the Company")**

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets have been physically verified by the management according to a phased programme designed to cover all the fixed assets over a period of three years, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. Pursuant to the programme, a portion of the fixed assets have been physically verified by the management during the year, and no material discrepancies have been noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as included in Note 11 on Fixed Assets to the financial statements are held in the name of the Company.
- ii. Inventories, other than stock-in-transit and stock lying in overseas godown, have been physically verified by the management during the year or at the year end. For stock-in-transit at the year end, the necessary documentary evidences have been obtained. In case of stock lying in the overseas godown at the year end, the certificates confirming such stock have been received. In our opinion, the frequency of such verification is reasonable and no material discrepancies were noticed on such physical verification.
- iii. a. As per the information furnished, in earlier years, the Company had granted unsecured loans to a company and an individual, covered in the Register maintained under Section 189 of the Act. Further, during the year, the Company has granted interest-free advances to its wholly-owned subsidiary covered in the register maintained under Section 189 of the Act. The Company has not granted any other loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered under Section 189 of the Act.
- b. As regards the unsecured loans granted to the company, no terms and conditions including repayment of principal and payment of interest thereof have been stipulated and accordingly, the question of making any comment for the regularity of the receipt of the principal or the recovery of overdue amounts does not arise. In respect of the unsecured loan given to the individual, being an employee, the amount receivable is adjusted against the salary paid to him by the Company. Considering the amount involved and the purpose for which these loans are given, in our opinion, the same are not, *prima facie*, prejudicial to the interest of the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, in respect of investments made. Further, as legally advised, the provisions of Sections 185 and 186 of the Act are not applicable to the loan granted and guarantee given in connection with a loan to a company prior to the commencement of the Act. The Company has not granted any other Loan or given guarantee or provided security to any other party requiring compliance with the provisions of Sections 185 and 186 of the Act.
- v. Based on the legal opinion obtained by the Company with regard to the compliance of the repayment of deposits accepted by the Company, in our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vi. According to the information and explanations given to us, pursuant to the Companies (Cost Records and Audit) Rules, 2014 read with Section 148(1) of the Act, the Central Government has not prescribed maintenance of cost records in respect of any of the Company's products. Accordingly, paragraph 3(vi) of the order is not applicable to the Company.
- vii. a. According to the information and explanations given to us and on the basis of the books and records examined by us, except delays in payment in a few cases, the Company has been 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, Cess and other statutory dues as applicable to it with the appropriate authorities. Details of arrears of outstanding statutory dues on the last day of the financial year, for a period of more than six months from the date they become payable is as follows:

Name of the statute	Nature of the dues	Amount in ₹	Period to which the amount relates	Due Date	Date of payment	Remarks, if any
Maharashtra Value Added Tax Act, 2002	Works Contract Tax	60,363	April 2015 and August 2015	May 21, 2015 and September 21, 2015	May 20, 2016	
Income Tax Act, 1961	Advance Tax	20,98,726	Financial Year 2015-16	15 <sup>th</sup> June, 2015		- Not paid till the date of this Report
		41,97,452		15 <sup>th</sup> September, 2015		
Income Tax Act, 1961	Interest on delayed payment of Tax Deducted at Source	21,661	Financial Year 2015-2016	-		- Not paid till the date of this Report

- b. According to the information and explanations given to us and on the basis of books and records examined by us, as may be applicable, given herein below are the details of dues of Income-tax, Sales-tax, Service-tax, Duty of Customs, Duty of Excise, Value added tax and Cess as on March 31, 2016, which have not been deposited on account of disputes and the forum where the dispute is pending:

Name of the Statute	Nature of the Dues	Amount in ₹	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Income Tax	3,36,000	Assessment Year 2007-08	The Income-tax Appellate Tribunal
	Income tax and interest	2,25,036	Assessment Year 2009-2010	The Income-tax Appellate Tribunal
	Income tax	36,350	Assessment Year 2010-2011	The Income-tax Appellate Tribunal
	Income tax (Rectification Application)	9,587	Assessment Year 2011-2012	Commissioner of Income-tax (Appeals)
	Income tax	14,16,040	Assessment Year 2013-2014	Commissioner of Income-tax (Appeals)
The Finance Act, 1994	Service Tax and interest	3,96,978	Financial Year 2004-2005 to 2007-2008	Commissioner of Central Excise(Appeals)

- viii. According to the information and explanations given to us, also on the basis of the books and records examined by us, the Company has not defaulted in repayment of dues, if any, to financial institutions, banks, Government or debenture holders.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order in respect thereof is not applicable. Moneys raised by way of term loans were applied for the purposes for which those were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year in the course of our audit.
- xi. According to the information and explanations given to us and on the basis of books and records examined by us, the Company has paid/provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act, wherever applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made a preferential allotment or private placement of shares fully paid or fully or partly convertible debentures during the year under review. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place: Mumbai  
Dated: May 30, 2016



## BALANCE SHEET AS AT MARCH 31, 2016

	Note	₹	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	2		1,45,10,400	1,45,10,400
Reserves and Surplus	3		51,59,33,593	51,42,62,704
<b>Non-current liabilities</b>				
Long-term Borrowings	4	7,06,78,950		9,64,90,768
Deferred Tax Liabilities (Net)	5	8,22,07,497		4,92,07,497
Long-term Provisions	6	1,29,37,481		101,12,397
			16,58,23,928	15,58,10,662
<b>Current liabilities</b>				
Short-term Borrowings	7	187,66,32,781		137,18,00,493
Trade Payables	8			
Total outstanding dues to Micro Enterprises and Small Enterprises		13,08,537		6,13,769
Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises		26,87,59,793		42,86,54,802
Other Current Liabilities	9	21,14,68,335		29,83,02,867
Short-term Provisions	10	2,17,45,742		2,96,40,103
			237,99,15,188	212,90,12,034
<b>TOTAL</b>			<b>307,61,83,109</b>	<b>281,35,95,800</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Fixed assets	11			
Tangible assets		106,01,41,559		87,54,02,328
Intangible assets		11,462		12,397
Capital work-in-progress		1,47,76,186		17,07,42,530
		107,49,29,207		104,61,57,255
Non-current Investments	12	2,01,85,945		2,01,98,561
Long-term Loans and Advances	13	10,41,58,745		11,21,59,833
Other Non-current Assets	14	NIL		NIL
			119,92,73,897	117,85,15,649
<b>Current assets</b>				
Current Investments	15	1,45,658		9,39,000
Inventories	16	114,13,69,201		96,29,45,788
Trade Receivables	17	45,73,48,345		34,71,73,666
Cash and Cash Equivalents	18	8,80,15,728		8,76,69,181
Short-term Loans and Advances	19	13,03,12,124		18,09,74,430
Other Current Assets	20	5,97,18,156		5,53,78,086
			187,69,09,212	163,50,80,151
<b>TOTAL</b>			<b>307,61,83,109</b>	<b>281,35,95,800</b>
<b>Notes (Including Significant Accounting Policies)</b>				
<b>Forming Part of the Financial Statements</b>				
	1-45			

As per our report of even date attached

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place : Mumbai  
Date : May 30, 2016

For and on behalf of the Board of Directors

**M.B.DALAL**  
Director  
(DIN : 00062453)

**V.K.BESWAL**  
Independent Director  
(DIN : 00120095)

**D.D.TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : London  
Date : May 28, 2016



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	For the Year ended March 31, 2016	For the Year ended March 31, 2015
		₹	₹
Revenue from Operations	21	341,42,00,635	366,97,68,431
Less: Excise Duty on Sales		5,93,10,090	7,88,90,597
Revenue from Operations (Net)		335,48,90,545	359,08,77,834
Other Income	22	3,78,60,528	4,38,29,051
<b>Total Revenue</b>		<b>339,27,51,073</b>	<b>363,47,06,885</b>
<b>Expenses:</b>			
Cost of Materials Consumed	23	238,84,28,605	196,03,55,341
Purchases of Stock-in-Trade	24	13,30,89,804	22,16,09,997
Changes in Inventories of Finished Goods and Stock-in-Trade	25	(31,11,92,031)	15,77,17,988
Employee Benefits Expense	26	16,44,13,624	12,82,19,554
Finance Costs	27	19,70,36,089	22,19,11,455
Depreciation, Amortisation and Impairment Expense	11	8,00,58,320	10,58,84,907
Other Expenses	28	68,61,27,095	68,20,27,739
<b>Total Expenses</b>		<b>333,79,61,506</b>	<b>347,77,26,981</b>
<b>Profit before Exceptional Items and Tax</b>		<b>5,47,89,567</b>	<b>15,69,79,903</b>
Exceptional Items		NIL	NIL
<b>Profit before Tax</b>		<b>5,47,89,567</b>	<b>15,69,79,903</b>
Tax Expense			
Current Tax		1,51,00,000	3,50,00,000
Tax Adjustment of Earlier Years		NIL	(93,513)
MAT Credit		NIL	(5,41,675)
MAT Credit Reversal		5,41,675	NIL
Deferred Tax (Refer Note 5)		3,30,00,000	(44,19,891)
		<b>4,86,41,675</b>	<b>2,99,44,921</b>
<b>Profit for the Year</b>		<b>61,47,892</b>	<b>12,70,34,982</b>
Earnings per Equity Share of ₹ 10 each			
Basic and Diluted		4.24	87.55
<b>Notes (Including Significant Accounting Policies)</b>			
<b>Forming Part of the Financial Statements</b>	1-45		

As per our report of even date attached

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place : Mumbai  
Date : May 30, 2016

For and on behalf of the Board of Directors

**M.B.DALAL**  
Director  
(DIN : 00062453)

**V.K.BESWAL**  
Independent Director  
(DIN : 00120095)

**D.D.TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : London  
Date : May 28, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	5,47,89,567	15,69,79,903
<b>Adjustments for :</b>		
Add: Depreciation	8,00,58,320	10,58,84,907
Interest Expense	19,70,36,089	22,19,11,455
Foreign Currency Reinstatement Loss/ (Gain)	1,16,95,483	1,88,58,907
Mark to Market Loss/(Gain) on Outstanding Forward Contract	NIL	(3,94,43,576)
Adjustment to Carrying amount of Current Investments	32,992	NIL
Loss on Sale of Current Investments	1,46,108	NIL
Loss on Sale of Fixed Assets	2,00,773	NIL
Bad Debts Written off (Net)	NIL	73,46,428
Wealth Tax	NIL	99,500
Provision for Doubtful Debts	6,20,410	2,27,018
Balances Written off (Net)	7,92,551	NIL
Provision for Gratuity (Net of Payments)	29,00,425	4,58,726
Provision for Leave Encashment (Net of Payments)	12,85,664	7,12,955
Excise Duty on Uncleared Finished Goods	(12,99,793)	(27,44,157)
Less: Dividend Income	(23,239)	(5,589)
Interest Received on Deposits and Others	(3,36,39,402)	(3,56,02,222)
Balance / Provision Write Back-(Net )	(4,71,057)	(3,29,421)
Prior period Adujstment	NIL	NIL
Profit on Sale of Fixed Assets	(107,259)	(54,979)
Profit on Sale of Long-term Investments	NIL	(13,03,900)
Reversal of reduction in Current Investments	NIL	(1,64,000)
<b>Operating Profit Before Working Capital Changes</b>	<b>31,40,17,631</b>	<b>43,28,31,955</b>
<b>Adjustments for :</b>		
Long-term Loans and Advances and other Non-current Assets	80,13,704	(96,34,270)
Inventories	(17,84,23,414)	(84,17,109)
Trade Receivables and Short-term Loans and Advances	(5,96,09,861)	20,26,34,953
Other Current Assets	(43,40,070)	(35,38,243)
Long-term Provisions	(13,61,005)	8,88,842
Trade payables, Other Current Liabilities and Short-term Provisions	(25,61,44,436)	8,05,69,670
<b>Cash Generated From Operations</b>	<b>(17,78,47,451)</b>	<b>69,53,35,796</b>
Income Tax paid/(Received )	2,35,00,000	2,20,74,420
<b>Net Cash From Operating Activities</b>	<b>(20,13,47,451)</b>	<b>67,32,61,376</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(10,96,81,781)	(9,95,16,257)
Sale of Fixed Assets	7,58,000	4,75,000
Capital Subsidy received	NIL	25,00,000
Dividend Income	23,239	5,589
Long-term Investments in Subsidiary	NIL	61,776
Sale of Long-term Investments	NIL	15,55,900
Purchase of Current Investments	(1,49,900)	NIL
Sale of Current Investments	7,64,142	NIL
Interest on Deposits and Others	2,86,36,874	3,10,10,364
Bank Deposits having Original Maturity of more than 3 months	(33,00,101)	(1,31,48,349)
<b>Net Cash From Investing Activities</b>	<b>(8,29,49,527)</b>	<b>(7,70,55,977)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

	For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Long-term Borrowings	(2,29,94,314)	(7,66,26,154)
Increase/(Decrease) in Short-term Borrowings	50,34,39,930	(30,28,43,197)
Interest Paid	(15,73,68,696)	(17,25,30,843)
Guarantee commission and Financial Charges	(3,73,68,873)	(4,25,79,475)
Dividend Paid (Including Dividend Distribution Tax)	(43,66,215)	(30,55,760)
<b>Net Cash From Financing Activities</b>	<b>28,13,41,832</b>	<b>(59,76,35,429)</b>
 <b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(29,55,146)</b>	<b>(14,30,030)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>89,56,584</b>	<b>1,03,86,614</b>
<b>Exchange Difference on translation of foreign currency Cash and Cash Equivalents</b>	<b>1,592</b>	<b>NIL</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>60,03,030</b>	<b>89,56,584</b>
 <b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	5,69,093	9,80,181
Other Bank Balances		
On Current Accounts	50,93,243	76,51,088
On Unpaid Dividend Accounts	3,40,694	3,25,315
	<b>60,03,030</b>	<b>89,56,584</b>

**Notes:**

- Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3, as notified under the Companies (Accounting Standards) Rules, 2006, as the same are applicable in terms of the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Cash and Bank balances include Fixed Deposits with Banks against ECGC Scheme ₹ 4,89,74,049 (Previous Year ₹ 5,00,67,666) and Margin Money placed with Banks against Letter of Credit ₹ 3,30,38,649 (Previous Year ₹ 2,86,44,931).
- Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our report of even date attached

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

For and on behalf of the Board of Directors

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M.B.DALAL**  
Director  
(DIN : 00062453)

**V.K.BESWAL**  
Independent Director  
(DIN : 00120095)

**D.D.TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF ACCOUNTING:

##### a. Accounting Convention:

These financial statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention except for certain tangible assets which are being carried at revalued amounts as also on accrual basis. These financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') and the relevant provisions of the Act (to the extent notified). In the light of Rule 4A of the Companies (Accounts) Rules 2014, the items contained in these financial statements are in accordance with the definitions and other requirements specified in the Accounting Standards.

##### b. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosures relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts/advances, deferred tax etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known/materialised.

#### B. FIXED ASSETS:

- a. Land (Freehold): At cost except Land at Deonar, Mumbai, which is reflected at revalued amount.
- b. Buildings: At cost less depreciation and grants related to specific assets except buildings at Deonar, Mumbai, which are reflected at revalued amount less depreciation.
- c. Other Fixed Assets: At cost less accumulated depreciation/amortisation and impairment losses, if any.
- d. Cost for the aforesaid purposes comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties and interest on borrowings attributable to the acquisition of qualifying fixed assets upto the date on which the Asset is ready for its intended use, if any.
- e. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".

#### C. DEPRECIATION:

- a. Depreciation on tangible Fixed Assets is provided on the Straight-Line Method over the useful lives as prescribed under Part C of Schedule II of Companies Act, 2013.
- b. The amount of depreciation on the Revalued Fixed Assets over its Original Cost is withdrawn from the Revaluation Reserve Account (to the extent the Reserve is available) and credited to the General Reserve.
- c. Depreciation for assets purchased/sold during the period is charged on a pro-rata basis.

#### D. INVENTORIES:

- a. Inventories are valued at the lower of Cost and Net Realisable Value.
- b. Raw Materials and Packing Materials are valued at cost computed on FIFO basis. Cost includes cost of purchases and all other costs incurred in bringing the same to its present location and condition (net of Cenvat / Sales Tax set off, if any).
- c. Cost of Finished Goods consists of direct cost and an appropriate share of related factory overheads. Excise duty on closing stock of finished goods awaiting clearance has been provided for and included in cost thereof.
- d. Stock of materials sold by one unit to other is works/ factory costs of the transferor unit/ division, plus transport and other charges.

#### E. REVENUE RECOGNITION:

- a. Sales of Manufactured Goods:
  - i. Sale of goods in respect of export sales are recognised as and when the shipment of goods takes place.
  - ii. Sale of goods in respect of export sales from overseas warehouses are recognized as and when the release order for goods is sent to the warehouse.
  - iii. Sale of goods in respect of domestic sales are recognised on despatch of goods to the customer net of VAT and Excise Duty. However, for the purpose of disclosure, Sales are disclosed at gross as reduced by Excise Duty.
  - iv. Sales are net of returns.  
Excise Duty Refund, Octroi Duty Refund and Sales Tax Set off, if any, is taken on accrual basis.
- b. Recognition of Export Benefits:
  - i. Export Incentives are accounted on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claims are fulfilled [Refer Note 21.2 of the Statement of Profit and loss]  
Export Benefit Entitlements under the Duty drawback Scheme of the Government of India are recognised in the year in which the Export sales are accounted for.
  - ii. Advance License Benefits on Exports are accounted in the year of utilisation of license.
- c. Dividend income is recognised when the right to receive payment is established.

**SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016**

- d. Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- e. Claims for insurance are accounted at the time of its lodgement with the Insurance Company.

**F. FOREIGN CURRENCY TRANSACTIONS:**

- a. Transactions in foreign currency (monetary and non-monetary items) are initially recorded at exchange rates prevailing on the respective dates of the relevant transactions.
- b. Monetary items (i.e. receivables, payables, loans, etc.), which are denominated in foreign currency are translated and reported using the exchange rates prevailing on the date of Balance Sheet.
- c. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.
- d. Non-monetary items denominated in foreign currency and carried at:
  - i. fair value / net realisable value, are translated at the exchange rate prevalent at the date when the fair value / net realisable value was determined;
  - ii. historical cost, as translated at the exchange rate prevalent at the date of transaction.
- e. In case of forward contracts:
  - i. the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract;
  - ii. the exchange differences are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change;
  - iii. the exchange differences on settlement/restatement are recognised in the Statement of Profit and Loss for the period in which the forward contracts are settled/restated.

As required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on "Disclosure of Accounting Policies", outstanding forward contracts at the Balance Sheet date are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Statement of Profit and Loss.

**G. GRANTS:**

- a. Grants related to specific fixed assets are shown as deduction from the gross value of the assets.
- b. Other revenue grants are deducted from the related expense.
- c. Grants are recognised as accrued on the basis of sanction letter received from the concerned authorities.

**H. INVESTMENTS:**

- a. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.
- b. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.
- c. Current Investments are stated at the lower of cost and fair value.

**I. EMPLOYEE BENEFITS:**

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the period in which the related service is rendered.

**Long-term benefits:****Defined Contribution Plan:****a. Provident and Family Pension Fund**

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the Provident Fund Account under the Employees' Provident Fund and Misc. Provisions Act, 1952. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to the Statement of Profit and Loss as incurred.

**b. Superannuation fund:**

The superannuation fund benefits are administered by a Trust formed for this purpose through the Group scheme of Life Insurance Corporation of India. The Company's contribution to superannuation fund are charged to the Statement of Profit and Loss as paid.

**Defined Benefit Plan:****a. Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes contribution to the Group Gratuity Scheme with SBI Life Insurance Company Limited based on an independent actuarial valuation made at the year-end. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

### b. **Compensated Absences:**

The Company provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The liability is recognised based on number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses are recognised in the Statement of Profit and Loss.

### J. **BORROWING COSTS:**

Borrowing costs, in connection with the borrowing of funds to the extent attributable to the acquisition or construction of a qualifying fixed asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

### K. **LEASES:**

- a. Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.
- b. Assets taken on lease where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

### L. **TAXATION:**

- a. Current Tax: Provision for current tax is made on the estimated taxable income of the period at the rate applicable to the relevant assessment year.
- b. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is a convincing evidence that the Company will pay normal tax within the period specified under the Income-tax Act, 1961 to avail such MAT credit.
- c. Deferred Tax: Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year-end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets.

In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilised.

### M. **IMPAIRMENT OF ASSETS:**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

### N. **SEGMENT REPORTING POLICIES:**

- a. Primary Segments are identified based on the nature of products, the different risks and returns and the internal business reporting system. The identification of geographical segments (secondary segment) is based on the geographical location of its customers.
- b. The Company prepares its Segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### O. **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- a. The Company recognises a Provision when there is a present obligation as a result of past event, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.
- b. Contingent Liability is disclosed by way of a note to the financial statements when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or present obligation where likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent Assets are neither recognised nor disclosed in the financial statements.



## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>2. Share Capital</b>		
<b>Authorised</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10 par value	<b>6,00,00,000</b>	6,00,00,000
3,00,000 (3,00,000) Redeemable Preference Shares of ₹ 100 par value	<b>3,00,00,000</b>	3,00,00,000
	<b>9,00,00,000</b>	<b>9,00,00,000</b>
<b>Issued, Subscribed And Paid Up :</b>		
14,51,040 (14,51,040) Equity Shares of ₹ 10 par value fully paid	<b>1,45,10,400</b>	1,45,10,400
	<b>1,45,10,400</b>	<b>1,45,10,400</b>

## 2.1 Reconciliation of the number of shares outstanding and amount of share capital :

	As at March 31, 2016		As At March 31, 2015	
	No. of shares	₹	No. of shares	₹
Equity Shares of ₹ 10 par value				
At the beginning	<b>14,51,040</b>	<b>1,45,10,400</b>	14,51,040	1,45,10,400
Changes during the year	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
At the end	<b>14,51,040</b>	<b>1,45,10,400</b>	<b>14,51,040</b>	<b>1,45,10,400</b>

## 2.2 Rights, preferences and restrictions :

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- The Company declares and pays dividend 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, except in case of interim dividend. The Board of Directors, in their meeting on May 28, 2016, proposed a final dividend of ₹ 2.50 per equity share of ₹ 10 each. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 43,66,107 including corporate dividend tax of ₹ 7,38,507.  
  
During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 2.50 per equity share of ₹10 each. The dividend appropriation for the year ended March, 31 2015 amounted to ₹ 42,55,320 including corporate dividend tax of ₹ 6,27,720.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the 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.

## 2.3 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company :

	As at March 31, 2016		As At March 31, 2015	
Name of the Shareholder	No. of Shares held	% Held	No. of Shares held	% Held
Mr. Ray Simkins	<b>175,820</b>	<b>12.12</b>	175,820	12.12
Mrs. Pallavi Dhupelia	<b>162,905</b>	<b>11.23</b>	162,905	11.23
Mr. Utsav Dhupelia	<b>133,010</b>	<b>9.17</b>	133,010	9.17
Western Press Private Limited	<b>115,000</b>	<b>7.93</b>	114,357	7.88
Mrs. Rekha Dalal	<b>75,000</b>	<b>5.17</b>	72,950	5.03

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016		As At March 31, 2015
	₹	₹	₹
<b>3. Reserves and Surplus</b>			
<b>Capital Reserves</b>			
As per last Balance Sheet		3,13,246	3,13,246
<b>Securities Premium Account</b>			
As per last Balance Sheet		4,12,22,681	4,12,22,681
<b>Revaluation Reserve</b> (Refer Note 30)			
As per last Balance Sheet	9,40,94,134		9,64,39,731
Less: Transfer to General Reserve	23,52,024		23,45,597
Less: Transfer to Statement of Profit and Loss	NIL		NIL
		9,17,42,110	9,40,94,134
<b>General Reserve</b>			
As per last Balance Sheet	25,44,32,651		21,20,87,054
Add: Transferred from Surplus	NIL		4,00,00,000
Add: Transfer from Revaluation Reserve (Refer Note 30)	23,52,024		23,45,597
		25,67,84,675	25,44,32,651
<b>Surplus/ (Deficit)</b>			
As per last Balance Sheet	12,41,99,992		4,14,20,330
Add: Net Profit after Tax transferred from Statement of Profit and Loss	61,47,892		12,70,34,982
	13,03,47,884		16,84,55,312
Less: Appropriations			
Transferred to General Reserve	NIL		4,00,00,000
Proposed Dividend on Equity Shares	36,27,600		36,27,600
Tax on Proposed Dividend (includes ₹ 1,10,895 relating to prior period, paid during the year)	8,49,404		6,27,720
		12,58,70,880	12,41,99,992
		51,59,33,593	51,42,62,704
<b>4. Long-term Borrowings</b>			
Term Loans (Refer Notes 4.1 and 4.2)			
Secured			
From Banks		1,78,35,868	4,64,84,513
From Others		1,27,85,127	NIL
Deposits (Refer Notes 4.1 and 4.3)			
Unsecured			
Fixed Deposits		19,15,440	1,65,68,287
[Including ₹ 19,15,440 (Previous Year ₹ 68,43,287) from a related party]			
Other Loans			
Secured			
Vehicle Loans (Refer Notes 4.1 and 4.4)			
From Banks	5,03,829		2,78,603
From Others	12,28,686		16,64,365
	17,32,515		19,42,968
Unsecured			
From Directors	3,64,10,000		3,14,95,000
		3,81,42,515	3,34,37,968
		7,06,78,950	9,64,90,768

**SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016**

4.1 The above reflect non-current portion of the related borrowings and the current portion thereof is reflected in Note 9 on "Other Current Liabilities".

**Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 9) :**

Nature of Security	Rate of Interest	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>4.2 TERM LOANS</b>			
<b>From Banks:</b>			
a. Term Loan availed from Export Import Bank of India for Chittoor expansion -FFP Plant -II for ₹ 6,00,00,000 repayable in 20 Quarterly Instalment from June 20, 2011 of ₹ 30,00,000 each	<b>Ranging from 12.25% p.a. to 12.75% p.a.</b>	<b>NIL</b>	1,20,00,000
Primary Security:			
i Exclusive First charge on immovable and movable fixed assets acquired out of this term loan.			
ii Exclusive First charge on land admeasuring 4.04 acres pertaining to company's FFP plant – II at Chittoor			
Collateral Security:			
Second <u>Pari Pasu</u> charge on the entire fixed assets of company excluding specific fixed assets charged exclusively to term lender			
Personal <u>Guarantee</u> :			
i Mr. Utsav Dhupelia, Managing Director and Shareholder			
ii Mrs. Pallavi Dhupelia, Shareholder			
b. Term Loan availed from Andhra Bank for Chittoor expansion project for ₹ 9,00,00,000 repayable in 60 monthly instalments from July 11, 2012.	<b>9.00% p.a.</b>	<b>3,00,02,871</b>	4,91,62,372
Primary Security:			
Exclusive First Charge on movable and immovable fixed assets acquired /to be acquired out of this term loan.			
Collateral Security:			
i Second residual charge on Current Assets charged to working capital lenders			
ii Second <u>pari passu</u> charge on fixed assets under first charge to term lenders			
Personal Guarantee:			
i Mr. Utsav Dhupelia, Managing Director and Shareholder			
ii Mrs. Pallavi Dhupelia, Shareholder			
c. Term Loan availed from Corporation Bank for Chittoor expansion project for ₹ 3,64,00,000 repayable in 54 monthly instalments from January, 2014.	<b>Ranging from 14.25% p.a. to 14.75% p.a.</b>	<b>1,84,24,637</b>	2,66,23,913
Primary Security:			
Exclusive First Charge on movable assets of the Company procured/to be procured under the expansion of the Chittor project (cold storage) out of this term loan			
Collateral Security:			
Exclusive First Charge on movable assets of the Company procured/to be procured under the expansion of cold storage project at chittor factory including import of machinery out of this term loan			
Personal Guarantee:			
i Mr. Utsav Dhupelia, Managing Director and Shareholder			
ii Mrs. Pallavi Dhupelia, Shareholder			
<b>From Others:</b>			
a. Term Loan availed from Siemens Financial Services Private Limited for Machinery of ₹ 1,80,00,000 repayable in 36 monthly instalments from April, 2016.	<b>13.50% p.a.</b>	<b>1,80,00,000</b>	NIL
Primary Security:			
Exclusive First Charge on the machinery of the Company procured out of this Term Loan			

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

Nature of Security	Rate of Interest	As at March 31, 2016 ₹	As At March 31, 2015 ₹
Personal Guarantee:			
i Mr. Bhupen Dalal, Director			
ii Mr. Milan Dalal, Director			
Total of Term Loans		6,64,27,508	8,77,86,285
Less: Current maturities of Long-term debt (Refer Note 9)		3,58,06,513	4,13,01,772
		3,06,20,995	4,64,84,513
<b>4.3 DEPOSITS</b>			
Public Deposits maturing between 1 to 3 years	Ranging from 10% p.a. to 12.5% p.a.	1,03,22,440	3,42,78,287
Less: Current maturities of Long-term debt (Refer Note 9)		84,07,000	1,77,10,000
		19,15,440	1,65,68,287
<b>4.4 VEHICLE LOANS</b>			
<b>a. From Banks:</b>			
Vehicle Loan availed from ICICI Bank of ₹ 11,54,000, repayable in 36 monthly instalments commencing from November 1, 2013 is secured against the specified car	10.50% p.a.	2,16,409	6,16,740
Vehicle Loan availed from HDFC Bank of ₹ 3,30,000, repayable in 36 monthly instalments commencing from October 9, 2013 is secured against the specified car	10.50% p.a.	62,196	1,76,857
Vehicle Loan availed from ICICI Bank of ₹ 7,88,000, repayable in 36 monthly instalments commencing from March 1, 2016 is secured against the specified car	9.50% p.a.	7,43,953	NIL
<b>b. From Others:</b>			
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 10,44,140, repayable in 35 monthly instalments commencing from October 31, 2012 is secured against the specified car	11.14% p.a.	NIL	2,09,387
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 22,87,105, repayable in 47 monthly instalments commencing from January 1, 2014 is secured against the specified car	10.78% p.a.	10,92,079	16,59,540
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 8,87,000, repayable in 48 monthly instalments commencing from September 30, 2014 is secured against the specified car	10.81% p.a.	5,72,286	7,68,865
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 5,78,864, repayable in 35 monthly instalments commencing from May 1, 2016 is secured against the specified car	9.94% p.a.	5,78,864	NIL
Total of Vehicle Loans		32,65,787	34,31,389
Less: Current maturities of Long-term debt (Refer Note 9)		15,33,272	14,88,421
		17,32,515	19,42,968
		As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>5. Deferred Tax Liabilities (Net)</b>			
Deferred Tax Liabilities			
Depreciation		9,36,81,920	8,96,47,467
Deferred Tax Assets			
Expenses allowable for Tax purpose when paid		88,79,292	63,63,100
Provision for Doubtful Debts and Advances		25,95,131	24,40,816
Losses Carried Forward and Unabsorbed Depreciation		NIL	3,16,36,054
Net Deferred Tax Liabilities		8,22,07,497	4,92,07,497

5.1 Deferred Tax Liabilities (DTL) for the year is arrived at after reversal of Net Deferred Tax Assets of ₹ 3,03,53,842 (Previous Year ₹ 7,96,108) relating to prior period.

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	₹	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>6. Long-term Provisions</b>			
Provision for Employee Benefits			
For Gratuity	59,18,642		33,00,410
For Leave Encashment	70,18,839		68,11,987
		1,29,37,481	101,12,397
		1,29,37,481	101,12,397
<b>7. Short-term Borrowings</b>			
Loans Repayable on demand			
Secured			
From Banks			
Open Cash Credit (Refer Notes 7.1 and 7.4)	9,08,87,025		1,12,30,654
Packing Credit / Foreign Bills purchased (Refer Notes 7.2 and 7.4)	141,08,89,946		132,08,65,502
Buyer's Credit (Refer Notes 7.1 and 7.4)	4,97,93,294		3,97,04,337
Overdraft Facilities (Refer Note 7.3)	24,99,90,953		NIL
		180,15,61,218	137,18,00,493
Deposit - Inter Corporate		4,40,71,563	NIL
Other Loans			
Unsecured			
Directors		3,10,00,000	NIL
		187,66,32,781	137,18,00,493

7.1 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Packing Materials, etc. meant for other than export, a charge over the entire current assets of the Company including domestic receivables or book debts, both present and future. All the above Loans including from the Banks are also secured by a personal Guarantee of Mr. Utsav Dhupelia (Managing Director and a Shareholder) and Mrs. Pallavi Dhupelia (Shareholder), and charge on all the Fixed Assets excluding the assets financed out of the Term Loan.

7.2 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Cans, etc. meant for export, a charge over the entire current assets of the Company including export receivables/ book debts, both present and future, and stores and spares, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover, charge on all Fixed Assets excluding the assets financed out of the Term Loan and also secured by a personal Guarantee of Mr. Utsav Dhupelia (Managing Director and a Shareholder) and Mrs. Pallavi Dhupelia (Shareholder).

7.3 For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers and its receivables.

7.4 Secured by way of collateral against pledge of Fixed Deposit of ₹ 13,72,692 (Previous Year ₹ 13,72,692) (Refer Note 18.1).

	₹	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>8. Trade Payables</b>			
Total outstanding dues to Micro Enterprises and Small Enterprises (Refer Note 8.1)		13,08,537	6,13,769
Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises		26,87,59,793	42,86,54,802
		27,00,68,330	42,92,68,571
<b>8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:</b>			
Principal amount remaining unpaid and interest due thereon		13,08,537	6,13,769
Interest paid in terms of Section 16		NIL	NIL
Interest due and payable for the period of delay in payment		26,667	39,897
Interest accrued and remaining unpaid		3,75,236	3,48,569
Interest due and payable even in succeeding years		NIL	NIL

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified by the Company.

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

		As at March 31, 2016	As At March 31, 2015
	₹	₹	₹
<b>9. Other Current Liabilities</b>			
Current maturities of Long-term debt			
Term Loan (Refer Note 4.2)			
Secured			
From Banks	3,05,91,640		4,13,01,772
From Others	52,14,873		NIL
Deposits (Refer Note 4.3)			
Unsecured			
Fixed Deposits	84,07,000		1,77,10,000
Other Loans			
Secured (Refer Note 4.4)			
Vehicle Loans			
From Banks	5,18,729		5,14,994
From Others	10,14,543		9,73,427
	15,33,272		14,88,421
		4,57,46,785	6,05,00,193
Interest accrued but not due on borrowings		3,13,107	69,99,644
Interest accrued and due on borrowings		66,087	48,688
Unclaimed dividends		3,40,694	3,25,315
Book Overdraft		6,89,096	2,87,201
Advances from customers		6,98,77,332	14,52,01,760
Other Payables			
For Capital Expenses	3,17,58,729		1,90,14,315
Others *	6,26,76,505		6,59,25,751
		9,44,35,234	8,49,40,066
		21,14,68,335	29,83,02,867
* Others include Statutory Dues and other year-end liabilities provided.			
<b>10. Short-term Provisions</b>			
Provision for employee benefits			
Gratuity	35,42,893		32,60,700
Leave Encashment	18,54,948		7,76,136
		53,97,841	40,36,836
Others			
Provision for Tax	5,90,64,394		4,69,27,568
Less: Taxes Paid	4,70,82,600		2,55,79,621
	1,19,81,794		2,13,47,947
Proposed Dividend	36,27,600		36,27,600
Tax on Dividend	7,38,507		6,27,720
		1,63,47,901	2,56,03,267
		2,17,45,742	2,96,40,103

## 11. Fixed Assets

Description	GROSS BLOCK				DEPRECIATION, AMORTISATION and IMPAIRMENT					NET BLOCK	
	As At April 1, 2015	Additions	Deductions and/or Adjustments	As At March 31, 2016	Upto March 31, 2015	Adjustment in WDV as on 1/4/14 as per Schedule - II	For the Year	Impairment of Assets	Withdrawal for Sale/ Adjustment	As At March 31, 2016	As At March 31, 2015
<b>Tangible Assets</b>											
Land	12,73,99,439 (12,73,99,439)	NIL (NIL)	NIL (NIL)	12,73,99,439 (12,73,99,439)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	12,73,99,439 (12,73,99,439)	12,73,99,439 (12,73,99,439)
Buildings	36,73,01,103 (33,50,71,639)	6,90,17,471 (3,22,29,464)	NIL (NIL)	43,63,18,574 (36,73,01,103)	7,07,10,125 (5,12,83,122)	NIL (NIL)	1,35,20,455 (1,94,27,003)	NIL (NIL)	NIL (NIL)	35,20,87,994 (29,65,90,978)	29,65,90,978 (28,37,88,517)
Factory Building	4,17,76,494 (4,17,76,494)	1,78,870 (NIL)	NIL (NIL)	4,19,55,364 (4,17,76,494)	1,12,11,051 (86,45,734)	NIL (2,67,310)	21,59,119 (22,98,007)	NIL (NIL)	NIL (NIL)	1,33,70,170 (3,05,65,443)	3,05,65,443 (3,31,30,760)
Administrative Building	70,93,28,682 (68,17,36,298)	19,24,80,915 (3,00,92,384)	NIL (25,00,000)	90,18,09,597 (70,93,28,682)	31,79,93,181 (24,42,49,458)	NIL (1,32,10,174)	5,81,99,473 (6,05,33,549)	4,10,018 (NIL)	NIL (NIL)	37,66,02,672 (31,79,93,181)	39,13,35,501 (43,74,86,840)
Plant and Equipments	93,71,945 (93,71,945)	NIL (NIL)	NIL (NIL)	93,71,945 (93,71,945)	36,34,445 (22,98,532)	NIL (6,87,002)	6,50,688 (6,48,911)	NIL (NIL)	NIL (NIL)	42,85,133 (36,34,445)	57,37,500 (70,73,413)
Plant and Machinery:	1,01,51,348 (1,01,51,352)	3,58,905 (NIL)	NIL (NIL)	1,05,10,253 (1,01,51,352)	50,05,566 (29,38,415)	NIL (12,46,789)	8,44,357 (8,00,362)	NIL (NIL)	NIL (NIL)	58,49,923 (50,05,566)	51,45,782 (71,92,933)
Generators	82,30,640 (77,90,693)	11,58,849 (4,39,947)	NIL (NIL)	93,89,489 (82,30,640)	54,12,440 (41,15,321)	NIL (2,41,275)	5,77,049 (10,55,844)	NIL (NIL)	NIL (NIL)	59,89,490 (54,12,440)	28,18,200 (36,75,372)
Forklift Accessories	2,10,93,063 (1,97,50,755)	10,86,300 (24,08,068)	19,00,036 (10,65,760)	2,02,79,327 (2,10,93,063)	86,79,454 (71,29,633)	NIL (75,155)	19,60,164 (21,20,405)	NIL (NIL)	10,48,522 (6,45,739)	95,91,096 (86,79,454)	1,24,13,608 (1,26,21,122)
Furniture and Fixtures	78,61,538 (68,80,933)	8,78,545 (9,80,605)	NIL (NIL)	87,40,083 (78,61,538)	54,75,229 (34,41,479)	NIL (768,203)	10,54,925 (12,65,547)	1,16,789 (NIL)	NIL (NIL)	66,46,843 (54,75,229)	23,86,308 (34,39,454)
Office Equipments	89,26,897 (84,43,936)	4,88,270 (4,82,961)	NIL (NIL)	94,15,167 (89,26,897)	79,17,328 (66,78,210)	NIL (3,42,604)	5,64,444 (8,96,514)	NIL (NIL)	NIL (NIL)	84,81,772 (79,17,328)	10,09,569 (17,65,726)
Others	131,14,41,149 (124,83,73,480)	26,56,48,125 (6,66,33,429)	19,00,036 (35,65,760)	157,51,89,238 (131,14,41,149)	43,60,38,819 (33,07,99,904)	NIL (1,68,38,512)	7,95,30,578 (8,90,46,142)	5,26,807 (NIL)	10,48,522 (6,45,739)	106,01,41,559 (87,54,02,328)	87,54,02,328 (91,75,73,576)
<b>Intangible Assets</b>											
Patents and Trademarks	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	NIL (NIL)
Computer Software	6,50,717 (6,50,717)	NIL (NIL)	NIL (NIL)	6,50,717 (6,50,717)	6,38,320 (6,38,067)	NIL (NIL)	935 (253)	NIL (NIL)	NIL (NIL)	6,39,255 (6,38,067)	12,397 (12,650)
Current year	9,13,217 (9,13,217)	NIL (NIL)	NIL (NIL)	9,13,217 (9,13,217)	9,00,820 (9,00,567)	NIL (NIL)	935 (253)	NIL (NIL)	NIL (NIL)	9,01,755 (9,00,567)	12,397 (12,650)
Previous year	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
<b>Capital Work-in-progress</b>											
Plant and Machinery	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
Current year	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
Previous year	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
<b>Intangible Assets Under Development</b>											
Computer Software	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Current year	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Previous year	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)

11.1 Gross Block includes the following amounts on account of Revaluation of assets at Deonar, Mumbai:

- Land ₹ 8,00,20,550 (Previous year ₹ 8,00,20,550)

- Factory Building ₹ 1,57,27,907 (Previous year ₹ 1,57,27,907)

- Administrative Building ₹ 1,09,30,926 (Previous year ₹ 1,09,30,926)

- For other disclosures on revaluation of Fixed Assets - Refer Note 3(1a)

11.2 For the year ended March 31, 2015 - Effective from April 1, 2014, the Company has provided depreciation on its tangible Fixed Assets as per the useful lives as specified in Schedule II to the Companies Act, 2013. Accordingly, in respect of the tangible Fixed Assets as on April 1, 2014, the carrying amount, net of residual value, as on that date has been depreciated over the revised remaining useful lives of the assets. As a result, the charge for depreciation for the year ended March 31, 2015 is higher by ₹ 3,40,04,285 (including depreciation of ₹ 36,280 on Revalued assets). Further, in view of the Notification No. GSR 62(I) of August 29, 2014 amending Schedule II, on the basis of option available, the Company has now decided to charge the carrying amount of assets, after retaining residual value, in cases where the remaining useful life has been completed as on April 1, 2014 by way of depreciation to the Statement of Profit and Loss and accordingly, the sum of ₹ 1,68,38,512 is included in depreciation for the year ended March 31, 2015.

11.3 Based on the policy of Component Accounting adopted by the Company with effect from April 1, 2015, there is no additional or otherwise impact on the depreciation for the year.

11.4 During the year, the Company closed its operations at Chambur factory v.e.f. December 30, 2015. Based on the assessment of Fair Market Value (FMV) of the assets of the Chambur factory, which cannot be relocated, the impairment of ₹ 5,26,807 is made in terms of the requirement under Accounting Standard 28 on "Impairment of Assets".

11.5 During the year, the Company has taken on Lease Plant and Machinery of ₹ 2,45,40,000 from Finns Frozen Foods (I) Limited (an associate) which was later on purchased from it at ₹ 2,35,09,184.

11.6 Figures given in brackets above are for the previous year.



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	₹	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>12. Non-current Investments</b>			
Long-term Investments - valued at cost less provision for other than temporary diminution			
Trade			
In Equity Instruments of Subsidiaries			
Unquoted			
Fully Paid Equity Shares			
<b>Quantity Investee Company</b>			
1,000 FNI Asia PTE Ltd.		<b>49,160</b>	61,776
(1,000) (\$ 1 par value)			
In Equity Instruments of Associate (Refer Note 31)			
Unquoted			
Fully Paid Equity Shares			
<b>Quantity Investee Company</b>			
24,00,000 Finns Frozen Foods (I) Ltd.*	<b>2,40,00,000</b>		2,40,00,000
(24,00,000) (₹ 10 par value)			
Less : Provision for Diminution in Value of Investments	<b>48,00,000</b>		48,00,000
		<b>1,92,00,000</b>	1,92,00,000
24,794 Asim Exports International Limited (Refer Note 12.2)		<b>2,47,940</b>	2,47,940
(49,994) (₹ 10 par value)			
Other than Trade			
In Equity Instruments of Other Companies			
Quoted			
Fully Paid Equity Shares			
<b>Quantity Investee Company</b>			
66 Hindustan Unilever Limited		<b>3,425</b>	3,425
(66) (₹ 1 par value)			
1,00,000 CIFCO Finance Limited*	<b>10,79,533</b>		10,79,533
(1,00,000) (₹ 10 par value)			
Less : Provision for Diminution in Value of Investments	<b>10,79,533</b>		10,79,533
		<b>NIL</b>	NIL
100 Western Food Limited*	<b>1,000</b>		1,000
(100) (₹ 10 par value)			
Less : Provision for Diminution in Value of Investments	<b>1,000</b>		1,000
		<b>NIL</b>	NIL
2,000 FDC Limited		<b>10,000</b>	10,000
(2,000) (₹ 1 par value)			
9,400 Bank of Maharashtra Limited		<b>2,16,200</b>	2,16,200
(9,400) (₹ 10 par value)			
5,098 Andhra Bank Limited		<b>4,58,820</b>	4,58,820
(5,098) (₹ 90 par value)			
In Government or trust securities			
Unquoted			
National Savings Certificate (VIII Issue)*	<b>200</b>		200
Indira Vikas Patra*	<b>200</b>		200
		<b>400</b>	400
		<b>2,01,85,945</b>	2,01,98,561

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate amount of Quoted Investments	6,88,445	9,68,052	6,88,445	11,12,648
Aggregate amount of Unquoted Investments	1,94,97,500	Not Applicable	1,95,10,116	Not Applicable
Aggregate provision made for diminution in value of Investments	58,80,533	Not Applicable	58,80,533	Not Applicable

- 12.1 On March 30, 2015, as the Company sold 1,44,875 Equity Shares of Dravya, the latter ceased to be the Company's subsidiary; with the balance holding of 55,125 Equity Shares, with effect from March 31, 2015, Dravya has become an associate of the Company. The above does not include the carrying amount of such investments since the same was written off in an earlier year.
- 12.2 On March 30, 2015, as the Company sold 25,200 Equity Shares of Asim Exports International Limited, an another subsidiary ("Asim"), the latter ceased to be the Company's subsidiary with the balance holding of 27,794 Equity Shares, with effect from March 31, 2015, Asim too became the Company's associate. Accordingly, investments therein are reflected herein above.
- \*12.3 The Income-tax Authorities had carried out a search in premises of the Company under section 132 of the Income-tax Act, 1961, on October 16, 1992 and seized the share certificates in respect of the investments of the Company. The time to hold share certificates under seizure by the Income-tax Department was over and the latter informed the Company for releasing of Shares but the Company could not take any step in this respect without taking approval of the Custodian specified in the Act. Subsequently, on June 12, 2007, the Company made an application to the Special Court for giving specific directions in this regard, for which on the basis of the order received during the year ended March 31, 2015, the said shares were released.

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>13. Long-term Loans and Advances</b>		
Unsecured, Considered Good		
Capital Advances	27,85,343	1,01,51,765
Security Deposits	1,22,40,416	94,12,181
Loans and advances to Related Parties (Refer Note 31)		
To Associate and Subsidiary	3,07,32,981	3,02,81,655
To Others - Inter-Corporate Deposit	1,85,00,000	1,85,00,000
	4,92,32,981	4,87,81,655
Other Loans and Advances		
MAT Credit Entitlements	2,28,59,633	2,63,64,481
Advances recoverable in cash or kind for value to be received (Refer Note 13.2)	17,48,334	21,57,713
Taxes Paid	2,24,08,322	2,24,08,322
Less : Provision for Tax	71,16,284	71,16,284
	1,52,92,038	1,52,92,038
	3,99,00,005	4,38,14,232
	10,41,58,745	11,21,59,833

## 13.1 Information on Loans given, Investments made and Guarantee given pursuant to Section 186 (4) of the Companies Act, 2013

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>a Corporate Guarantee given by the Company in respect of loans obtained by others as at March 31, 2016</b>		
<b>Name of the Company Purpose</b>		
Finns Frozen Foods (I) Ltd. Against Bank Borrowings by the associate	11,70,00,000	11,70,00,000
<b>b Loan given by the Company as at March 31, 2016</b>		
<b>Name of the Company Purpose</b>		
Muller & Phipps (India) Limited Inter-Corporate Lending	1,85,00,000	1,85,00,000

- 13.2 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Prepaid expenses.

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	₹	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>14. Other Non-current Assets</b>			
Trade Receivables			
Unsecured, Considered Doubtful	67,20,267		60,99,857
Less: Provision for Doubtful Debts	67,20,267		60,99,857
		NIL	NIL
Other Loans and Advances			
Advances recoverable in cash or kind for value to be received			
Unsecured, Considered Doubtful	11,28,783		11,28,783
Less: Provision for Doubtful Advances	11,28,783		11,28,783
		NIL	NIL
		NIL	NIL
<b>15. Current Investments</b>			
Investments in Mutual Funds at the lower of cost and fair value			
Quoted			
In units of SBI Mutual Fund			
SBI Public Sector Unit Fund Growth		NIL	9,39,000
In units of BOI AXA Capital Protection Oriented Fund			
Regular Plan Growth - Series 4		1,45,658	NIL
		1,45,658	9,39,000

	Cost ₹	Net Asset Value ₹	Cost ₹	Net Asset Value ₹
Aggregate amount of Quoted Investments	1,49,900	1,45,658	10,00,000	9,39,000

	₹	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>16. Inventories</b>			
Raw Materials		1,04,32,037	2,29,73,512
Finished Goods		90,73,61,320	60,00,00,398
(includes Goods-in-transit of ₹ 2,24,03,217 [ ₹ 1,21,79,401])			
Stock-in-trade		1,70,83,831	1,45,52,515
Packing Materials		20,64,92,013	32,54,19,363
		114,13,69,201	96,29,45,788
<b>16.1 Details of Inventories</b>			
Raw Materials			
Fruits and Vegetables		24,29,639	1,64,44,212
Power and Fuel		28,20,367	42,15,652
Other Raw Materials		51,82,031	23,13,648
		1,04,32,037	229,73,512
Finished Goods and Stock-in-trade			
Fruit Powder		65,03,911	71,46,322
Fruit Pulp, Concentrate and Frozen Pulp		91,73,49,114	60,13,70,907
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		3,31,458	5,56,337
Other Powder		NIL	44,423
Others		2,60,668	54,34,924
		92,44,45,151	61,45,52,913

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Packing Materials		
Aseptic Bags	2,10,26,367	3,03,15,084
Empty Cans	1,42,70,329	7,18,20,158
MS Drums	7,63,85,189	13,32,82,797
Cartons and LDPE Bags	16,77,432	44,85,654
Wooden Pallets and Plywoods	91,95,983	1,26,84,039
Plastic Crates	7,95,10,420	7,26,04,513
Others	44,26,293	2,27,118
	<u>20,64,92,013</u>	<u>32,54,19,363</u>
<b>17. Trade Receivables</b>		
Unsecured, Considered Good		
Outstanding for a period exceeding Six months from the date they are due for payment	93,72,433	1,51,29,937
Others	<u>44,79,75,912</u>	<u>33,20,43,729</u>
	<u>45,73,48,345</u>	<u>34,71,73,666</u>
	<u>45,73,48,345</u>	<u>34,71,73,666</u>
<b>18. Cash and Bank Balances</b>		
Cash and Cash Equivalents		
Cash on hand	5,69,093	9,80,181
Balances with banks		
On Current Accounts	50,93,243	76,51,088
On Unclaimed Dividend Accounts	<u>3,40,694</u>	<u>3,25,315</u>
	54,33,937	79,76,403
Other Bank Balances		
On Fixed Deposit Accounts (Refer Note 18.1)	4,89,74,049	5,00,67,666
On Margin Money Accounts		
With Maturity within 12 Months from Balance Sheet Date	<u>3,30,38,649</u>	<u>2,86,44,931</u>
	<u>8,80,15,728</u>	<u>8,76,69,181</u>
18.1 Of the above, Fixed Deposit of ₹ 13,72,692 (Previous Year ₹ 13,72,692) are pledged as collateral in respect of secured loan taken from banks (Refer Note 7.4).		
<b>19. Short-term Loans and Advances</b>		
Unsecured, Considered Good		
Loans and advances to Related Parties [Refer Note 31]	3,36,55,874	5,82,72,862
Other Loans and Advances		
VAT Receivable	33,79,966	66,36,844
Excise duty Receivable	1,08,68,195	1,11,92,701
Service Tax Receivable	1,33,78,608	1,12,59,948
Loans to Staff	70,69,083	20,35,279
Advances recoverable in cash or kind for value to be received (Refer Note 19.1)	<u>6,19,60,398</u>	<u>9,15,76,796</u>
	<u>9,66,56,250</u>	<u>12,27,01,568</u>
	<u>13,03,12,124</u>	<u>18,09,74,430</u>
19.1 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Advances to Suppliers, Prepaid expenses and Advances to Employees for expenses.		

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>20. Other Current Assets</b>		
Export Benefits Receivable	5,78,90,433	5,41,31,609
Interest Receivable on Fixed Deposits	18,27,723	12,46,477
	<b>5,97,18,156</b>	<b>5,53,78,086</b>

	For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>21. Revenue from Operations</b>		
Sale of Products		
Manufactured Goods (Refer Note 21.1.1)	308,68,81,822	320,04,09,118
Traded Goods (Refer Note 21.1.2)	20,09,38,736	33,01,56,674
	<b>328,78,20,558</b>	<b>353,05,65,792</b>
Other Operating Revenues		
Export Benefits (Refer Note 21.2)	10,44,74,078	10,31,38,653
Processing Charges	54,60,175	43,43,746
Claims and Rebates	23,37,275	1,99,260
Sale of Scrap	13,72,040	41,53,259
Warehousing Charges	1,27,36,509	2,73,67,721
	<b>12,63,80,077</b>	<b>13,92,02,639</b>
	<b>341,42,00,635</b>	<b>366,97,68,431</b>
Less: Excise Duty on Sales	5,93,10,090	7,88,90,597
	<b>335,48,90,545</b>	<b>359,08,77,834</b>
<b>21.1 Details of Sale of Products:</b>		
<b>21.1.1 Manufactured Goods</b>		
Fruit Powder	4,88,85,154	7,71,99,268
Fruit Pulp, Concentrate and Frozen Pulp	296,62,75,998	310,72,29,352
Vegetables, Pickles, Mango Chutney and Frozen Vegetables	6,32,72,995	68,90,742
Other Powder	84,47,675	87,58,016
Others	NIL	3,31,740
	<b>308,68,81,822</b>	<b>320,04,09,118</b>
<b>21.1.2 Traded Goods</b>		
Fruit Pulp, Concentrate and Frozen Pulp	15,18,30,872	27,55,38,101
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables	1,73,35,249	3,99,10,383
Others	3,17,72,616	147,08,190
	<b>20,09,38,736</b>	<b>33,01,56,674</b>

- 21.2 The Company is entitled to Export Benefits, under Merchandise Exports from India Scheme (MEIS) vide Public Notice No.2/2015-20 dated April 1, 2015, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 9,91,00,411 (Previous Year ₹ 9,78,50,657) on export of goods.

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

		For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹	₹
<b>22. Other Income</b>			
Interest Income			
Interest received from Customers	2,30,02,968		2,52,80,434
Interest on Fixed and Other Deposits	1,02,87,184		99,48,749
Interest on Others	3,49,250		3,73,039
		3,36,39,402	3,56,02,222
Dividend Income		23,239	5,589
Insurance Claims		20,20,156	NIL
Guarantee Commission Received		2,61,527	6,12,000
Other Non-operating Income			
Foreign Exchange (Gain)/Loss (Net)			
(Gain) / Loss (Net) on Forward Contracts			
on settled / realised / cancelled contracts realised	NIL		(1,75,99,033)
On Mark to market loss on outstanding contracts			
unrealised	NIL		(1,88,58,907)
Premium on Forward Contract	NIL		3,94,43,576
		NIL	29,85,636
Profit on Sale of Long-term Investments	NIL		13,03,900
Reversal of adjustment to Carrying amount of Current Investments	NIL		1,64,000
Bad Debts recovered	NIL		7,50,000
Profit on sale of fixed assets	1,07,259		54,979
Balances / Provisions written back (Net)	4,71,057		3,29,421
Rent Received	52,680		52,680
Miscellaneous Income	12,85,207		19,68,624
		19,16,203	46,23,604
		3,78,60,528	4,38,29,051
<b>23. Cost of Materials Consumed</b>			
Fruits and Vegetables (Refer Note 23.1)			
Opening Stock	1,64,44,211		21,385
Add: Purchases	190,88,15,222		157,12,75,708
Less: Closing Stock	24,29,639		1,64,44,211
		192,28,29,794	155,48,52,882
Other Raw Materials Consumed (Refer Note 23.1)			
Opening Stock	23,13,648		67,81,185
Add: Purchases	4,16,02,038		2,99,67,679
Less: Closing Stock	51,82,031		23,13,648
		3,87,33,655	3,44,35,216
Packing Materials			
Opening Stock	32,54,19,363		17,02,69,503
Add: Purchases	30,79,37,806		52,62,17,103
Less: Closing Stock	20,64,92,013		32,54,19,363
		42,68,65,156	37,10,67,243
		238,84,28,605	196,03,55,341
<b>23.1 Details of Consumption of Raw Materials</b>			
Fruits and Vegetables		192,28,29,794	155,48,52,882
Other Raw Materials		3,87,33,655	3,44,35,216
		196,15,63,449	158,92,88,098

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

		For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹	₹
<b>24. Purchases of Stock-in-Trade</b>			
Fruit Pulps	12,17,55,219		17,95,81,225
Others	1,13,34,585		4,20,28,772
		<b>13,30,89,804</b>	<b>22,16,09,997</b>
		<b>13,30,89,804</b>	<b>22,16,09,997</b>
<b>25. Changes in Inventories of Finished Goods</b>			
Finished Goods			
Closing Stock	92,44,45,151		61,45,52,913
Less: Opening Stock	61,45,52,913		77,50,15,058
		<b>(30,98,92,238)</b>	<b>16,04,62,145</b>
Excise Duty on Uncleared Finished Goods			
Closing Stock	3,20,07,827		3,33,07,620
Less: Opening Stock	3,33,07,620		3,60,51,777
		<b>(12,99,793)</b>	<b>(27,44,157)</b>
		<b>(31,11,92,031)</b>	<b>15,77,17,988</b>
<b>26. Employee Benefits Expense</b>			
Salaries and Wages			
Salaries, Wages and Benefits	12,85,48,179		10,29,41,912
Director's Remuneration	83,60,400		50,68,000
		<b>13,69,08,579</b>	<b>10,80,09,912</b>
Contributions to Provident Fund and Other Funds		<b>83,80,330</b>	<b>73,94,300</b>
Gratuity		<b>29,00,152</b>	<b>28,58,726</b>
Staff Welfare Expenses		<b>1,62,24,564</b>	<b>99,56,616</b>
		<b>16,44,13,624</b>	<b>12,82,19,554</b>
<b>27. Finance costs</b>			
Interest expense			
On Cash Credit Facilities /Buyers Credit (Refer Note 27.1)	11,53,12,279		15,10,61,245
On Term Loans	87,69,530		1,27,75,222
On Others	3,55,85,407		1,54,95,513
		<b>15,96,67,216</b>	<b>17,93,31,980</b>
Other Borrowing Costs			
Bank Charges	3,05,31,199		3,71,72,530
Guarantee Commission (Refer Note 27.2)	65,67,000		53,17,500
Brokerage on Fund Arrangements (Refer Note 27.3)	2,70,674		89,445
		<b>3,73,68,873</b>	<b>4,25,79,475</b>
		<b>19,70,36,089</b>	<b>22,19,11,455</b>

27.1 Interest on Cash Credit Facilities / Buyers Credit is net of subsidy of ₹ 1,99,94,578 (Previous Year ₹ Nil) received under Interest Equilisation Scheme on pre-shipment and post-shipment credit.

27.2 Guarantee Commission of ₹ 65,67,000 (Previous Year ₹ 53,17,500) paid/provided as due to a related party (Refer Note 35).

27.3 Brokerage on Fund Arrangements ₹ 15,411 (Previous Year ₹ 17,205) paid/provided as due to a related party (Refer Note 35).



## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹
<b>28. Other Expenses</b>		
Fruit Ripening Charges (Refer Note 28.1)	8,56,53,554	8,08,85,991
Processing Charges	12,82,70,745	6,93,96,871
Water Charges	3,33,597	3,81,093
Testing Fees	44,46,784	74,84,886
Consumption of stores and spare parts	2,15,39,742	2,14,06,720
Power and Fuel		
Fuel Consumed		
Opening Stock	42,15,652	24,41,547
Add: Purchase	4,58,78,653	6,43,39,561
Less: Closing Stock	28,20,367	42,15,652
	4,72,73,938	6,25,65,456
Electricity Charges	3,88,12,506	3,58,78,990
Office Electricity Charges	6,29,500	7,41,227
	8,67,15,944	9,91,85,673
Rent	1,27,64,084	1,25,92,900
Repair and Maintenance		
Repairs to Buildings	20,39,662	29,36,007
Repairs to Machinery	33,21,728	15,03,458
Repairs Others	79,56,753	1,12,25,427
	1,33,18,143	1,56,64,892
Insurance	1,59,65,016	1,64,40,836
Rates and Taxes	24,67,592	21,05,023
Freight and Forwarding (Net)	12,84,31,378	17,16,22,509
Warehousing Charges (Refer Note 28.2)	5,28,50,039	7,81,23,844
Foreign Exchange (Gain)/Loss (Net)		
(Gain) / Loss (Net) on Forward Contracts		
on settled / realised / cancelled contracts realised	1,35,71,106	NIL
On Mark to market loss on outstanding contracts		
unrealised	1,16,95,483	NIL
Premium on Forward Contract	NIL	NIL
	2,52,66,589	NIL
Legalisation, Application Documents Charges, etc.	1,04,88,694	1,12,52,418
Legal and Professional Charges	2,66,05,891	2,88,23,266
Commission on Sales	36,27,928	58,31,317
Auditor's Remuneration		
Audit Fees	8,00,000	8,00,000
Tax Audit Fees	2,50,000	3,25,000
Certification Work	2,28,000	6,80,000
	12,78,000	18,05,000
Advertisement and Sales Promotion	53,27,067	38,28,340
Membership and Subscription	19,89,222	20,82,247
Postage and Telegram	19,58,333	26,51,804
Director's fees	6,55,000	5,65,000
Printing and Stationery	14,79,986	13,61,149
Telephone, Telex and Fax	23,73,840	23,69,827
Loss on Sale of Fixed Assets	2,00,773	NIL
Security Charges	48,93,899	42,00,675
Hiring Charges	60,16,484	30,57,552
Interest on delayed payment of Government dues	7,56,209	2,59,666
Interest on delayed payment under MSMED Act and Others	26,667	39,897
Claims, Rebates, etc.	39,73,471	28,71,841

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹
Bad Debts written off	NIL	73,46,428
Balances Written off (Net)	7,92,551	NIL
Provision for Doubtful Debts	6,20,410	2,27,018
Less: Provision no Longer required	NIL	NIL
	6,20,410	2,27,018
Travelling and Motor Car Expenses	1,58,77,100	1,66,17,024
Adjustment to Carrying amount of Current Investments	32,992	NIL
Donation	26,05,468	87,450
Loss on Sale of Current Investments	1,46,108	
Prior Period Expenses	3,05,030	NIL
Corporate Social Responsibility (CSR) Expenditure (Refer Note 28.3)	5,10,544	25,00,000
Miscellaneous Expenses	1,55,62,219	89,58,581
	68,61,27,095	68,20,27,739

28.1 Expenses incurred on Fruit Ripening Charges during the year are included in the Statement of Profit and Loss as under:

Nature of expenses	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹
Hiring Charges	53,92,043	46,45,293
Labour Charges	4,75,52,643	4,83,07,650
Legal and Professional Charges	7,41,611	9,80,407
Miscellaneous Expenses	74,40,661	1,22,96,748
Fruit Ripening Charges	1,37,97,126	18,73,149
Travelling Expenses	30,13,990	58,05,944
Water Charges	58,87,332	64,23,130
Insurance Charges	3,57,036	2,98,115
Rent	14,71,112	2,55,555
	8,56,53,554	8,08,85,991

28.2 Warehousing charges mainly include duties, local transport charges, contractual charges, miscellaneous charges, rent, insurance and statutory charges, etc. for storage of goods abroad as per agreement with foreign parties.

28.3 Expenditure towards Corporate Social Responsibility (CSR) activities:

	₹	₹
a. Gross amount required to be spent by the Company during the year:	16,37,436	72,093
b. Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year :		
<b>Nature of Expenses</b>		
Other Expenses (Other than for Construction/Acquisition of any asset) (Reflected in Note 28)		
Relief material purchase for victims of Chennai flood	510,544	NIL
Donation to Andhra Pradesh Chief Minister Relief Fund towards HUDHUD cyclone calamity at Vizag		
	NIL	25,00,000
<b>Total</b>	510,544	25,00,000

**SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016****29 Contingent Liabilities and Commitments****A. Contingent Liabilities****a. Guarantees**

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Corporate Guarantee given to a Bank against the Credit facilities extended to an associate company	11,70,00,000	11,70,00,000

**b. Others**

i Income-tax matters under appeal	20,39,546	14,72,565
ii Service Tax matters under appeal	3,96,978	3,96,978
iii Additional Statutory Bonus for Financial Year 2014-2015	22,53,933	NIL

**B. Commitments****a. Estimated amount of contracts remaining to be executed on capital account and not provided for:**

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Estimated amount remaining to be executed on Capital Account	4,03,11,740	2,74,26,367
Less: Advances paid	27,85,343	1,01,51,765
Net Amount	3,75,26,397	1,72,74,602

**b. Others**

i. Quantum of Export Obligation of Packing Materials with 20% value addition against Advance licences- Duty saved *	2,18,31,183	2,53,91,434
ii. Export obligations of ₹ 8,08,11,726 (Previous Year ₹ 8,91,09,335) against EPCG Licenses utilised for purchase of Fixed Assets but not yet installed - Duty saved **	1,03,21,288	1,17,04,223

\* Export obligations against the advance licence of ₹ 6,73,32,644 (Previous Year ₹ 4,38,87,698) have already been fulfilled by the Company. However, procedural formalities for the closure of the Advance Licences are pending.

\*\* Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 2,68,10,759 (Previous Year ₹ 2,41,39,264) have already been fulfilled by the Company, However, procedural formalities for the closure of the EPCG Licenses are pending.

30. Pursuant to the decision of the Board of Directors in its meeting held on August 23, 2002, the Company had revalued its Land and Building at Deonar, Mumbai, based on open market value as per the Valuation Report dated September 27, 2002 submitted by an expert. Consequent to the revaluation, an amount of ₹ 10,66,79,383 was credited to the Revaluation Reserve in the year of revaluation.

Amount of depreciation on the revaluation of Fixed Assets amounting to ₹ 23,52,024 (Previous Year ₹ 23,45,597), is withdrawn and transferred to General Reserve and the same is reflected under Note 3 on "Reserves and Surplus".

31. Investments include a sum of ₹ 2,40,00,000 (Previous Year ₹ 2,40,00,000) invested in Finns Frozen Foods(I)Limited ("Finns"), an associate. The Company has given a deposit of ₹ 3,00,00,000 (Previous Year ₹ 3,00,00,000) to Finns, for getting exclusive export rights of Frozen Fruit Pulp, etc.

The Company has given advances from time to time for the purchase of Frozen Fruit Pulp, etc. for exports and for certain expenses of Finns, against which the Company had purchased Frozen Fruit Pulp, Vegetables, Packing Materials and has also incurred Cold Storage and Processing charges amounting to ₹ 3,95,39,353 (Previous Year ₹ 5,37,13,601) and Purchase of Machineries amounting ₹ 2,35,09,184 (Previous Year ₹ Nil). The Company has also sold Raw materials, Packing material and Finished Goods aggregating to ₹ 8,05,87,737 (Previous Year ₹ 27,19,835). On account of all such transactions, the net amount due from Finns is ₹ 4,25,75,833 (Previous Year ₹ 5,38,48,199) and the same is reflected as 'Loans and Advances to Related Parties' under Note 19 on "Short-term Loans and Advances".

Since the net worth of Finns was eroded, the Board of Directors of the Company in its meeting held on August 23, 2002 discussed the restructuring proposal of Finns, the expected improvements in the working of Finns and the future orders in hand with Finns.

Consequently, having regard to the restructuring proposal, strategic nature of the investment and expected improvements in the future operations of Finns, the Board of Directors of the Company perceived the diminution in the value of investments as temporary in nature. But, out of abundant caution, the Board of Directors of the Company, had decided to provide 20% of the investment in Finns, as diminution in the value of investments.

During the year ended March 31, 2015, the Company had entered into an agreement with Finns for job processing of frozen products for its export and domestic orders in line with the approval of the Board of Directors at its meeting held on February 14, 2015. Further, the Board has reviewed from time to time, the working of Finns, based thereon and considering the amounts received during the year, it has decided that the current provision for diminution in value of shares is sufficient and no further provision is needed as on March 31, 2016.

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

32. The Company has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Company. The other balances have been taken as per the records of the Company. Similarly certain balances in Advances, recoverable in cash or kind are subject to confirmation and subsequent reconciliation, if any.
33. **Disclosure as per Accounting Standard 15 on “Employee Benefits”:**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2016	For the Year ended March 31, 2015
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>	<b>Gratuity (Funded) ₹</b>		<b>Compensated Absences (Unfunded) ₹</b>	
Obligation at period beginning	1,52,05,259	1,20,57,853	75,88,123	68,75,168
Current Service Cost	13,45,271	11,90,845	43,94,300	35,37,287
Interest Cost	12,14,900	11,23,792	NIL	NIL
Actuarial (gain) / loss	9,86,509	11,09,303	NIL	NIL
Benefits paid	(34,45,353)	(2,76,534)	(31,08,636)	(28,24,332)
Obligation at the period end	1,53,06,586	1,52,05,259	88,73,787	75,88,123
Change in planned assets				
Planned assets at period beginning at fair value	86,44,149	59,55,469	N.A.	N.A.
Expected return on planned	6,90,668	5,18,126	N.A.	N.A.
Actuarial gain / (loss)	(44,413)	47,088	N.A.	N.A.
Contributions	NIL	24,00,000	N.A.	N.A.
Benefits paid	(34,45,353)	(2,76,534)	N.A.	N.A.
Plan assets at the period end, at fair value - Category - Insurer managed funds	58,45,051	86,44,149	N.A.	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the period	58,45,051	86,44,149	N.A.	N.A.
Present value of the defined benefit obligations at the end of the period.	1,53,06,586	1,52,05,259	88,73,787	75,88,123
Liability / (Asset) recognised in the Balance Sheet	94,61,535	65,61,110	88,73,787	75,88,123
Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	<b>Gratuity (Funded) ₹</b>		<b>Compensated Absences (Unfunded) ₹</b>	
Cost for the year				
Current Service cost	13,45,271	11,90,845	43,94,300	35,37,287
Interest cost	12,14,900	11,23,792	N.A.	N.A.
Expected return on plan assets	(6,90,668)	(5,18,126)	N.A.	N.A.
Actuarial (gain)/loss	10,30,922	10,62,215	N.A.	N.A.
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>29,00,425</b>	<b>28,58,726</b>	<b>43,94,300</b>	<b>35,37,287</b>
<b><u>Assumptions used to determine the benefit obligations:</u></b>				
Discount rate	8.04%	7.99%	8.04%	7.99%
Estimated rate of return on plan assets	8.04%	7.99%	N.A.	N.A.
Expected rate of increase in salary				
· First five years	6.00%	6.00%	N.A.	N.A.
· Thereafter	6.00%	6.00%	N.A.	N.A.
<b>Actual return on plan assets</b>	<b>6,46,255</b>	<b>5,65,214</b>	<b>N.A.</b>	<b>N.A.</b>

The estimate of future salary increases considered in actuarial valuation takes into account the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held and historical results of the return on plan assets.

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Eighteen Month Period Ended March 31, 2012
	₹	₹	₹	₹	₹
Experience adjustment					
On Plan liability (gain)/loss	9,86,509	(2,72,970)	8,01,397	(27,761)	6,46,208
On Plan assets gain/(loss)	(44413)	47,088	42,167	1,16,039	1,10,616
Present value of benefit obligation	1,53,06,586	1,52,05,259	1,20,57,853	1,08,88,128	92,69,714
Fair value of plan assets	58,45,051	86,44,149	59,55,469	51,79,531	19,96,099
Excess of obligation over plan assets (net)	94,61,536	65,61,110	61,02,384	57,08,597	72,73,615

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2016. The Company is expected to contribute ₹ 94,61,536 for the year ended March 31, 2017.

## 34. Disclosure as per Accounting Standard 17 on "Segment Reporting":

## 34.1. Primary Segment:

The Company is exclusively engaged in the business of "Food Products". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes only single primary segment.

## 34.2. Secondary Segment (by Geographical Segment)

Notes:

Particulars	In India		Outside India		Total	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
	₹	₹	₹	₹	₹	₹
Segment Revenue	110,97,94,848	132,32,65,687	232,70,07,002	229,70,05,150	343,68,01,850	362,02,70,837
Carrying amount of Segment Assets	14,06,97,452	13,02,26,284	31,66,50,893	21,69,47,382	45,73,48,345	34,71,73,666
Capital Expenditure	10,77,81,745	9,59,50,497	NIL	NIL	10,77,81,745	9,59,50,497

The segment revenue in geographical segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India, Other Operating Income and Other Income earned in India.
- Revenue outside India includes sales to customers located outside India, Other Operating Income and Other Income outside India.

## 35. Disclosure as per Accounting Standard 18 on "Related Party Disclosures":

- a. Following transactions were carried out in the ordinary course of business with the parties referred to in (b) below:

Sr. No.	Particulars	Subsidiary Company	Associate Company	Key Manegarial Personnel	Relative of KMP	Enterprises over which KMP exercises significant influence
1	Sales (Net of Sales Returns)		8,05,87,737 (27,19,835) [b(II)(i)]			
2	Purchases of goods (Including Packing Materials)		3,95,39,353 (5,37,13,601) [b(II)(i)]			
	Purchases of Machinery*		2,35,09,184 (NIL) [b(II)(i)]			
3	Rent -Income					NIL (NIL) [b(V)(ii)]
4	Guarantee Commission -Income		2,61,527 (6,12,000) [b(II)(i)]			
	-Expense				65,67,000 (53,17,500) [b(IV)(i)]	

## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

Sr. No.	Particulars	Subsidiary Company	Associate Company	Key Manegarial Personnel	Relative of KMP	Enterprises over which KMP exercises significant influence
5	Brokerage/Commission Paid					15,411 (17,205) [b(V)(iii)]
6	Directors Sitting Fees			1,90,000 (1,80,000) [b(III)(ii)]	2,30,000 (2,00,000) [b(IV)(ii)]	
7	Legal & Professional Charges					3,50,000 (3,00,000) [b(V)(iv)]
	<b>Finance (including loans and equity contribution in cash or kind)</b>					
8	Loans taken:			NIL (4,00,000) [b(III)(i)] 3,10,00,000 (NIL) [b(III)(i)]	12,00,000 (NIL) [b(IV)(i)]	
	Inter-corporate Deposit taken					2,35,00,000 (NIL) [b(V)(ii)]
	Repayment of Inter-corporate Deposit					2,10,00,000 (NIL) [b(V)(ii)]
	Interest on above Loans:			NIL (89,833) [b(III)(i)]	2,89,918 (11,34,407) [b(IV)(i)]	
9	Loans Given:	5,36,640 (NIL) [b(I)(iii)]				
10	Reimbursement of Expenses			7,75,599 (1,18,398) [b(III)(ii)]		
11	Machinery taken on Finance Lease*		2,75,40,000 (NIL) [b(II)(i)]			
	Interest on Finance Lease:		25,52,359 (NIL) [b(II)(i)]			
12	Inter Corporate Deposits given					NIL (NIL) [b(V)(i)]
	Interest Income on above Deposits					29,88,158 (29,80,000) [b(V)(i)]
13	Director's Remuneration			83,60,400 (50,68,000) 10,03,248 (4,86,360) [b(III)(i)]		
14	Fund Transfer to Related Party	NIL (75,000) [b(I)(i)]	5,39,12,389 (5,51,43,549) [b(II)(i)]			
15	Fund Transfer from Related Party		19,96,70,000 (12,55,84,090) [b(II)(i)]			

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

Sr. No.	Particulars	Subsidiary Company	Associate Company	Key Manegarial Personnel	Relative of KMP	Enterprises over which KMP exercises significant influence
16	Transaction incurred on their behalf Expenses incurred on their behalf Income received on their behalf	NIL (7,873) [b(I)(i)]	12,32,22,289 (6,87,80,847) [b(II)(i)] 60,281 (8,495) [b(II)(i)]			NIL (2,746) [b(V)(i)]
17	Transaction incurred by them on our behalf Expenses incurred by them on our behalf  <b>Outstanding Balance As At March 31,2016</b>		76,62,345 (50,812) [b(II)(i)]			
18	Trade Payables		2,95,869 (2,95,869) [b(II)(iii)]			
19	Advances Recoverable in cash or in kind**	7,32,981 (2,81,655) [b(I)(iii)]	4,25,75,833 (5,38,48,199) [b(II)(i)]			1,06,76,612 (79,87,273) [b(V)(i)] NIL (9,28,437) [b(V)(ii)]
20	Loans taken			NIL (NIL) [b(III)(i)]	19,15,707 (69,44,481) [b(IV)(i)]	
21	Inter Corporate Deposits Given					1,85,00,000 (1,85,00,000) [b(V)(i)]
22	Inter Corporate Deposits taken					15,71,563 (NIL) [b(V)(ii)]
23	Other Deposits Receivable		3,00,00,000 (3,00,00,000) [b(II)(i)]			
24	Commission Payable			3,15,000 (3,15,000) [b(III)(ii)]		
25	Director Sitting Fees payable			2,25,000 (90,000) [b(III)(ii)]	2,43,000 (90,000) [b(IV)(ii)]	
26	Director Remuneration payable			2,41,620 (4,31,200) [b(III)(i)]		
27	Non Current Investment	49,160 (61,776) [b(I)(iii)]	1,92,00,000 (1,92,00,000) [b(II)(i)] 2,47,940 (2,47,940) [b(II)(iii)]			
28	Corporate Guarantee Given in earlier years***		11,70,00,000 (11,70,00,000) [b(II)(i)]			
29	Expenses Payable			39,563 (65,184) [b(III)(ii)]		

i. \* Refer Note 11.5

ii. \*\*Outstanding balance is arrived at after considering transactions with the related parties for purchase, sales, services, etc., as also advances and/or payments made/received on their behalf and/or payments made/received on the Company's behalf.



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

- iii. \*\*\*Corporate Guarantee given to a Bank against the credit facilities extended to the Associate Company which is Contingent Liability.
- iv. Figures given in brackets above are for the previous year.
- b. **Relationships:**
- I. Subsidiary:**
- Dravya Finance Limited upto March 30, 2015
  - Asim Exports International Limited upto March 30, 2015
  - FNI Asia PTE Limited
- II. Associates:**
- Finns Frozen Foods (India) Limited
  - Dravya Finance Limited with effect from March 31, 2015
  - Asim Exports International Limited with effect from March 31, 2015
- III. Key Managerial Personnel:**
- Mr.Utsav Dhupelia
  - Mr.Milan B.Dalal
- IV. Relatives of Key Managerial Personnel:**
- Mrs.Pallavi Dhupelia
  - Mr.Bhupen Dalal
- V. Entities over which Key Managerial Personnel and Relatives of Key Managerial Personnel have control:**
- Muller & Phipps (India) Limited
  - Western Press Private Limited
  - Western Securities - A Division of Western Press Private Limited
  - First Overseas Capital Limited

### 36. Disclosure as per Accounting Standard 19 on "Leases":

The Company has entered into Operating Lease Agreements for office premises at Mumbai, Chennai and Ahmedabad, Guest house at Nashik and factory premise at Bulsar, renewable on a periodic basis and cancellable at the Company's option. Rental Expenses for operating leases recognised in the Statement of Profit and Loss for the year is ₹ 1,27,50,584 (Previous Year ₹ 1,25,92,900).

Minimum Lease Rents Payable	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Within 1 Year	68,95,302	90,01,645
After 1 Year but before 5 years	29,16,237	52,866
After 5 years	NIL	NIL
<b>Total</b>	<b>98,11,539</b>	<b>90,54,511</b>

### 37. "Earnings per Share" as per Accounting Standard 20 :

Sr. No.	Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
A.	Net Profit/(Loss) attributable to Equity Shareholders	61,47,892	12,70,34,982
B.	Weighted average numbers of Equity Shares outstanding during the period	14,51,040	14,51,040
C.	Weighted average numbers of Equity Shares outstanding for calculating diluted EPS	14,51,040	14,51,040
D.	Basic and Diluted Earnings Per share	4.24	87.55
E.	Nominal value of shares	10	10

**SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016****38. Disclosure as per Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":**

Particulars	Balance as at April 1, 2015 ₹	Additions during the year ₹	Amount used/paid during the year ₹	Balance as at March 31, 2016 ₹
Provision for Leave Encashment	75,88,123 (68,75,168)	43,94,300 (35,37,287)	31,08,636 (28,24,332)	<b>88,73,787</b> (75,88,123)
Provision for Gratuity	65,61,110 (1,20,57,853)	35,46,680 (34,23,940)	6,46,255 (2,76,534)	<b>94,61,535</b> (1,52,05,259)
Agricultural Marketing Cess	16,99,982 (23,18,943)	42,96,904 (16,99,982)	16,99,982 (23,18,943)	<b>42,96,904</b> (16,99,982)

**39. Consumption of– Raw Materials and Spares**

Particulars	Value ₹	%
<b>1 Raw Materials</b>		
Indigenous	<b>194,84,09,854</b> (158,16,20,515)	<b>99.33</b> (99.52)
Imported	<b>1,31,53,595</b> (76,67,583)	<b>0.67</b> (0.48)
<b>Total</b>	<b>196,15,63,449</b> (158,92,88,098)	<b>100.00</b> (100.00)
<b>2 Components and Spare Parts</b>		
Indigenous	<b>1,95,87,096</b> (2,01,31,423)	<b>90.93</b> (94.04)
Imported	<b>19,52,646</b> (12,75,297)	<b>9.07</b> (5.96)
<b>Total</b>	<b>2,15,39,742</b> (2,14,06,720)	<b>100.00</b> (100.00)

**40. C.I.F. Value of Imports:**

Sr. No.	Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
1	Packing Materials	<b>13,41,45,244</b>	12,93,95,247
2	Raw Materials	<b>86,84,815</b>	1,53,30,203
3	Plant and Machinery	<b>50,81,444</b>	26,64,688

**41. Expenditure in Foreign Currency:**

Sr. No.	Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
a.	<u>Interest on</u>		
	Packing Credit in Foreign Currency	<b>1,39,55,050</b>	56,45,978
	Term Loan	<b>43,26,424</b>	55,66,229
	Transit Period	<b>5,94,131</b>	9,33,129
	<u>Others</u>	<b>5,60,034</b>	10,14,660
b.	<u>Others</u>		
	Travelling Expenses	<b>42,02,684</b>	38,88,661
	Commission on Export Sales	<b>30,16,672</b>	71,98,430
	Membership and Subscription	<b>2,95,787</b>	13,48,555
	Overseas Warehousing Charges	<b>5,15,34,578</b>	7,30,41,977
	Legal and Professional Fees	<b>9,51,265</b>	16,28,603
	Sales Promotion Expenses	<b>16,65,949</b>	6,52,421
	Staff Welfare	<b>62,18,670</b>	NIL
	Testing Charges	<b>25,958</b>	7,412
	Bank Charges	<b>29,494</b>	NIL



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

### 42. Earnings in Foreign Currency:

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
FOB Value of Exports	216,81,22,855	215,16,48,563
Processing Charges	26,81,341	NIL

### 43. Amount remitted in foreign currencies on account of dividends :

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Number of Non - Resident Shareholders	1	1
Number of Shares held by them	1,75,820	1,75,820
Amount Remitted (Net of Income Tax)	4,39,550	3,16,476

### 44. a. Following are the Hedged Foreign Currency exposures as on March 31, 2016:

Particulars	US\$	EURO	GBP	JPY	₹
Forward Contracts for Export Trade Payables	2,28,71,437 (91,99,731)	39,60,391 (NIL)	NIL (NIL)	NIL (NIL)	182,88,63,097 (57,94,91,045)

### b. Following Unhedged Foreign Currency exposures as on March 31, 2016 have been restated in the financial statements:

Particulars	US\$	EURO	GBP	JPY	₹
Term Loan in foreign currency	4,49,010 (7,85,790)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3,00,02,870 (4,94,96,933)
Loan from Directors in foreign currency	5,00,000 (5,00,000)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3,34,05,000 (3,14,95,000)
PCFC in foreign currency	10,04,145 (18,22,106)	NIL (NIL)	NIL (NIL)	NIL (NIL)	6,70,96,958 (11,47,74,472)
Buyers' Credit in foreign currency	7,48,587 (4,25,534)	NIL (NIL)	NIL (NIL)	NIL (NIL)	5,00,20,561 (2,68,04,337)
<b>Others:</b>					
Customer Advances in foreign currency	5,52,875 (20,03,514)	NIL (NIL)	8899 (NIL)	NIL (NIL)	3,77,98,409 (12,62,01,252)
Export Commission in foreign currency	16,490 (29,884)	2,068 (1,758)	NIL (NIL)	NIL (NIL)	12,58,823 (20,02,719)
Overseas Warehousing Charges	NIL (NIL)	68,753 (57,498)	19,613 (76,529)	NIL (NIL)	71,03,391 (1,10,93,514)
<b>Total</b>	32,71,107 (55,66,828)	70,821 (59,256)	28,512 (76,529)	NIL (NIL)	22,66,86,012 (36,18,68,227)

a. Forward Contract of USD 2,28,71,437 (Previous Year USD 91,99,731) and Euro 39,60,391 (Previous Year Euro Nil), Packing Credit in foreign currency of USD 10,04,145 (Previous Year USD 18,22,106), Customer Advances of USD 5,52,875 (Previous Year USD 20,03,513) availed on future export sales of firm commitments against forecast transactions, are outstanding as on March 31, 2016.

b. The notional mark to market loss for the year ended as at March 31, 2016 amounting to ₹ NIL (Previous Year ₹ 42,74,651) has been debited in the Statement of Profit and Loss.

### 45. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets unless specified, represent previous year's figures.

As per our report of even date attached

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

For and on behalf of the Board of Directors

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M.B.DALAL**  
Director  
(DIN : 00062453)

**V.K.BESWAL**  
Independent Director  
(DIN : 00120095)

**D.D.TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016

## INDEPENDENT AUDITORS' REPORT

To the Members of Foods and Inns Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Foods and Inns Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associates, which comprise of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to Note 31 (b) of the consolidated financial statements which deals with the preparation of the financial statements by Finns Frozen Foods (I) Limited, the Company's associate ("Finns") 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 discussed in the said note, the management of the associate believes that the going concern assumption in the financial statements of the associate is appropriate and no adjustment is required in the financial statements for the year ended March 31, 2016.

**Our opinion is not qualified in respect of this matter.**

### Other Matters

The financial statements and financial information of Asim Exports International Limited, an associate ("Asim"), which is included in the consolidated financial statements have been audited by us. We did not audit the financial statements and financial information of Dravya Finance Limited, another associate ("Dravya") and FNI Asia PTE Limited, a foreign subsidiary ("FNI Asia"), which have been audited by other auditors whose reports have been furnished to us by the Management. Further, for Finns Frozen Foods (I) Limited, an associate ("Finns"), for which we are not the auditors, the financial statements and financial information have not yet been audited but the same are certified by the Management and have been furnished to us. Our opinion on the consolidated financial statements, insofar as it relates to the amounts and disclosures



included in respect of these subsidiary and associates, is based solely on the aforesaid audited/certified financial statements. Since the financial statements of Finns, which were compiled by the management and were not audited, any adjustment to their balances, when audited, could have consequential effects on the attached consolidated financial statements. However, the size of the said associate in the consolidated position is not significant in relative terms. Details of assets and revenues in respect of these subsidiary and associates as considered in the consolidated financial statements are given below:

Particulars	As at March 31, 2016 Total Assets ₹	For the year ended March 31, 2016 Total Revenues ₹	For the year ended March 31, 2016 Net Cash Inflows ₹
<b>Subsidiary</b>			
a. FNI Asia PTE Limited	9,24,945	NIL	NIL
<b>Associates</b>			
a. Finns Frozen Foods (I) Limited	19,14,15,397	25,59,87,936	7,29,82,332
b. Dravya Finance Limited	54,28,915	25,42,601	6,53,023
c. Asim Exports International Limited	4,48,609	42,200	(20,477)

#### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law have been kept by the companies included in the Group, so far as it appears from the examination of those books.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant financial statements adopted and related working statements maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company, and our report as the auditor of an associate as well as the reports of the other auditors of its associates, none of the directors of the Holding Company and associate companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act. FNI Asia, subsidiary of the Company, is incorporated outside India and hence, requirements of Section 164(2) of the Act are not applicable to it.
- With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A; and
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on our report as well as the reports of the other auditors of its subsidiary and associates:
  - the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group—Refer Note 29 to the consolidated financial statements;
  - provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the companies in the Group which are so required to transfer.

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place: Mumbai  
Dated: May 30, 2016

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our Independent Auditors' Report of even date on the consolidated financial statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **Foods and Inns Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate companies, as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary company, its associate companies are 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 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.

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

### Opinion

In our opinion, the Holding Company, its subsidiary company and its associate companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

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

**PARESH H. CLERK**  
Partner  
Membership No. 36148

Place: Mumbai  
Dated: May 30, 2016



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	Note	₹	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	2		1,45,10,400	1,45,10,400
Reserves and Surplus	3		49,71,82,193	49,55,93,186
<b>Non-current liabilities</b>				
Long-term Borrowings	4	7,07,28,193		9,65,53,358
Deferred Tax Liabilities (Net)	5	8,22,07,497		4,92,07,497
Long-term Provisions	6	1,29,37,481		101,12,397
			16,58,73,171	15,58,73,252
<b>Current liabilities</b>				
Short-term Borrowings	7	187,66,32,781		137,18,00,493
Trade Payables	8			
Total outstanding dues to Micro Enterprises and Small Enterprises		13,08,537		6,13,769
Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises		26,87,59,794		42,86,54,803
Other Current Liabilities	9	21,15,61,897		29,83,02,867
Short-term Provisions	10	2,17,45,742		2,96,40,103
			238,00,08,751	212,90,12,035
<b>TOTAL</b>			<b>305,75,74,515</b>	<b>279,49,88,873</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Fixed assets	11			
Tangible assets		106,01,41,559		87,54,02,328
Intangible assets		11,462		12,397
Capital work-in-progress		1,47,76,186		17,07,42,530
		107,49,29,207		104,61,57,255
Non-current Investments	12	21,13,359		16,22,927
Long-term Loans and Advances	13	10,35,73,494		11,20,65,950
Other Non-current Assets	14	NIL		NIL
			118,06,16,060	115,98,46,132
<b>Current assets</b>				
Current Investments	15	1,45,658		9,39,000
Inventories	16	114,13,69,201		96,29,45,788
Trade Receivables	17	45,73,48,345		34,71,73,666
Cash and Cash Equivalents	18	8,80,64,971		8,77,31,771
Short-term Loans and Advances	19	13,03,12,124		18,09,74,430
Other Current Assets	20	5,97,18,156		5,53,78,086
			187,69,58,455	163,51,42,741
<b>TOTAL</b>			<b>305,75,74,515</b>	<b>279,49,88,873</b>
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b>	1-43			

As per our report of even date attached

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

For and on behalf of the Board of Directors

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M. B. DALAL**  
Director  
(DIN : 00062453)

**V. K. BESWAL**  
Independent Director  
(DIN : 00120095)

**D. D. TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

	Note	₹	For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
Revenue from Operations	21		341,42,00,635	366,97,68,431
Less: Excise Duty on Sales			5,93,10,090	7,88,90,597
Revenue from Operations (Net)			335,48,90,545	359,08,77,834
Other Income	22		3,78,60,528	4,25,48,997
<b>Total Revenue</b>			<b>339,27,51,073</b>	<b>363,34,26,831</b>
<b>Expenses:</b>				
Cost of Materials Consumed	23		238,84,28,605	196,03,55,341
Purchases of Stock-in-Trade	24		13,30,89,804	22,16,09,997
Changes in Inventories of Finished Goods and Stock-in-Trade	25		(31,11,92,031)	15,77,17,988
Employee Benefits Expense	26		16,44,13,624	12,82,19,554
Finance Costs	27		19,70,36,089	22,19,26,012
Depreciation, Amortisation and Impairment Expense	11		8,00,58,320	10,58,84,907
Other Expenses	28		68,67,14,694	68,28,44,272
<b>Total Expenses</b>			<b>333,85,49,106</b>	<b>347,85,58,071</b>
<b>Profit before Exceptional Items and Tax</b>			<b>5,42,01,967</b>	<b>15,48,68,760</b>
Exceptional Items			NIL	NIL
<b>Profit before Tax</b>			<b>5,42,01,967</b>	<b>15,48,68,760</b>
Tax Expense				
Current Tax		1,51,00,000		3,50,00,000
Tax Adjustment of Earlier Years		NIL		(93,513)
MAT Credit		NIL		(5,41,675)
MAT Credit Reversal		5,41,675		NIL
Deferred Tax (Refer Note 5)		3,30,00,000		(44,19,891)
			<b>4,86,41,675</b>	<b>2,99,44,921</b>
<b>Profit for the Year</b>			<b>55,60,292</b>	<b>12,49,23,839</b>
Add /(Less): Minority Interest in losses/(Income)			NIL	NIL
			<b>55,60,292</b>	<b>12,49,23,839</b>
Earnings per Equity Share of ₹ 10 each				
Basic and Diluted			3.83	86.09
<b>Notes (Including Significant Accounting Policies)</b>				
<b>Forming Part of the Financial Statements</b>	1-43			

As per our report of even date attached

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

For and on behalf of the Board of Directors

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M. B. DALAL**  
Director  
(DIN : 00062453)

**V. K. BESWAL**  
Independent Director  
(DIN : 00120095)

**D. D. TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Net Profit Before Tax	5,42,01,967	15,48,68,760
	<b>Adjustments for :</b>		
Add:	Depreciation	8,00,58,320	10,58,84,907
	Interest Expense	19,70,36,089	22,19,26,012
	Foreign Currency Reinstatement Loss/ (Gain)	1,16,95,483	1,88,58,907
	Mark to Market Loss/(Gain) on Outstanding Forward Contract	NIL	(3,94,43,576)
	Adjustment to Carrying amount of Current Investments	32,992	NIL
	Loss on Sale of Current Investments	1,46,108	NIL
	Loss on Sale of Fixed Assets	2,00,773	NIL
	Bad Debts Written off (Net)	NIL	73,46,428
	Wealth Tax	NIL	99,500
	Provision for Doubtful Debts	6,20,410	227,018
	Balances Written off (Net)	7,92,551	NIL
	Provision for Gratuity (Net of Payments)	29,00,425	4,58,726
	Provision for Leave Encashment (Net of Payments)	12,85,664	7,12,955
	Excise Duty on Uncleared Finished Goods	(12,99,793)	(27,44,157)
Less:	Dividend Income	(23,239)	(29,435)
	Interest Received on Deposits and Others	(3,36,39,402)	(3,56,02,222)
	Balance / Provision Write Back-(Net )	(4,71,057)	(3,29,421)
	Profit on Sale of Fixed Assets	(107,259)	(54,979)
	Reversal of reduction in Current Investments	NIL	(1,64,000)
	<b>Operating Profit Before Working Capital Changes</b>	<b>31,34,30,030</b>	<b>43,20,15,422</b>
	<b>Adjustments for :</b>		
	Long-term Loans and Advances and other Non-current Assets	80,02,024	(61,37,736)
	Inventories	(17,84,23,414)	(84,17,109)
	Trade Receivables and Short-term Loans and Advances	(5,91,38,804)	20,26,40,676
	Other Current Assets	(43,40,070)	(30,90,343)
	Long-term Provisions	(13,61,005)	8,88,842
	Trade payables, Other Current Liabilities and Short-term Provisions	(25,60,16,215)	8,07,08,663
	<b>Cash Generated From Operations</b>	<b>(17,78,47,453)</b>	<b>69,86,08,414</b>
	Income Tax paid (Received )	2,35,00,000	2,20,74,421
	<b>Net Cash From Operating Activities</b>	<b>(20,13,47,453)</b>	<b>67,65,33,993</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets	(10,96,81,781)	(9,95,16,257)
	Sale of Fixed Assets	7,58,000	4,75,000
	Capital Subsidy received	NIL	25,00,000
	Dividend Income	23,239	29,435
	Investments (Net)	NIL	806,898
	Purchase of Current Investments	(1,49,900)	NIL
	Sale of Current Investments	7,64,142	
	Interest on Deposits and Others	2,86,36,874	3,10,10,364
	Bank Deposits having Original Maturity of more than 3 months	(33,00,101)	(1,31,48,349)
	<b>Net Cash From Investing Activities</b>	<b>(8,29,49,527)</b>	<b>(7,78,42,911)</b>

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Increase/(Decrease) in Long-term Borrowings	(2,30,07,661)	(7,96,06,014)
	Increase/Decrease in Short-term Borrowings	50,34,39,930	(30,28,43,197)
	Interest Paid	(15,73,68,696)	(17,25,45,399)
	Guarantee commission and Financial Charges	(3,73,68,873)	(4,25,79,475)
	Dividend Paid (Including Dividend Distribution Tax)	(43,66,215)	(30,55,760)
	<b>Net Cash From Financing Activities</b>	<b>28,13,28,486</b>	<b>(60,06,29,843)</b>
	<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(29,68,494)</b>	<b>(19,38,760)</b>
	<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>90,19,174</b>	<b>1,09,57,934</b>
	<b>Exchange Difference on translation of foreign currency Cash and Cash Equivalents</b>	<b>1,592</b>	<b>NIL</b>
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>60,52,274</b>	<b>90,19,174</b>
	<b>Components of Cash and Cash Equivalents :</b>		
	Cash on hand	6,18,336	10,42,771
	Other Bank Balances		
	On Current Accounts	50,93,243	76,51,088
	On Unpaid Dividend Accounts	3,40,694	3,25,315
		<b>60,52,274</b>	<b>90,19,174</b>

**Notes:**

- Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3, as notified under the Companies (Accounting Standards) Rules, 2006, as the same are applicable in terms of the provisions of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Cash and Bank balances include Fixed Deposits with Banks against ECGC Scheme ₹ 4,89,74,049 (Previous Year ₹ 5,00,67,666) and Margin Money placed with Banks against Letter of Credit ₹ 3,30,38,649 (Previous Year ₹ 2,86,44,931).
- Purchase of Fixed Assets includes addition to Capital Work-in-Progress during the year.

As per our report of even date attached

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

For and on behalf of the Board of Directors

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M. B. DALAL**  
Director  
(DIN : 00062453)

**V. K. BESWAL**  
Independent Director  
(DIN : 00120095)

**D. D. TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016

## NOTES ANNEXED TO THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF ACCOUNTING

##### a. Accounting Convention:

These consolidated financial statements ('CFS') are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention except for certain tangible assets which are being carried at revalued amounts as also on accrual basis. These consolidated financial statements have been prepared to comply with the accounting standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 ('the Accounting Standards') and the relevant provisions of the Act (to the extent notified). In the light of Rule 4A of the Companies (Accounts) Rules 2014, the items contained in these financial statements are in accordance with the definitions and other requirements specified in the Accounting Standards.

#### B. Principles of Consolidation:

- a. The consolidated financial statements (the 'CFS') relate to Foods & Inns Limited ("the Company") and its wholly owned subsidiary FNI Asia PTE Limited and its associates, Asim Exports International Limited, Dravya Finance Limited and Finns Frozen Foods (I) Limited ("the Group"). Asim Exports International Limited and Dravya Finance Limited ceased to be subsidiaries from March 30, 2015 and with effect from March 31, 2015, those have become associates. Effect of such change in relationship is reflected in the CFS of the year ended on March 31, 2015 (Refer Note 33). The CFS have been prepared on the following basis:
  - i. The financial statements of a foreign subsidiary have been combined on a line-by-line basis by adding together the book value of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions and the unrealised profits/losses as per Accounting Standard 21 on "Consolidated Financial Statements" ("AS 21").
  - ii. In case of the foreign subsidiary, being non-integral foreign operations, revenue items, which are not material, and all assets and liabilities are converted at the rate prevailing at the end of the year. To the extent items of income and expenses which are material are translated at exchange rates at the date of transactions. All resulting exchange differences arising out of the transaction are accumulated in foreign currency translation reserve.
  - iii. The Investment in associates is accounted for using the Equity Method of accounting, as laid down under Accounting Standard 23 on "Accounting for Investment in Associate in "Consolidated Financial Statements" ("AS 23"). The investment is initially recognised at cost, and carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the acquisition date. The Group's investment in the associates includes goodwill, if any, identified on acquisition. The unrealised profits/losses on transactions with the associates are eliminated by reducing the carrying amount of investments.
- b. The CFS have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible in the same manner as the Company's standalone financial statements.

#### C. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosure relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts / advances, deferred tax, export incentives, provision for retirement benefits, etc. Actual results could differ from those estimates. Such difference is recognised in the period/s in which the results are known / materialised.

#### D. FIXED ASSETS:

- a. Land (Freehold): At cost except Land at Deonar, Mumbai, which is reflected at revalued amount.
- b. Buildings: At cost less depreciation and grants related to specific assets except buildings at Deonar, Mumbai, which are reflected at revalued amount less depreciation.
- c. Other Fixed Assets: At cost less accumulated depreciation/amortisation and impairment losses, if any.
- d. Cost for the aforesaid purposes comprises of its purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use, net of recoverable duties and interest on borrowings attributable to the acquisition of qualifying fixed assets upto the date on which the Asset is ready for its intended use, if any.
- e. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest and are disclosed as "Capital Work-in-Progress".

#### E. DEPRECIATION:

- a. Depreciation on tangible Fixed Assets is provided on the Straight-Line Method over the the useful lives of assets as prescribed under Part C of Schedule II of Companies Act, 2013.
- b. The amount of depreciation on the Revalued Fixed Assets over it Original Cost is withdrawn from the Revaluation Reserve Account (to the extent the Reserve is available) and credited to the General Reserve.

- c. Depreciation for assets purchased/sold during the period is charged on a pro-rata basis.

**F. INVENTORIES:**

- a. Inventories are valued at the lower of Cost and Net Realisable Value.
- b. Raw Materials and Packing Materials are valued at cost computed on FIFO basis. Cost includes cost of purchases, Excise Duties and Taxes and all other costs incurred in bringing the same to its present location and condition (net of Cenvat / Sales Tax set off, if any).
- c. Cost of Finished Goods consists of direct cost and an appropriate share of related factory overheads. Excise duty on closing stock of finished goods awaiting clearance has been provided for and included in cost thereof.
- d. Stock of materials sold by one unit to other is works/ factory costs of the transferor unit/ division, plus transport and other charges.

**G. REVENUE RECOGNITION:**

- a. Sales of Manufactured Goods:
  - i. Sale of goods in respect of export sales are recognised as and when the shipment of goods takes place.
  - ii. Sale of goods in respect of export sales from overseas warehouses are recognized as and when the release order for goods is sent to the warehouse.
  - iii. Sale of goods in respect of domestic sales are recognised on despatch of goods to the customer net of VAT and Excise Duty. However, for the purpose of disclosure, Sales are disclosed at gross as reduced by Excise Duty.
  - iv. Sales are net of returns.  
Excise Duty Refund, Octroi Duty Refund and Sales Tax Set off, if any, is taken on accrual basis.
- b. Recognition of Export Benefits:
  - i. Export Incentives are accounted on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claims are fulfilled [Refer Note 21.2 of the Consolidated Statement of Profit and Loss]  
Export Benefit Entitlements under the Duty drawback Scheme of the Government of India are recognised in the year in which the Export sales are accounted for.
  - ii. Advance License Benefits on Exports are accounted in the year of utilisation of license.
- c. Dividend income is recognised when the right to receive payment is established.
- d. Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- e. Claims for insurance are accounted at the time of its lodgement with the Insurance Company.

**H. FOREIGN CURRENCY TRANSACTIONS:**

- a. Transactions in foreign currency (monetary and non-monetary items) are recorded at exchange rates prevailing on the respective dates of the relevant transactions.
- b. Monetary items (i.e. receivables, payables, loans, etc.), which are denominated in foreign currency are translated and reported using the exchange rates prevailing on the date of Balance Sheet.
- c. Exchange differences arising on the settlement of monetary items or on reporting at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expense in the year in which they arise.
- d. Non-monetary items denominated in foreign currency and carried at:
  - i. fair value / net realisable value, are translated at the exchange rate prevalent at the date when the fair value / net realisable value was determined;
  - ii. historical cost, as translated at the exchange rate prevalent at the date of transaction.
- e. In case of forward contracts:
  - i. the exchange difference between the forward rate and the exchange rate at the date of transaction is recognised as income or expense over the life of the contract.
  - ii. the exchange differences are recognised in the Consolidated Statement of Profit and Loss in the reporting period in which the exchange rates change.
  - iii. the exchange differences on settlement/restatement are recognised in the Consolidated Statement of Profit and Loss for the period in which the forward contracts are settled/restated.

As required by the Announcement of the Institute of Chartered Accountants of India on positions of derivatives, keeping in view the principle of prudence as per Accounting Standard 1 on "Disclosure of Accounting Policies", outstanding forward contracts at the Balance Sheet date are reflected by marking them to market and accordingly, the resulting mark to market losses are provided in the Consolidated Statement of Profit and Loss.

#### **I. GRANTS:**

- a. Grants related to specific fixed assets are shown as deduction from the gross value of the assets.
- b. Other revenue grants are deducted from the related expense.
- c. Grants are recognised as accrued on the basis of sanction letter received from the concerned authorities.

#### **J. INVESTMENTS:**

- a. Investments, which are long-term, are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of investments.
- b. Profit or loss on sale of long-term investments, if any, is calculated by considering the weighted average amount of the total holding of the investment.
- c. Current Investments are stated at the lower of cost and fair value.

#### **K. EMPLOYEE BENEFITS:**

Short-term employee benefits are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss for the period in which the related service is rendered.

##### **Long-term benefits:**

##### **Defined Contribution Plan:**

##### **a. Provident and Family Pension Fund**

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the Provident Fund Account under the Employees' Provident Fund and Misc. Provisions Act, 1952. Provident Fund and Family Pension Fund are classified as Defined Contribution Plans as the Company has no further obligations beyond making the contribution. The Company's contributions to Defined Contribution Plan are charged to the Statement of Profit and Loss as incurred.

##### **b. Superannuation fund:**

The superannuation fund benefits are administered by a Trust formed for this purpose through the Group scheme of Life Insurance Corporation of India. The Group's contribution to superannuation fund are charged to the Consolidated Statement of Profit and Loss as paid.

##### **Defined Benefit Plan:**

##### **a. Gratuity**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lumpsum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Group makes contribution to the Group Gratuity Scheme with SBI Life Insurance Company Limited based on an independent actuarial valuation made at the year-end. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss.

##### **b. Compensated Absences:**

The Group provides for the encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The liability is recognised based on number of days of unutilized leave at each Balance Sheet date on the basis of an independent actuarial valuation. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss.

#### **L. BORROWING COSTS:**

Borrowing costs, in connection with the borrowing of funds to the extent attributable to the acquisition or construction of a qualifying fixed asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

#### **M. LEASES:**

Assets taken on lease where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Consolidated Statement of Profit and Loss on accrual basis.

#### **N. TAXATION:**

- a. Current Tax: Provision for current tax is made on the estimated taxable income of the period at the rate applicable to the relevant assessment year.
- b. Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is a convincing evidence that the Group will pay normal tax within the period specified under the Income-tax Act, 1961 to avail such MAT credit.

## c. Deferred Tax:

- i. Deferred tax is recognised, subject to consideration of prudence, on timing differences between taxable and accounting income which originates in one period and are capable of reversal in one or more subsequent periods (adjusted for reversals expected during tax holiday period). The tax effect is calculated on accumulated timing differences at the year-end based on tax rates and laws enacted or substantially enacted as of the balance sheet date.
- ii. In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets.
- iii. In other situations, deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future taxable income will be available to realise such deferred tax assets.
- iv. The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilised.

## O. IMPAIRMENT OF ASSETS:

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

## P. SEGMENT REPORTING POLICIES:

- a. Primary Segments are identified based on the nature of products, the different risks and returns and the internal business reporting system. The identification of geographical segments is based on the geographical location of its customers.
- b. The Group prepares its Segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

## Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- a. The Group recognises a Provision when there is a present obligation as a result of past event, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.
- b. Contingent Liability is disclosed by way of a note to the consolidated financial statements when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or present obligation where likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent Assets are neither recognised nor disclosed in the consolidated financial statements.

## 2. A. Companies included in Consolidation:

Name of Company	Subsidiary / Associate	Country of incorporation	% of holding	
			As at March 31, 2016	As at March 31, 2015
FNI Asia PTE Limited	Subsidiary	Singapore	100.00	100.00
Asim Exports International Limited	Associate	India	49.59	49.59
Dravya Finance Limited	Associate	India	27.56	27.56
Finns Frozen Foods (I) Limited	Associate	India	48.00	48.00

- B. Significant Accounting Policies and Notes to the CFS are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures.





## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>2. Share Capital</b>		
<b>Authorised</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10 par value	6,00,00,000	6,00,00,000
3,00,000 (3,00,000) Redeemable Preference Shares of ₹ 100 par value	3,00,00,000	3,00,00,000
	<b>9,00,00,000</b>	<b>9,00,00,000</b>
<b>Issued, Subscribed And Paid Up :</b>		
14,51,040 (14,51,040) Equity Shares of ₹ 10 par value fully paid	1,45,10,400	1,45,10,400
	<b>1,45,10,400</b>	<b>1,45,10,400</b>

### 2.1 Reconciliation of the number of shares outstanding and amount of share capital :

	As at March 31, 2016		As At March 31, 2015	
	No. of shares	₹	No. of shares	₹
Equity Shares of ₹ 10 par value				
At the beginning	14,51,040	1,45,10,400	14,51,040	1,45,10,400
Changes during the year	NIL	NIL	NIL	NIL
At the end	<b>14,51,040</b>	<b>1,45,10,400</b>	<b>14,51,040</b>	<b>1,45,10,400</b>

### 2.2 Rights, preferences and restrictions :

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- The Company declares and pays dividend 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, except in case of interim dividend. The Board of Directors, in their meeting on May 28, 2016, proposed a final dividend of ₹ 2.50 per equity share of ₹ 10 each. The total dividend appropriation for the year ended March 31, 2016 amounted to ₹ 43,66,107 including corporate dividend tax of ₹ 7,38,507.

During the year ended March 31, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 2.50 per equity share of ₹10 each. The dividend appropriation for the year ended March, 31 2015 amounted to ₹ 42,55,320 including corporate dividend tax of ₹ 6,27,720.

- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the 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.

### 2.3 Details of shares held by shareholders holding more than 5% of the aggregate equity shares in the Company :

Name of the Shareholder	As at March 31, 2016		As At March 31, 2015	
	No. of Shares held	% Held	No. of Shares held	% Held
Mr. Ray Simkins	175,820	12.12	175,820	12.12
Mrs. Pallavi Dhupelia	162,905	11.23	162,905	11.23
Mr. Utsav Dhupelia	133,010	9.17	133,010	9.17
Western Press Private Limited	115,000	7.93	114,357	7.88
Mrs. Rekha Dalal	75,000	5.17	72,950	5.03

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	₹	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>3. Reserves and Surplus</b>			
<b>Capital Reserves</b>			
As per last Balance Sheet	8,64,496		23,13,246
Less: Adjustment on ceasing to be subsidiaries (Refer Note 3.1)	NIL		14,48,750
		8,64,496	8,64,496
<b>Securities Premium Account</b>			
As per last Balance Sheet		4,12,22,681	4,12,22,681
<b>Revaluation Reserve</b> (Refer Note 30)			
As per last Balance Sheet	9,40,94,134		9,64,39,731
Less: Transfer to General Reserve	23,52,024		23,45,597
Less: Transfer to Statement of Profit and Loss	NIL		NIL
		9,17,42,110	9,40,94,134
<b>Foreign Currency Translation Reserve</b> [Refer Note 1(B)(a)(ii)]		15501	214
<b>General Reserve</b>			
As per last Balance Sheet	23,52,32,651		19,27,25,199
Add: Adjustment on ceasing to be subsidiaries (Refer Note 3.1)	NIL		1,61,855
Add: Transferred from Surplus	NIL		4,00,00,000
Add: Transfer from Revaluation Reserve (Refer Note 30)	23,52,024		23,45,597
		23,75,84,675	23,52,32,651
<b>Surplus/ (Deficit)</b>			
As per last Balance Sheet	12,41,79,010		4,22,23,588
Add: Adjustment on ceasing to be subsidiaries (Refer Note 3.1)	NIL		12,86,902
Add: Net Profit after Tax transferred from Statement of Profit and Loss	55,60,292		12,49,23,840
Share in Profit/(Loss) of Associate	4,90,432		NIL
	13,02,29,734		16,84,34,330
Less: Appropriations			
Transferred to General Reserve	NIL		4,00,00,000
Proposed Dividend on Equity Shares	36,27,600		36,27,600
Tax on Proposed Dividend ( includes ₹ 1,10,895 relating to prior period, paid during the year)_	8,49,404		6,27,720
		12,57,52,730	12,41,79,010
		49,71,82,193	49,55,93,186
3.1 Consequent to the change in ownership interests as referred in Note 33, on consolidation, certain previous year balances have been considered on current ownership basis and accordingly, the same are reflected above as 'Adjustment on ceasing to be subsidiaries'.			
<b>4. Long-term Borrowings</b>			
Term Loans (Refer Notes 4.1 and 4.2)			
Secured			
From Banks		1,78,35,868	4,64,84,513
From Others		1,27,85,127	NIL
Deposits (Refer Notes 4.1 and 4.3)			
Unsecured			
Fixed Deposits		19,15,440	1,65,68,287
[Including ₹ 19,15,440 (Previous Year ₹ 68,43,287) from a related party]			
Other Loans			
Secured			
Vehicle Loans (Refer Notes 4.1 and 4.4)			
From Banks	5,03,829		2,78,603
From Others	12,28,686		16,64,365
	17,32,515		19,42,968
Unsecured			
From Directors	3,64,59,243		3,15,57,590
From Company	NIL		NIL
		3,81,91,758	3,35,00,558
		7,07,28,193	9,65,53,358

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

4.1 The above reflect non-current portion of the related borrowings and the current portion thereof is reflected in Note 9 on "Other Current Liabilities".

### Nature of Security and Terms of Repayment of Long-term Borrowings (including of those Current maturities shown in Note 9) :

Nature of Security	Rate of Interest	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>4.2 TERM LOANS</b>			
<b>From Banks:</b>			
a. Term Loan availed from Export Import Bank of India for Chittoor expansion -FFP Plant -II for ₹ 6,00,00,000 repayable in 20 Quarterly Instalment from June 20, 2011 of ₹ 30,00,000 each Primary Security: i Exclusive First charge on immoveable and moveable fixed assets acquired out of this term loan. ii Exclusive First charge on land admeasuring 4.04 acres pertaining to company's FFP plant – II at Chittoor Collateral Security: Second <u>pari passu</u> charge on the entire fixed assets of company excluding specific fixed assets charged exclusively to term lender Personal <u>Guarantee</u> : i Mr. Utsav Dhupelia, Managing Director and Shareholder ii Mrs. Pallavi Dhupelia, Shareholder	Ranging from 12.25% p.a. to 12.75% p.a.	NIL	1,20,00,000
b. Term Loan availed from Andhra Bank for Chittoor expansion project for ₹ 9,00,00,000 repayable in 60 monthly instalments from July 11, 2012. Primary Security: Exclusive First Charge on movable and immovable fixed assets acquired /to be acquired out of this term loan. Collateral Security: i Second residual charge on current assets charged to working capital lenders ii Second <u>pari passu</u> charge on fixed assets under first charge to term lenders Personal <u>Guarantee</u> : i Mr. Utsav Dhupelia, Managing Director and Shareholder ii Mrs. Pallavi Dhupelia, Shareholder	9.00% p.a.	3,00,02,871	4,91,62,372
c. Term Loan availed from Corporation Bank for Chittoor expansion project for ₹ 3,64,00,000 repayable in 54 monthly instalments from January, 2014. Primary Security: Exclusive First Charge on movable assets of the Company procured/ to be procured under the expansion of the Chittor project (cold storage) out of this term loan Collateral Security: Exclusive First Charge on movable assets of the Company procured/ to be procured under the expansion of cold storage project at chittor factory including import of machinery out of this term loan Personal <u>Guarantee</u> : Mr. Utsav Dhupelia, Managing Director and Shareholder Mrs. Pallavi Dhupelia, Shareholder	Ranging from 14.25% p.a. to 14.75% p.a.	1,84,24,637	2,66,23,913
<b>From Others:</b>			
a. Term Loan availed from Siemens Financial Services Private Limited for Machinery of ₹ 1,80,00,000 repayable in 36 monthly instalments from April, 2016. Primary Security: Exclusive First Charge on the machinery of the Company procured out of this Term Loan Personal <u>Guarantee</u> : i Mr. Bhupen Dalal, Director ii Mr. Milan Dalal, Director	13.50% p.a.	1,80,00,000	NIL
Total of Term Loans		<b>6,64,27,508</b>	8,77,86,285
Less: Current maturities of Long-term debt (Refer Note 9)		<b>3,58,06,513</b>	4,13,01,772
		<b>3,06,20,995</b>	4,64,84,513

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

Nature of Security		Rate of Interest	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>4.3 DEPOSITS</b>				
Public Deposits maturing between 1 to 3 years		Ranging from 10% p.a. to 12.5% p.a.	<b>1,03,22,440</b>	3,42,78,287
Less: Current maturities of Long-term debt (Refer Note 9)			<b>84,07,000</b>	1,77,10,000
			<b>19,15,440</b>	1,65,68,287
<b>4.4 VEHICLE LOANS</b>				
<b>a. From Banks:</b>				
Vehicle Loan availed from ICICI Bank of ₹ 11,54,000, repayable in 36 monthly instalments commencing from November 1, 2013 is secured against the specified car		10.50% p.a.	<b>2,16,409</b>	6,16,740
Vehicle Loan availed from HDFC Bank of ₹ 3,30,000, repayable in 36 monthly instalments commencing from October 9, 2013 is secured against the specified car		10.50% p.a.	<b>62,196</b>	1,76,857
Vehicle Loan availed from ICICI Bank of ₹ 7,88,000, repayable in 36 monthly instalments commencing from March 1, 2016 is secured against the specified car		9.50% p.a.	<b>7,43,953</b>	NIL
<b>b. From Others:</b>				
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 10,44,140, repayable in 35 monthly instalments commencing from October 31, 2012 is secured against the specified car		11.14% p.a.	<b>NIL</b>	2,09,387
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 22,87,105, repayable in 47 monthly instalments commencing from January 1, 2014 is secured against the specified car		10.78% p.a.	<b>10,92,079</b>	16,59,540
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 8,87,000, repayable in 48 monthly instalments commencing from September 30, 2014 is secured against the specified car		10.81% p.a.	<b>5,72,286</b>	7,68,865
Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 5,78,864, repayable in 35 monthly instalments commencing from May 1, 2016 is secured against the specified car		9.94% p.a.	<b>5,78,864</b>	NIL
Total of Vehicle Loans			<b>32,65,787</b>	34,31,389
Less: Current maturities of Long-term debt (Refer Note 9)			<b>15,33,272</b>	14,88,421
			<b>17,32,515</b>	19,42,968
			<b>As at March 31, 2016 ₹</b>	<b>As At March 31, 2015 ₹</b>
<b>5. Deferred Tax Liabilities (Net)</b>				
Deferred Tax Liabilities				
Depreciation			<b>9,36,81,920</b>	8,96,47,467
Deferred Tax Assets				
Expenses allowable for Tax purpose when paid			<b>88,79,292</b>	63,63,100
Provision for Doubtful Debts and Advances			<b>25,95,131</b>	24,40,816
Losses Carried Forward and Unabsorbed Depreciation			<b>NIL</b>	3,16,36,054
Net Deferred Tax Liabilities			<b>8,22,07,497</b>	4,92,07,497

5.1 Deferred Tax Liabilities (DTL) for the year is arrived at after reversal of Net Deferred Tax Assets of ₹ 3,03,53,842 (Previous Year ₹ 7,96,108) relating to prior period.

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>6. Long-term Provisions</b>		
Provision for Employee Benefits		
For Gratuity	59,18,642	33,00,410
For Leave Encashment	70,18,839	68,11,987
	<b>1,29,37,481</b>	<b>1,01,12,397</b>
	<b>1,29,37,481</b>	<b>1,01,12,397</b>
<b>7. Short-term Borrowings</b>		
Loans Repayable on demand		
Secured		
From Banks		
Open Cash Credit (Refer Notes 7.1 and 7.4)	9,08,87,025	1,12,30,654
Packing Credit / Foreign Bills purchased (Refer Notes 7.2 and 7.4)	141,08,89,946	132,08,65,502
Buyer's Credit (Refer Notes 7.2 and 7.4)	4,97,93,294	3,97,04,337
Overdraft Facilities (Refer to Note 7.3)	24,99,90,953	NIL
	<b>180,15,61,218</b>	<b>137,18,00,493</b>
Deposit - Inter Corporate	4,40,71,563	NIL
Other Loans		
Unsecured		
Directors	3,10,00,000	NIL
	<b>187,66,32,781</b>	<b>137,18,00,493</b>

- 7.1 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Packing Materials, etc. meant for other than export, a charge over the entire current assets of the Company including domestic receivables or book debts, both present and future. All the above Loans including from the Banks are also secured by a personal Guarantee of Mr. Utsav Dhupelia (Managing Director and a Shareholder) and Mrs. Pallavi Dhupelia (Shareholder), and charge on all the Fixed Assets excluding the assets financed out of the Term Loan.
- 7.2 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Cans, etc. meant for export, a charge over the entire current assets of the Company including export receivables/ book debts, both present and future, and stores and spares, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover, charge on all Fixed Assets excluding the assets financed out of the Term Loan and also secured by a personal Guarantee of Mr. Utsav Dhupelia (Managing Director and a Shareholder) and Mrs. Pallavi Dhupelia (Shareholder).
- 7.3 For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers and its receivables.
- 7.4 Secured by way of collateral against pledge of Fixed Deposit of ₹ 13,72,692 (Previous Year ₹ 13,72,692) (Refer Note 18.1).

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>8. Trade Payables</b>		
Total outstanding dues to Micro Enterprises and Small Enterprises (Refer Note 8.1)	13,08,537	6,13,769
Total outstanding dues to creditors other than Micro Enterprises and Small Enterprises	26,87,59,794	42,86,54,803
	<b>27,00,68,331</b>	<b>42,92,68,572</b>
<b>8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:</b>		
Principal amount remaining unpaid and interest due thereon	13,08,537	6,13,769
Interest paid in terms of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	26,667	39,897
Interest accrued and remaining unpaid	3,75,236	3,48,569
Interest due and payable even in succeeding years	NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified by the Company.		

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>9. Other Current Liabilities</b>		
Current maturities of Long-term debt		
Term Loan (Refer Note 4.2)		
Secured		
From Banks	3,05,91,640	4,13,01,772
From Others	52,14,873	NIL
Deposits (Refer Note 4.3)		
Unsecured		
Fixed Deposits	84,07,000	1,77,10,000
Other Loans		
Secured (Refer Note 4.4)		
Vehicle Loans		
From Banks	5,18,729	5,14,994
From Others	10,14,543	9,73,427
	15,33,272	14,88,421
	4,57,46,785	6,05,00,193
Interest accrued but not due on borrowings	3,13,107	69,99,644
Interest accrued and due on borrowings	66,087	48,688
Unclaimed dividends	3,40,694	3,25,315
Book Overdraft	6,89,096	2,87,201
Advances from customers	6,98,77,332	14,52,01,760
Other Payables		
For Capital Expenses	3,17,58,729	1,90,14,315
Others *	6,27,70,067	6,59,25,751
	9,45,28,796	8,49,40,066
	21,15,61,897	29,83,02,867
* Others include Statutory Dues and other year-end liabilities provided.		
<b>10. Short-term Provisions</b>		
Provision for employee benefits		
Gratuity	35,42,893	32,60,700
Leave Encashment	18,54,948	7,76,136
	53,97,841	40,36,836
Others		
Provision for Tax	5,90,64,394	4,69,27,568
Less: Taxes Paid	4,70,82,600	2,55,79,621
	1,19,81,794	2,13,47,947
Proposed Dividend	36,27,600	36,27,600
Tax on Dividend	7,38,507	6,27,720
	163,47,901	256,03,267
	2,17,45,742	296,40,103

Description	GROSS BLOCK				DEPRECIATION, AMORTISATION and IMPAIRMENT				NET BLOCK		Amount in ₹
	As At April 1, 2015	Additions	Deductions and/or Adjustments	As At March 31, 2016	Upto March 31, 2015	Adjustment in WDV as on 1/4/14 as per Schedule - II	For the Year	Impairment of Assets	Withdrawal for Sale/ Adjustment	As At March 31, 2016	
11. Fixed Assets											
Tangible Assets											
Land	12,73,99,439 (12,73,99,439)	NIL (NIL)	NIL (NIL)	12,73,99,439 (12,73,99,439)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	12,73,99,439 (12,73,99,439)	12,73,99,439 (12,73,99,439)
Buildings	36,73,01,103 (33,50,71,639)	6,90,17,471 (3,22,29,464)	NIL (NIL)	43,63,18,574 (36,73,01,103)	7,07,10,125 (5,12,83,122)	NIL (NIL)	1,35,20,455 (1,94,27,003)	NIL (NIL)	NIL (NIL)	35,20,87,994 (29,65,90,978)	29,65,90,978 (28,37,88,517)
Factory Building	4,17,76,494 (4,17,76,494)	1,78,870 (NIL)	NIL (NIL)	4,19,55,364 (4,17,76,494)	1,12,11,051 (86,45,734)	NIL (2,67,310)	21,59,119 (22,98,007)	NIL (NIL)	NIL (NIL)	2,85,85,194 (3,05,65,443)	3,05,65,443 (3,31,30,760)
Administrative Building											
Plant and Equipments	70,93,28,682 (68,17,36,298)	19,24,80,915 (3,00,92,384)	NIL (25,00,000)	90,18,09,597 (70,93,28,682)	31,79,93,181 (24,42,49,458)	NIL (1,32,10,174)	5,81,99,473 (6,05,33,549)	4,10,018 (NIL)	NIL (NIL)	52,52,06,925 (39,13,35,501)	39,13,35,501 (43,74,86,840)
Plant and Machinery:											
Generators	93,71,945 (93,71,945)	NIL (NIL)	NIL (NIL)	93,71,945 (93,71,945)	36,34,445 (22,98,532)	NIL (6,87,002)	6,50,688 (6,48,911)	NIL (NIL)	NIL (NIL)	42,85,133 (57,37,500)	57,37,500 (70,73,413)
Forklift Accessories	1,01,51,348 (1,01,51,352)	3,58,905 (NIL)	NIL (NIL)	1,05,10,253 (1,01,51,352)	50,05,566 (29,58,415)	NIL (12,46,789)	8,44,357 (8,00,362)	NIL (NIL)	NIL (NIL)	58,49,923 (51,45,782)	51,45,782 (71,92,933)
Furniture and Fixtures	82,30,640 (77,90,693)	11,58,849 (4,39,947)	NIL (NIL)	93,89,489 (82,30,640)	54,12,440 (41,15,321)	NIL (2,41,275)	5,77,049 (10,55,844)	NIL (NIL)	NIL (NIL)	59,89,490 (28,18,200)	28,18,200 (36,75,372)
Vehicles	2,10,93,063 (1,97,50,755)	10,86,300 (24,08,068)	19,00,036 (10,65,760)	2,02,79,327 (2,10,93,063)	86,79,454 (71,29,633)	NIL (75,155)	19,60,164 (21,20,405)	10,48,522 (6,45,739)	95,91,096 (86,79,454)	1,06,88,231 (1,24,13,608)	1,24,13,608 (1,26,21,122)
Office Equipments	78,61,538 (68,80,933)	8,78,545 (9,80,605)	NIL (NIL)	87,40,083 (78,61,538)	54,75,229 (34,41,479)	NIL (768,203)	10,54,825 (12,65,547)	1,16,789 (NIL)	NIL (NIL)	66,46,843 (54,75,229)	23,86,308 (34,39,454)
Others											
Computers	89,26,897 (84,43,936)	4,88,270 (4,82,961)	NIL (NIL)	94,15,167 (89,26,897)	79,17,328 (66,78,210)	NIL (3,42,604)	5,64,444 (8,96,514)	NIL (NIL)	NIL (NIL)	84,81,772 (79,17,328)	10,09,569 (17,65,726)
Current year	131,14,41,149 (124,83,73,480)	26,56,48,125 (6,66,33,429)	19,00,036 (35,65,760)	157,51,89,238 (131,14,41,149)	43,60,38,819 (33,07,99,904)	NIL (1,88,38,512)	7,95,30,578 (8,90,46,142)	5,26,807 (NIL)	10,48,522 (6,45,739)	106,01,41,559 (87,54,02,328)	87,54,02,328 (91,75,73,576)
Previous year											
Intangible Assets											
Patents and Trademarks	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	NIL (NIL)
Computer Software	6,50,717 (6,50,717)	NIL (NIL)	NIL (NIL)	6,50,717 (6,50,717)	6,38,320 (6,38,067)	NIL (NIL)	935 (253)	NIL (NIL)	NIL (NIL)	6,39,255 (6,38,067)	12,397 (12,650)
Current year	9,13,217 (9,13,217)	NIL (NIL)	NIL (NIL)	9,13,217 (9,13,217)	9,00,820 (9,00,567)	NIL (NIL)	935 (253)	NIL (NIL)	NIL (NIL)	9,01,755 (9,00,567)	12,397 (12,650)
Previous year											
Capital Work-in-progress											
Plant and Machinery	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
Current year	17,07,42,530 (13,78,59,702)	4,16,21,742 (7,65,32,509)	19,75,88,086 (4,36,49,681)	1,47,76,186 (17,07,42,530)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	1,47,76,186 (17,07,42,530)	17,07,42,530 (13,78,59,702)
Previous year											
Intangible Assets Under Development											
Computer Software	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Current year	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)
Previous year											

11.1 Gross Block includes the following amounts on account of Revaluation of assets at Deonar, Mumbai:

- Land ₹ 8,00,20,650 (Previous year ₹ 8,00,20,550)
- Factory Building ₹ 1,57,27,907 (Previous year ₹ 1,57,27,907)
- Administrative Building ₹ 1,09,30,926 (Previous year ₹ 1,09,30,926)

For other disclosures on revaluation of Fixed Assets - Refer Note 31(a)

11.2 For the year ended March 31, 2015 - Effective from April 1, 2014, the Company has provided depreciation on its tangible Fixed Assets as per the useful lives as specified in Schedule II to the Companies Act, 2013. Accordingly, in respect of the tangible Fixed Assets as on April 1, 2014, the carrying amount, net of residual value, as on that date has been depreciated over the revised remaining useful lives of the assets. As a result, the charge for depreciation for the year ended March 31, 2015 is higher by ₹ 3,40,04,255 (including depreciation of ₹ 36,280 on Revalued assets). Further, in view of the Notification No. GSR 627(E) of August 29, 2014 amending Schedule II, on the basis of option available, the Company has now decided to charge the carrying amount of assets, after retaining residual value, in cases where the remaining useful life has been completed as on April 1, 2014 by way of depreciation to the Statement of Profit and Loss and accordingly, the sum of ₹ 1,88,38,512 is included in depreciation for the year ended March 31, 2015.

11.3 Based on the policy of Component Accounting adopted by the Company with effect from April 1, 2015, there is no additional or otherwise impact on the depreciation for the year.

11.4 During the year, the Company closed its operations at Chembur factory, which cannot be relocated, the impairment of ₹ 5,26,807 is made in terms of the requirement under Accounting Standard 28 on "Impairment of Assets".

11.5 During the year, the Company has taken on Lease Plant and Machinery of ₹ 2,45,40,000 from Frims Frozen Foods (I) Limited (an associate) which was later on purchased from it at ₹ 2,35,09,184.

11.6 Figures given in brackets above are for the previous year.



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>12. Non-current Investments</b>		
Long-term Investments - valued at cost less provision for other than temporary diminution		
Trade		
In Equity Instruments of Associate (Refer Note 31)		
Unquoted		
Fully Paid Equity Shares		
<b>Quantity Investee Company</b>		
24,00,000 Finns Frozen Foods (I) Ltd.*	2,40,00,000	2,40,00,000
(24,00,000) (₹ 10 par value)		
Less : Provision for Diminution in Value of Investments	48,00,000	48,00,000
	<u>1,92,00,000</u>	<u>1,92,00,000</u>
Less : The Company's share of losses of the Associate, to the extent of carrying amount of Investment adjusted against General Reserve (Refer Note 31)	1,92,00,000	1,92,00,000
	<u>NIL</u>	<u>NIL</u>
24,794 Asim Exports International Limited	2,15,630	2,47,940
(49,994) (₹ 10 par value)		
Less: Adjustment to arrive at Cost of Investments (Refer Note 33.2)	NIL	32,310
Share of Profit/(Loss)	<u>23,457</u>	<u>NIL</u>
	1,92,173	2,15,630
55,125 Dravya Finance Limited	7,18,452	5,51,250
(2,00,000) (₹ 10 par value)		
Add: Adjustment to arrive at Cost of Investments (Refer Note 33.1)	NIL	1,67,202
Share of Profit/(Loss)	<u>5,13,889</u>	<u>NIL</u>
	12,32,341	7,18,452
Other than Trade		
In Equity Instruments of Other Companies		
Quoted		
Fully Paid Equity Shares		
<b>Quantity Investee Company</b>		
66 Hindustan Unilever Limited	3,425	3,425
(66) (₹ 1 par value)		
1,08,300 CIFCO Finance Limited*	10,79,533	10,79,533
(1,08,300) (₹ 10 par value)		
Less : Provision for Diminution in Value of Investments	10,79,533	10,79,533
	<u>NIL</u>	<u>NIL</u>
100 Western Food Limited*	1,000	1,000
(100) (₹ 10 par value)		
Less : Provision for Diminution in Value of Investments	1,000	1,000
	<u>NIL</u>	<u>NIL</u>
2,000 FDC Limited	10,000	10,000
(2,000) (₹ 1 par value)		
9,400 Bank of Maharashtra Limited	2,16,200	2,16,200
(9,400) (₹ 10 par value)		
5,098 Andhra Bank Limited	4,58,820	4,58,820
(5,098) (₹ 90 par value)		
In Government or Trust securities		
Unquoted		
National Savings Certificate (VIII Issue)*	200	200
Indira Vikas Patra*	200	200
	<u>400</u>	<u>400</u>
	<u>21,13,359</u>	<u>16,22,927</u>

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate amount of Quoted Investments	6,88,445	9,68,052	6,88,445	11,12,648
Aggregate amount of Unquoted Investments	14,24,914	Not Applicable	9,34,482	Not Applicable
Aggregate provision made for diminution in value of Investments	58,80,533	Not Applicable	58,80,533	Not Applicable

\*12.1 The Income-tax Authorities had carried out a search in premises of the Company under section 132 of the Income-tax Act, 1961, on October 16, 1992 and seized the share certificates in respect of the investments of the Company. The time to hold share certificates under seizure by the Income-tax Department was over and the latter informed the Company for releasing of Shares but the Company could not take any step in this respect without taking approval of the Custodian specified in the Act. Subsequently, on June 12, 2007, the Company made an application to the Special Court for giving specific directions in this regard, for which on the basis of the order received during the year ended March 31, 2015, the said shares were released.

	As at March 31, 2016 ₹	As At March 31, 2015 ₹
<b>13. Long-term Loans and Advances</b>		
Unsecured, Considered Good		
Capital Advances	27,85,343	1,01,51,765
Security Deposits	1,23,88,145	95,99,953
Loans and advances to Related Parties (Refer Note 37)		
To Associate	3,00,00,000	3,00,00,000
To Others - Inter-Corporate Deposit	1,85,00,000	1,85,00,000
	<b>4,85,00,000</b>	<b>4,85,00,000</b>
Other Loans and Advances		
MAT Credit Entitlements	2,28,59,633	2,63,64,481
Advances recoverable in cash or kind for value to be received (Refer Note 13.2)	17,48,334	21,57,713
Taxes Paid	2,24,08,322	2,24,08,322
Less : Provision for Tax	71,16,284	71,16,284
	<b>1,52,92,038</b>	<b>1,52,92,038</b>
	<b>3,99,00,005</b>	<b>4,38,14,232</b>
	<b>10,35,73,494</b>	<b>11,20,65,950</b>

### 13.1 Information on Loans given, Investments made and Guarantee given pursuant to Section 186 (4) of the Companies Act, 2013

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>a. Corporate Guarantee given by the Company in respect of loans obtained by others as at March 31, 2016</b>		
<b>Name of the Company</b>	<b>Purpose</b>	
Finns Frozen Foods (I) Ltd.	Against Bank Borrowings by the associate	11,70,00,000
		11,70,00,000
<b>b. Loan given by the Company as at March 31, 2016</b>		
<b>Name of the Company</b>	<b>Purpose</b>	
Muller & Phipps (India) Limited	Inter-Corporate Lending	1,85,00,000
		1,85,00,000

13.2 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Sales tax set off receivable and Prepaid expenses.

	Cost	Net Asset Value	Cost	Net Asset Value
	₹	₹	₹	₹
Aggregate amount of Quoted Investments	10,00,000	1,45,658	10,00,000	9,39,000

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## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

	₹	As at March 31, 2016 ₹	As At March 31, 2015 ₹
Packing Materials			
Aseptic Bags		2,10,26,367	3,03,15,084
Empty Cans		1,42,70,329	7,18,20,158
MS Drums		7,63,85,189	13,32,82,797
Cartons and LDPE Bags		16,77,432	44,85,654
Wooden Pallets and Plywoods		91,95,983	1,26,84,039
Plastic Crates		7,95,10,420	7,26,04,513
Others		44,26,293	2,27,118
		<u>20,64,92,013</u>	<u>32,54,19,363</u>
<b>17. Trade Receivables</b>			
Unsecured, Considered Good			
Outstanding for a period exceeding Six months from the date they are due for payment	93,72,433		1,51,29,937
Others	44,79,75,912		33,20,43,729
		<u>45,73,48,345</u>	<u>34,71,73,666</u>
		<u>45,73,48,345</u>	<u>34,71,73,666</u>
<b>18. Cash and Bank Balances</b>			
Cash and Cash Equivalents			
Cash on hand		6,18,336	10,42,771
Balances with banks			
On Current Accounts	50,93,243		76,51,088
On Unclaimed Dividend Accounts	3,40,694		3,25,315
		<u>54,33,937</u>	<u>79,76,403</u>
Other Bank Balances			
On Fixed Deposit Accounts (Refer Note 18.1)		4,89,74,049	5,00,67,666
On Margin Money Accounts			
With Maturity within 12 Months from Balance Sheet Date		3,30,38,649	2,86,44,931
		<u>8,80,64,971</u>	<u>8,77,31,771</u>
18.1 Of the above, Fixed Deposit of ₹ 13,72,692 (Previous Year ₹ 13,72,692) are pledged as collateral in respect of secured loan taken from banks (Refer Note 7.4).			
<b>19. Short-term Loans and Advances</b>			
Unsecured, Considered Good			
Loans and advances to Related Parties (Refer Note 37)		3,36,55,874	5,82,72,862
Other Loans and Advances			
VAT Receivable	33,79,966		66,36,844
Excise duty Receivable	1,08,68,195		111,92,701
Service Tax Receivable	1,33,78,608		1,12,59,948
Loans to Staff	70,69,083		20,35,279
Advances recoverable in cash or kind for value to be received (Refer Note 19.1)	6,19,60,398		9,15,76,796
		<u>9,66,56,250</u>	<u>12,27,01,568</u>
		<u>13,03,12,124</u>	<u>18,09,74,430</u>
19.1 Other Loans and Advances are in the nature of Advances recoverable in cash or in kind or for the value to be received which include Advances to Suppliers, Prepaid expenses and Advances to Employees.			
<b>20. Other Current Assets</b>			
Export Benefits Receivable		5,78,90,433	5,41,31,609
Interest Receivable on Fixed Deposits		18,27,723	12,46,477
		<u>5,97,18,156</u>	<u>5,53,78,086</u>

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>21. Revenue from Operations</b>			
Sale of Products			
Manufactured Goods (Refer Note 21.1.1)	308,68,81,822		320,04,09,118
Traded Goods (Refer Note 21.1.2)	20,09,38,736		33,01,56,674
		328,78,20,558	353,05,65,792
Other Operating Revenues			
Export Benefits (Refer Note 21.2)	10,44,74,078		10,31,38,653
Processing Charges	54,60,175		43,43,746
Claims and Rebates	23,37,275		1,99,260
Sale of Scrap	13,72,040		41,53,259
Warehousing Charges	1,27,36,509		2,73,67,721
		12,63,80,077	13,92,02,639
		341,42,00,635	366,97,68,431
Less: Excise Duty on Sales		5,93,10,090	7,88,90,597
		335,48,90,545	359,08,77,834
<b>21.1 Details of Sale of Products:</b>			
<b>21.1.1 Manufactured Goods</b>			
Fruit Powder		4,88,85,154	7,71,99,268
Fruit Pulp, Concentrate and Frozen Pulp		296,62,75,998	310,72,29,352
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		632,72,995	68,90,742
Other Powder		84,47,675	87,58,015
Others		NIL	3,31,741
		308,68,81,822	320,04,09,118
<b>21.1.2 Traded Goods</b>			
Fruit Pulp, Concentrate and Frozen Pulp		15,18,30,872	27,55,38,101
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		1,73,35,249	3,99,10,383
Others		3,17,72,615	147,08,190
		20,09,38,736	33,01,56,674
<b>21.2</b>	The Company is entitled to Export Benefits, under Merchandise Exports from India Scheme (MEIS) vide Public Notice No.2/2015-20 dated April 1, 2015, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 9,91,00,411 (Previous Year ` 9,78,50,657) on export of goods.		

# NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>22. Other Income</b>			
Interest Income			
Interest received from Customers	2,30,02,968		2,52,80,434
Interest on Fixed and Other Deposits	1,02,87,184		99,48,749
Interest on Others	3,49,250		3,73,039
		3,36,39,402	3,56,02,222
Dividend Income		23,239	29,435
Insurance Claims		20,20,156	NIL
Guarantee Commission Received		2,61,527	6,12,000
Other Non-operating Income			
Foreign Exchange (Gain)/Loss (Net)			
(Gain) / Loss (Net) on Forward Contracts			
on settled / realised / cancelled contracts realised	NIL		(1,75,99,033)
On Mark to market loss on outstanding contracts			
unrealised	NIL		(1,88,58,907)
Premium on Forward Contract	NIL		3,94,43,576
		NIL	29,85,636
Reversal of adjustment to Carrying amount of Current Investments		NIL	164,000
Bad Debts recovered		NIL	750,000
Profit on sale of fixed assets		107,259	54,979
Balances / Provisions written back (Net)	4,71,057		3,29,421
Rent Received	52,680		52,680
Miscellaneous Income	12,85,207		19,68,624
		18,08,944	23,50,725
		3,78,60,529	4,25,48,997
<b>23. Cost of Materials Consumed</b>			
Fruits and Vegetables (Refer Note 23.1)			
Opening Stock	1,64,44,211		21,385
Add: Purchases	190,88,15,222		157,12,75,708
Less: Closing Stock	24,29,639		1,64,44,211
		192,28,29,794	155,48,52,882
Other Raw Materials Consumed (Refer Note 23.1)			
Opening Stock	23,13,648		67,81,185
Add: Purchases	4,16,02,038		2,99,67,679
Less: Closing Stock	51,82,031		23,13,648
		3,87,33,655	3,44,35,216
Packing Materials			
Opening Stock	32,54,19,363		17,02,69,503
Add: Purchases	30,79,37,806		52,62,17,103
Less: Closing Stock	20,64,92,013		32,54,19,363
		42,68,65,156	37,10,67,243
		238,84,28,605	196,03,55,341

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
23.1	Details of Consumption of Raw Materials		
	Fruits and Vegetables	192,28,29,794	155,48,52,882
	Other Raw Materials	3,87,33,655	3,44,35,216
		<u>196,15,63,449</u>	<u>158,92,88,098</u>
24.	<b>Purchases of Stock-in-Trade</b>		
	Fruit Pulps	12,17,55,219	17,95,81,225
	Others	1,13,34,585	4,20,28,772
		<u>13,30,89,804</u>	<u>22,16,09,997</u>
		<u>13,30,89,804</u>	<u>22,16,09,997</u>
25.	<b>Changes in Inventories of Finished Goods</b>		
	Finished Goods		
	Closing Stock	92,44,45,151	61,45,52,913
	Less: Opening Stock	61,45,52,913	77,50,15,058
		<u>(30,98,92,238)</u>	<u>16,04,62,145</u>
	Excise Duty on Uncleared Finished Goods		
	Closing Stock	3,20,07,827	3,33,07,620
	Less: Opening Stock	3,33,07,620	3,60,51,777
		<u>(12,99,793)</u>	<u>(27,44,157)</u>
		<u>(31,11,92,031)</u>	<u>15,77,17,988</u>
26.	<b>Employee Benefits Expense</b>		
	Salaries and Wages		
	Salaries, Wages and Benefits	12,85,48,179	10,29,41,912
	Director's Remuneration	83,60,400	50,68,000
		<u>13,69,08,579</u>	<u>10,80,09,912</u>
	Contributions to Provident Fund and Other Funds	83,80,330	73,94,300
	Gratuity	29,00,152	28,58,726
	Staff Welfare Expenses	1,62,24,564	99,56,616
		<u>16,44,13,624</u>	<u>12,82,19,554</u>
27.	<b>Finance costs</b>		
	Interest expense		
	On Cash Facilities /Buyers Credit (Refer Note 27.1)	11,53,12,279	15,10,61,245
	On Term Loans	87,69,530	1,27,75,222
	On Others	3,55,85,407	1,55,10,070
		<u>15,96,67,216</u>	<u>17,93,46,537</u>
	Other Borrowing Costs		
	Bank Charges	3,05,31,199	3,71,72,530
	Guarantee Commission (Refer Note 27.2)	65,67,000	53,17,500
	Brokerage on Fund Arrangements (Refer Note 27.3)	2,70,674	89,445
		<u>3,73,68,873</u>	<u>4,25,79,475</u>
		<u>19,70,36,089</u>	<u>22,19,26,012</u>
27.1	Interest on Cash Credit Facilities / Buyers Credit is net of subsidy of ₹ 1,99,94,578 (Previous Year ₹ Nil) received under Interest Equilisation Scheme on pre-shipment and post-shipment credit.		
27.2	Guarantee Commission of ₹ 65,67,000 (Previous Year ₹ 53,17,500) paid/provided as due to a related party (Refer Note 37).		
27.3	Brokerage on Fund Arrangements ₹ 15,411 (Previous Year ₹ 17,205) paid/provided as due to a related party (Refer Note 37).		



# NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
<b>28. Other Expenses</b>			
Fruit Ripening Charges (Refer Note 28.1)		8,56,53,554	8,08,85,991
Processing Charges		12,82,70,745	6,93,96,871
Water Charges		3,33,597	3,81,093
Testing Fees		44,46,784	74,84,886
Consumption of stores and spare parts		2,15,39,742	2,14,06,720
Power and Fuel			
Fuel Consumed			
Opening Stock	42,15,652		24,41,547
Add: Purchase	4,58,78,653		6,43,39,561
Less: Closing Stock	28,20,367		42,15,652
	4,72,73,938		6,25,65,456
Electricity Charges	3,88,12,506		3,58,78,990
Office Electricity Charges	6,29,500		7,41,227
		8,67,15,944	9,91,85,673
Rent		1,27,64,084	1,25,92,900
Repair and Maintenance			
Repairs to Buildings	20,39,662		29,36,007
Repairs to Machinery	33,21,728		15,03,458
Repairs Others	79,56,753		1,12,25,427
		1,33,18,143	1,56,64,892
Insurance		1,59,65,016	1,64,40,836
Rates and Taxes		24,67,592	21,05,023
Freight and Forwarding (Net)		12,84,31,378	17,16,22,509
Warehousing Charges (Refer Note 28.2)		5,28,50,039	7,81,23,844
Foreign Exchange (Gain)/Loss (Net)			
(Gain) / Loss (Net) on Forward Contracts			
on settled / realised / cancelled contracts realised	1,35,71,106		NIL
On Mark to market loss on outstanding contracts			
unrealised	1,16,95,483		NIL
Premium on Forward Contract	NIL		NIL
		2,52,66,589	NIL
Legalisation, Application Documents Charges, etc.		1,04,88,694	1,12,52,418
Legal and Professional Charges		2,71,19,626	2,88,90,170
Commission on Sales		36,27,928	58,31,317
Auditor's Remuneration			
Audit Fees	8,73,864		8,37,079
Tax Audit Fees	2,50,000		3,25,000
Certification Work	2,28,000		6,80,000
		13,51,864	18,42,079
Advertisement and Sales Promotion		53,27,067	38,28,340
Membership and Subscription		19,89,222	20,82,247

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹	₹
Postage and Telegram		19,58,333	26,51,804
Director's fees		6,55,000	5,65,000
Printing and Stationery		14,79,986	13,61,149
Telephone, Telex and Fax		23,73,840	23,69,827
Loss on Sale of Fixed Assets		2,00,773	NIL
Security Charges		48,93,899	42,00,675
Hiring Charges		60,16,484	30,57,552
Interest on delayed payment of Government dues		7,56,209	2,59,666
Interest on delayed payment under MSMED Act and Others		26,667	39,897
Claims, Rebates, etc.		39,73,471	28,71,841
Bad Debts written off		NIL	73,46,428
Balances Written off (Net)		7,92,551	NIL
Provision for Doubtful Debts	6,20,410		2,27,018
Less: Provision no Longer required	NIL		NIL
		6,20,410	2,27,018
Travelling and Motor Car Expenses		1,58,77,100	1,66,17,024
Adjustment to Carrying amount of Current Investments		32,992	NIL
Prior Period Expenses		3,05,030	NIL
Corporate Social Responsibility (CSR) Expenditure (Refer Note 28.3)		5,10,544	25,00,000
Loss on Disposal of Investments in Subsidiaries (Net) (Refer Note 33.4)		NIL	5,51,675
Donation		26,05,468	87,450
Loss on Sale of Current Investments		1,46,108	NIL
Miscellaneous Expenses		1,55,62,219	91,19,457
		68,67,14,694	68,28,44,272
<b>28.1 Nature of Expenses</b>			
Hiring Charges		53,92,043	46,45,293
Labour Charges		4,75,52,643	4,83,07,650
Legal and Professional Charges		7,41,611	9,80,407
Miscellaneous Expenses		74,40,661	1,22,96,748
Fruit Ripening Charges		1,37,97,126	18,73,149
Travelling Expenses		30,13,990	58,05,944
Water Charges		58,87,332	64,23,130
Insurance Charges		3,57,036	2,98,115
Rent		14,71,112	2,55,555
		8,56,53,554	8,08,85,991

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

		For the Year ended March 31, 2016 ₹	For the Year ended March 31, 2015 ₹
28.2	Warehousing charges mainly include duties, local transport charges, contractual charges, miscellaneous charges, rent, insurance and statutory charges, etc. for storage of goods abroad as per agreement with foreign parties.		
28.3	Expenditure towards Corporate Social Responsibility (CSR) activities:		
a.	Gross amount required to be spent by the Company during the year:	16,37,436	72,093
b.	Amount spent and paid on CSR activities included in the Statement of Profit and Loss for the year:		
	<b>Nature of Expenses</b>		
	Other Expenses (Other than for Construction/Acquisition of any asset) (Reflected in Note 28)		
	Relief material purchase for victims of Chennai flood	5,10,544	NIL
	Donation to Andhra Pradesh Chief Minister Relief Fund towards HUDHUD cyclone calamity at Vizag		
		NIL	25,00,000
	<b>Total</b>	<b>5,10,544</b>	<b>25,00,000</b>

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

## 29. Contingent Liabilities and Commitments

## A. Contingent Liabilities

## a. Guarantees

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Corporate Guarantee given to a Bank against the Credit facilities extended to an associate company	11,70,00,000	11,70,00,000

## b. Others

i	Income-tax matters under appeal	20,39,546	14,72,565
ii	Service Tax matters under appeal	3,96,978	3,96,978
iii	Additional Statutory Bonus for Financial Year 2014-2015	22,53,933	NIL

## B. Commitments

## a. Estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Estimated amount remaining to be executed on Capital Account	4,03,11,740	2,74,26,367
Less: Advances paid	27,85,343	1,01,51,765
Net Amount	3,75,26,397	1,72,74,602

## b. Others

i.	Quantum of Export Obligation of Packing Materials with 20% value addition against Advance licences - Duty saved *	2,18,31,183	2,53,91,434
ii.	Export obligations of ₹ 8,08,11,726 (Previous Year ₹ 8,91,09,335) against EPCG Licenses utilised for purchase of Fixed Assets but not yet installed - Duty saved **	1,03,21,288	1,17,04,223

\* Export obligations against the advance licence of ₹ 6,73,32,644 (Previous Year ₹ 4,38,87,698) have already been fulfilled by the Company. However, procedural formalities for the closure of the Advance Licences are pending.

\*\* Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 2,68,10,759 (Previous Year ₹ 2,41,39,264) have already been fulfilled by the Company. However, procedural formalities for the closure of the EPCG Licenses are pending.

30. Pursuant to the decision of the Board of Directors in its meeting held on August 23, 2002, the Company had revalued its Land and Building at Deonar, Mumbai, based on open market value as per the Valuation Report dated September 27, 2002 submitted by an expert. Consequent to the revaluation, an amount of ₹ 10,66,79,383 was credited to the Revaluation Reserve in the year of revaluation.

Amount of depreciation on the revaluation of Fixed Assets amounting to ₹ 23,52,024 (Previous Year ₹ 23,45,597), is withdrawn and transferred to General Reserve and the same is reflected under Note 3 on "Reserves and Surplus".

31. a. Investments include a sum of ₹ 2,40,00,000 (Previous Year ₹ 2,40,00,000) invested in Finns Frozen Foods (I) Limited ("Finns"), an associate. The Company has given a deposit of ₹ 3,00,00,000 (Previous Year ₹ 3,00,00,000) to Finns, for getting exclusive export rights of Frozen Fruit Pulp, etc.

The Company has given advances from time to time for the purchase of Frozen Fruit Pulp, etc. for exports and for certain expenses of Finns, against which the Company had purchased Frozen Fruit Pulp, Vegetables, Packing Materials and has also incurred Cold Storage and Processing charges amounting to ₹ 3,95,39,353 (Previous Year ₹ 5,37,13,601) and Purchase of Machineries amounting to ₹ 2,35,09,184 (Previous Year ₹ Nil). The Company has also sold Raw materials, Packing material and Finished Goods aggregating to ₹ 8,05,87,737 (Previous Year ₹ 27,19,835). On account of all such transactions, the net amount due from Finns is ₹ 4,25,75,833 (Previous Year ₹ 5,38,48,199) and the same is reflected as 'Loans and Advances to Related Parties' under Note 19 on "Short-term Loans and Advances".

Since the net worth of Finns was eroded, the Board of Directors of the Company in its meeting held on August 23, 2002 discussed the restructuring proposal of Finns, the expected improvements in the working of Finns and the future orders in hand with Finns. Consequently, having regard to the restructuring proposal, strategic nature of the investment and expected improvements in the

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

future operations of Finns, the Board of Directors of the Company perceived the diminution in the value of investments as temporary in nature. But, out of abundant caution, the Board of Directors of the Company, had decided to provide 20% of the investment in Finns, as diminution in the value of investments.

During the year ended March 31, 2015, the Company had entered into an agreement with Finns for job processing of frozen products for its export and domestic orders in line with the approval of the Board of Directors at its meeting held on February 14, 2015. Further, the Board has reviewed from time to time, the working of Finns, based thereon and considering the amounts received during the year, it has decided that the current provision for diminution in value of shares is sufficient and no further provision is needed as on March 31, 2016.

- b. Finns has successfully tested and launched new products like Frozen Onion Bhaji, Vegetable Roll, Mango Milkshake and many more products through which sizeable increase in sale is expected in future. Based on the rapid target growth, the management of Finns is of the opinion that it is appropriate to prepare and present the financial statements of Finns on a going concern basis and no adjustment is required in its financial statements for the year ended March 31, 2016.
32. The Group has called for balance confirmations from Trade Receivables and Trade Payables. It has received a few of the confirmations which have been reconciled with the records of the Group. The other balances have been taken as per the records of the Group. Similarly certain balances in Advances, recoverable in cash or kind are subject to confirmation and subsequent reconciliation, if any.
- 33.1. In an earlier year, the Company had written off the Cost of Investments of ₹ 20,00,000 (2,00,000 Equity Shares at ₹ 10 each) in Dravya Finance Limited, a subsidiary ("Dravya"). On consolidation, the adjustment regarding the Cost of Investments so written off (representing Equity Share Capital of Dravya) was carried through Capital Reserve. On March 30, 2015, as the Company sold 1,44,875 Equity Shares of Dravya, the latter ceased to be the Company's subsidiary; with the balance holding of 55,125 Equity Shares, with effect from March 31, 2015, Dravya has become an associate of the Company. Accordingly, for the year ended March 31, 2015 on consolidation, the adjustment regarding the Cost of Investments written off to the extent of ₹ 14,48,750 (representing 1,44,875 Equity Shares) is eliminated from the Opening Balance of Capital Reserve as 'Adjustment on ceasing to be subsidiaries' and the adjustment regarding the Cost of Investments written off to the extent of ₹ 5,51,250 (representing the balance 55,125 Equity Shares) is continued in the Capital Reserve.
- 33.2. On March 30, 2015, as the Company sold 25,200 Equity Shares of Asim Exports International Limited, an another subsidiary ("Asim"), the latter ceased to be the Company's subsidiary with the balance holding of 27,794 Equity Shares, with effect from March 31, 2015, Asim too became the Company's associate.
- 33.3. For the year ended March 31, 2015 - The results of operations for the period from April 1, 2014 to March 30, 2015 of Dravya and Asim (that is upto the period for which those were subsidiaries) have been included in the Consolidated Statement of Profit and Loss on a line to line basis in terms of Accounting Standard 21 on "Consolidated Financial Statements" ("AS 21").
- 33.4. For the year ended March 31, 2015 - The difference between the proceeds from the disposal of investments in Dravya and Asim and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss as 'Loss on Disposal of Investments in Subsidiaries (Net)' and reflected in Note 28 on 'Other Expenses'.
- 33.5. For the year ended March 31, 2015 - In view of the change of relationship of Dravya and Asim, on consolidation, effects have also been given to General Reserve and Surplus / (Deficit) amounting to ₹ 1,61,855 and ₹ 12,86,902, respectively, and reflected by way of "Adjustment on ceasing to be subsidiaries".
34. For the year ended March 31, 2015 - As a consequence of the change of Investments referred to in Notes 33.1 and 33.2 above, on consolidation, in terms of Accounting Standard 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements' ("AS 23"), investments in the aforesaid associates (which were subsidiaries upto March 31, 2015) have been reflected on the principles of 'Equity Accounting' as specified in AS 23 and accordingly, the carrying amount of investments on the date those companies ceased to be subsidiaries is reflected as Cost of Investment in associate.
35. **Disclosure as per Accounting Standard 15 on "Employee Benefits":**

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2016	For the Year ended March 31, 2015
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>	<b>Gratuity (Funded)</b> ₹		<b>Compensated Absences (Unfunded)</b> ₹	
Obligation at period beginning	1,52,05,259	1,20,57,853	75,88,123	68,75,168
Current Service Cost	13,45,271	11,90,845	43,94,300	35,37,287
Interest Cost	12,14,900	11,23,792	NIL	NIL
Actuarial (gain) / loss	9,86,509	11,09,303	NIL	NIL
Benefits paid	(34,45,353)	(2,76,534)	(31,08,636)	(28,24,332)
<b>Obligation at the period end</b>	<b>1,53,06,586</b>	<b>1,52,05,259</b>	<b>88,73,787</b>	<b>75,88,123</b>
Change in planned assets				
Planned assets at period beginning				
at fair value	86,44,149	59,55,469	N.A.	N.A.

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Expected return on planned	6,90,668	5,18,126	N.A.	N.A.
Actuarial gain / (loss)	(44,413)	47,088	N.A.	N.A.
Contributions	NIL	24,00,000	N.A.	N.A.
Benefits paid	(34,45,353)	(2,76,534)	N.A.	N.A.
Plan assets at the period end, at fair value - Category - Insurer managed funds	58,45,051	86,44,149	N.A.	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the period	58,45,051	86,44,149	N.A.	N.A.
Present value of the defined benefit obligations at the end of the period.	1,53,06,586	1,52,05,259	88,73,787	75,88,123
Liability / (Asset) recognised in the Balance Sheet	94,61,535	65,61,110	88,73,787	75,88,123

Particulars	For the Year ended March 31, 2016	For the Year ended March 31, 2015	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	Gratuity (Funded) ₹		Compensated Absences (Unfunded) ₹	
Cost for the year				
Current Service cost	13,45,271	11,90,845	43,94,300	35,37,287
Interest cost	12,14,900	11,23,792	N.A.	N.A.
Expected return on plan assets	(6,90,668)	(5,18,126)	N.A.	N.A.
Actuarial (gain)/loss	10,30,922	10,62,215	N.A.	N.A.
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>29,00,425</b>	<b>28,58,726</b>	<b>43,94,300</b>	<b>35,37,287</b>
<b><u>Assumptions used to determine the benefit obligations:</u></b>				
Discount rate	8.04%	7.99%	8.04%	7.99%
Estimated rate of return on plan assets	8.04%	7.99%	N.A.	N.A.
Expected rate of increase in salary				
<input type="checkbox"/> First five years	6.00%	6.00%	N.A.	N.A.
<input type="checkbox"/> Thereafter	6.00%	6.00%	N.A.	N.A.
<b>Actual return on plan assets</b>	<b>6,46,255</b>	<b>5,65,214</b>	<b>N.A.</b>	<b>N.A.</b>

The estimate of future salary increases considered in actuarial valuation takes into account the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held and historical results of the return on plan assets.

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Eighteen Month Period Ended March 31, 2012
	₹	₹	₹	₹	₹
Experience adjustment					
On Plan liability (gain)/loss	9,86,509	(2,72,970)	8,01,397	(27,761)	6,46,208
On plan assets gain/(loss)	(44,413)	47,088	42,167	1,16,039	1,10,616
Present value of benefit obligation	1,53,06,586	1,52,05,259	1,20,57,853	1,08,88,128	92,69,714
Fair value of plan assets	58,45,051	86,44,149	59,55,469	51,79,531	19,96,099
Excess of obligation over plan assets (net)	94,61,536	65,61,110	61,02,384	57,08,597	72,73,615

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

The expected contribution is based on the same assumptions used to measure the Company's Gratuity obligations as at March 31, 2016. The Company is expected to contribute ₹ 94,61,536 for the year ended March 31, 2017.

### 36. Disclosure as per Accounting Standard 17 on "Segment Reporting":

#### 36.1. Primary Segment:

The Company is exclusively engaged in the business of "Food Products". This in the context of AS 17 "Segment Reporting", notified under the Companies (Accounting Standard) Rules, 2006, constitutes only single primary segment.

#### 36.2. Secondary Segment (by Geographical Segment)

The segment revenue in geographical segments considered for disclosure is as follows:

- Revenue within India includes sales to customers located within India, Other Operating Income and Other Income earned in India.
- Revenue outside India includes sales to customers located outside India, Other Operating Income and Other Income outside India.

#### Notes:

Particulars	In India		Outside India		Total	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Segment Revenue	110,97,94,848	132,32,65,687	232,70,07,002	229,70,05,150	343,68,01,850	362,02,70,837
Carrying amount of Segment Assets	14,06,97,452	13,02,26,284	31,66,50,893	21,69,47,382	45,73,48,345	34,71,73,666
Capital Expenditure	10,77,81,745	9,59,50,497	NIL	NIL	10,77,81,745	9,59,50,497

### 37. Disclosure as per Accounting Standard 18 on "Related Party Disclosures":

Sr. No.	Particulars	Associate Company	Key Manegarial Personnel	Relative of KMP	Enterprises over which KMP exercises significant influence
1	Sales (Net of Sales Returns)	8,05,87,737 (27,19,835) [b(I)(i)]			
2	Purchases of goods (Including Packing Materials)  Purchases of Machinery*	3,95,39,353 (5,37,13,601) [b(I)(i)] 2,35,09,184 (NIL) [b(I)(i)]			
3	Guarantee Commission -Income  -Expense	2,61,527 (6,12,000) [b(I)(i)]		65,67,000 (53,17,500) [b(III)(i)]	
4	Brokerage/Commission Paid				15,411 (17,205) [b(IV)(iii)]
5	Directors Sitting Fees		1,90,000 (1,80,000) [b(II)(ii)]	2,30,000 (2,00,000) [b(III)(ii)]	



## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

6	Legal & Professional Charges				3,50,000 (3,00,000) [b(IV)(iv)]
	<b>Finance (including loans and equity contribution in cash or kind)</b>				
7	Loans taken:		NIL (4,00,000) [b(II)(i)] 3,10,00,000 (NIL) [b(II)(i)]	12,00,000 (NIL) [b(III)(i)]	
	Inter-corporate Deposit taken				2,35,00,000 (NIL) [b(IV)(ii)]
	Repayment of Inter-corporate Deposit				2,10,00,000 (NIL) [b(IV)(ii)]
	Interest on above Loans:		NIL (89,833) [b(II)(i)]	2,89,918 (11,34,407) [b(III)(i)]	
8	Reimbursement of Expenses		7,75,599 (1,18,398) [b(II)(ii)]		
9	Machinery taken on Finance Lease *		2,75,40,000 (NIL) [b(I)(i)]		
	Interest on Finance Lease:		25,52,359 (NIL) [b(I)(i)]		
10	Inter Corporate Deposits given				NIL (NIL) [b(IV)(i)]
	Interest Income on above Deposits				29,88,158 (29,80,000) [b(IV)(i)]
11	Director's Remuneration		83,60,400 (50,68,000)		
	Contribution to Provident Fund and Other Funds on above		10,03,248 (4,86,360) [b(II)(i)]		
12	Fund Transfer to Related Party	5,39,12,389 (5,51,43,549) [b(I)(i)]			
13	Fund Transfer from Related Party	19,96,70,000 (12,55,84,090) [b(I)(i)]			
14	Transaction incurred on their behalf				NIL
	Expenses incurred on their behalf	12,32,22,289 (6,87,80,847) [b(I)(i)]			(2,746) [b(IV)(i)]
	Income received on their behalf	60,281 (8,495) [b(I)(i)]			

# NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

15	Transaction incurred by them on our behalf Expenses incurred by them on our behalf	76,62,345 (50,812) [b(I)(i)]			
	<b>Outstanding Balance As At March 31,2016</b>				
16	Trade Payables	2,95,869 (2,95,869) [b(I)(iii)]			15,71,563 (NIL) [b(IV)(iii)]
17	Advances Recoverable in cash or in kind**	4,25,75,833 (5,38,48,199) [b(I)(i)]			1,06,76,612 (79,87,273) [b(IV)(i)] NIL (9,28,437) [b(IV)(ii)]
18	Loans taken			19,15,707 (69,44,481) [b(III)(i)]	
19	Inter Corporate Deposits Given				1,85,00,000 (1,85,00,000) [b(IV)(i)]
20	Inter Corporate Deposits Taken				15,71,563 (NIL) [b(IV)(ii)]
21	Other Deposits Receivable	3,00,00,000 (3,00,00,000) [b(I)(i)]			
22	Commission Payable		3,15,000 (3,15,000) [b(II)(ii)]		
23	Director Sitting Fees payable		2,25,000 (90,000) [b(II)(ii)]	2,43,000 (90,000) [b(III)(ii)]	
24	Director Remuneration payable		2,41,620 (4,31,200) [b(II)(i)]		
25	Non Current Investment	1,92,00,000 (1,92,00,000) [b(I)(i)] 2,47,940 (2,47,940) [b(I)(iii)]			
26	Corporate Guarantee Given in earlier years ***	11,70,00,000 (11,70,00,000) [b(I)(i)]			
27	Expenses Payable		39,563 (65,184) [b(II)(ii)]		

i. \* Refer Note 11.5

**NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

- ii. \*\*Outstanding balance is arrived at after considering transactions with the related parties for purchase, sales, services, etc., as also advances and/or payments made/received on their behalf and/or payments made/received on the Company's behalf.
- iii. \*\*\*Corporate Guarantee given to a Bank against the credit facilities extended to the Associate Company which is Contingent Liability.
- iv. Figures given in brackets above are for the previous year.

**b. Relationships:****I. Associates:**

- i. Finns Frozen Foods (India) Limited
- ii. Dravya Finance Limited with effect from March 31, 2015
- iii. Asim Exports International Limited with effect from March 31, 2015

**II. Key Managerial Personnel:**

- i. Mr.Utsav Dhupelia
- ii. Mr.Milan B.Dalal

**III. Relatives of Key Managerial Personnel:**

- i. Mrs.Pallavi Dhupelia
- ii. Mr.Bhupen Dalal

**IV. Entities over which Key Managerial Personnel and Relatives of Key Managerial Personnel have control:**

- i. Muller & Phipps (India) Limited
- ii. Western Press Private Limited
- iii. Western Securities - A Division of Western Press Private Limited
- iv. First Overseas Capital Limited

**38. Disclosure as per Accounting Standard 19 on "Leases":**

The Company has entered into Operating Lease Agreements for office premises at Mumbai, Chennai and Ahmedabad, Guest house at Nashik and factory premise at Bulsar, renewable on a periodic basis and cancellable at the Company's option. Rental Expenses for operating leases recognised in the Statement of Profit and Loss for the year is ₹ 1,27,50,584 (Previous Year ₹ 1,25,92,900).

Minimum Lease Rents Payable	As at March 31, 2016 ₹	As at March 31, 2015 ₹
Within 1 Year	68,95,302	90,01,645
After 1 Year but before 5 years	29,16,237	52,866
After 5 years	NIL	NIL
<b>Total</b>	<b>98,11,539</b>	<b>90,54,511</b>

**39. "Earnings per Share" as per Accounting Standard 20 :**

Sr. No.	Particulars	As at March 31, 2016 ₹	As at March 31, 2015 ₹
A.	Net Profit/(Loss) attributable to Equity Shareholders	55,60,292	12,49,23,839
B.	Weighted average numbers of Equity Shares outstanding during the period	14,51,040	14,51,040
C.	Weighted average numbers of Equity Shares outstanding for calculating diluted EPS	14,51,040	14,51,040
D.	Basic and Diluted Earnings Per share	3.83	86.09
E.	Nominal value of shares	10	10

**40. Disclosure as per Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets":**

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Balance as at April 1, 2015	Additions during the year	Amount used/paid during the year	Balance as at March 31, 2016
	₹	₹	₹	₹
Provision for Leave Encashment	75,88,123 (68,75,168)	43,94,300 (35,37,287)	31,08,636 (28,24,332)	<b>88,73,787</b> (75,88,123)
Provision for Gratuity	65,61,110 (1,20,57,853)	35,46,680 (34,23,940)	6,46,255 (2,76,534)	<b>94,61,535</b> (1,52,05,259)
Agricultural Marketing Cess	16,99,982 (23,18,943)	42,96,904 (16,99,982)	16,99,982 (23,18,943)	<b>42,96,904</b> (16,99,982)

41. a. Following are the Hedged Foreign Currency exposures as on March 31, 2016:

Particulars	US\$	EURO	GBP	JPY	₹
Forward Contracts for Export Trade Payables	2,28,71,437 (91,99,731)	39,60,391 (NIL)	NIL (NIL)	NIL (NIL)	<b>182,88,63,097</b> (57,94,91,045)

b. Following Unhedged Foreign Currency exposures as on March 31, 2016 have been restated in the financial statements:

Particulars	US\$	EURO	GBP	JPY	₹
Term Loan in foreign currency	4,49,010 (7,85,790)	NIL (NIL)	NIL (NIL)	NIL (NIL)	<b>3,00,02,870</b> (4,94,96,933)
Loan from Directors in foreign currency	5,00,000 (5,00,000)	NIL (NIL)	NIL (NIL)	NIL (NIL)	<b>3,34,05,000</b> (3,14,95,000)
PCFC in foreign currency	10,04,145 (18,22,106)	NIL (NIL)	NIL (NIL)	NIL (NIL)	<b>6,70,96,958</b> (11,47,74,472)
Buyers' Credit in foreign currency	7,48,587 (4,25,534)	NIL (NIL)	NIL (NIL)	NIL (NIL)	<b>5,00,20,561</b> (2,68,04,337)
<b>Others:</b>					
Customer Advances in foreign currency	5,52,875 (20,03,514)	NIL (NIL)	8,899 (NIL)	NIL (NIL)	<b>3,77,98,409</b> (12,62,01,252)
Export Commission in foreign currency	16,490 (29,884)	2,068 (1,758)	NIL (NIL)	NIL (NIL)	<b>12,58,823</b> (20,02,719)
Overseas Warehousing Charges	NIL (NIL)	68,753 (57,498)	19,613 (76,529)	NIL (NIL)	<b>71,03,391</b> (1,10,93,514)
<b>Total</b>	<b>32,71,107</b> (55,66,828)	<b>70,821</b> (59,256)	<b>19,613</b> (76,529)	<b>NIL</b> (NIL)	<b>22,66,86,012</b> (36,18,68,227)

- a. Forward Contract of USD 2,28,71,437 (Previous Year USD 91,99,731) and Euro 39,60,394 (Previous Year Euro Nil), Packing Credit in foreign currency of USD 10,04,145 (Previous Year USD 18,22,106), Customer Advances of USD 5,52,875 (Previous Year USD 20,03,513) availed on future export sales of firm commitments against forecast transactions, are outstanding as on March 31, 2016.
- b. The notional mark to market loss for the year ended as at March 31, 2016 amounting to ₹ Nil (Previous Year ₹ 42,74,651) has been debited in the Statement of Profit and Loss.

**NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016**

42. Disclosure by way of Additional information as required for the preparation of Consolidated Financial Statements under Schedule III to the Companies Act, 2013 :

Name of the entities in the Consolidated Financial Statements	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss	
	As % of Consolidated Net Assets	₹	As % of Consolidated Profit or Loss	₹
<b>Parent Company</b>				
Foods and Inns Limited	100.13%	51,23,71,406	110.57%	61,47,890
	(100.02%)	(51,01,97,685)	(100.20%)	(12,51,79,408)
<b>Foreign Subsidiary</b>				
FNI Asia PTE Limited	(0.13%)	(6,78,813)	(10.57%)	(5,87,600)
	(-0.02%)	(-94,099)	(-0.12%)	(-1,55,875)
<b>Indian Associates</b>				
Dravya Finance Limited	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(NIL)
Asim Exports International Limited	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(NIL)
Finns Frozen Foods (I) Ltd (Refer Note 31)	NIL	NIL	NIL	NIL
	(NIL)	(NIL)	(NIL)	(NIL)
<b>Current Year Total</b>	<b>100%</b>	<b>51,16,92,593</b>	<b>100%</b>	<b>55,60,290</b>
Previous Year Total	(100%)	51,01,03,586	(100%)	12,49,23,840
<b>Minority interest in the Subsidiaries</b>				
Current Year Total	NIL	NIL	NIL	NIL
Previous Year Total	(NIL)	(NIL)	(NIL)	(NIL)

43. Previous Year's figures, wherever necessary, have been regrouped/reclassified to conform to the current year's presentation. Figures in brackets unless specified, represent previous year's figures.

As per our report of even date attached

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

**For and on behalf of the Board of Directors**

**PARESH H. CLERK**  
Partner  
Membership No. 36148

**M. B. DALAL**  
Director  
(DIN : 00062453)

**V. K. BESWAL**  
Independent Director  
(DIN : 00120095)

**D. D. TRIVEDI**  
Independent Director  
(DIN : 00380306)

Place : Mumbai  
Date : May 30, 2016

Place : London  
Date : May 28, 2016



## Notes

This image shows a full page of a handwriting practice worksheet. It consists of multiple sets of three horizontal dashed lines, providing a guide for letter height and placement. The lines are evenly spaced across the entire page, which is otherwise blank.

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## **FOODS AND INNS LIMITED**

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