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Kohinoor FOODS LIMITED

ANNUAL REPORT 2014-15

World cuisines on your platter



Registered Office	:	201, Vipps Centre, Masjid Moth Greater Kailash II, New Delhi-110 048 Tel: +91-11-29220330
Corporate Office and Share Department		Pinnacle Business Tower, 10th Floor, Surajkund, Faridabad, (Haryana)-121001 CIN : L52110DL1989PLC037097 Tel: +91-129-424 2222 (30 Lines) Fax: +91-129-424 2233 E-mail: info@kohinoorfoods.in Web: www.kohinoorfoods.in
Works	:	50-51 Milestone, G.T. Road Murthal, Dist. Sonepat (Haryana)
Wholly Owned Subsidiary Companies	:	Kohinoor Foods USA INC. 40, Northfield Avenue Edison, NJ 08837
	:	Indo European Foods Limited Kohinoor Congress House, 6th Floor, Suite 2, 14 Lyon Road, Harrow, Middlesex, Post Code: HA2 2 EN United Kingdom
	:	Sachdeva Brothers Private Limited 201, Vipps Centre, Masjid Moth, Greater Kailash II, New Delhi-110 048, India
Joint Venture Company	:	Rich Rice Raisers Factory L.L.C. Post Box No. 15542 Al Quoz Industrial Area 3rd Interchange, Sh Zayed Road Dubai, U.A.E.
	:	Kohinoor Speciality Foods India Pvt. Ltd. 401, Vipps Centre, Masjid Moth Greater Kailash-II, New Delhi-110048

Listing of Equity Shares

National Stock Exchange of India Ltd. (NSE)
Bombay Stock Exchange Ltd. (BSE)

Depositories

National Securities Depository Ltd. (NSDL)
Central Depository Services (INDIA) Ltd. (CDSL)

Board of Directors

Mr. Jugal Kishore Arora	Chairman
Mr. Satnam Arora	Jt. Managing Director
Mr. Gurnam Arora	Jt. Managing Director
Mr. Vijay Burman	Non-Executive Independent Director
Mr. Sandeep Kohli	Non-Executive Independent Director
Mr. M.K. Trisal	Non-Executive Independent Director
Mr. S.C. Gupta	Non-Executive Independent Director
Mr. Khedaim Abdulla Saeed Faris Alderei	Non-Executive Investor Director
Ms. Madhu Vij	Non-Executive Independent Director (Appointed as an Additional Director w.e.f. 31/03/2015)
Company Secretary & GM (Legal)	Mr. Rama Kant
CFO	Mr. Prabhat Kumar
Auditors	M/s. Rajender Kumar Singal & Associates LLP Chartered Accountants
Cost Auditors	M/s. Cheena and Associates Cost Accountants

Bankers

Oriental Bank of Commerce
State Bank of India
Punjab National Bank
Allahabad Bank
ICICI Bank Ltd.
IDBI Bank Ltd.
Bank of India
Axis Bank Ltd.
UCO Bank
Central Bank of India
IndusInd Bank

Transfer Agents

M/s Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area, Phase -I
New Delhi-110020, Ph.: 011-26812682, 83, 84

Chairman Message



Dear Shareholders,

Greeting

The financial year 2014-15 has been quite promising but at the same time very challenging, due to continuous fall in the prices of Basmati Rice. Your Company recorded an increase in Basmati Rice exports by 21% in volume terms and modest 6% growth in revenues in the exports of Processed & Packaged food business. Largely, Company's focus on its brands viz., Kohinoor Platinum, Gold & Silver basmati rice helped it gaining significant market shares in the select export markets. In addition, introduction of range of whole new & innovative products in packaged food business contributed significantly to Portfolio of our Products, bringing us closer to our collective goal of making 'Kohinoor' as the most trusted & preferred Indian food brand globally. The other most significant achievement during the year has been successful first year of operation with our Joint Venture partner Al Dahra Kohinoor LLC (Abu Dhabi).

Your Company achieved a total turn-over of INR 11,571 Mn., out of which Rice Exports contributed INR 7,596 Mn. and Processed and Packaged Food exports at INR 768 Mn.. Our Domestic sales stood at INR 2,704 Mn.. This financial year on the back of the bumper crop, Basmati Prices have been lower by 30-40% over last financial year and your Company strived to achieve volume growth to compensate lower Prices.

As informed last year, your Company entered into & concluded a Joint Venture agreement with Al Dahra, Abu Dhabi that seeks to establish a rice processing mill with adequate storage capacity for rice in UAE. The JV aims at securing a steady supply of Rice into the Emirates in conformity with UAE food security program. The first year of operation has been extremely successful and encouraging and we hope to export significant quantity of Rice in the next financial year.

This year saw the introduction of innovative processed food products such as Rice Bran Oil, Dry Fruits and Quinoa and strengthening our existing range of Heat & Eat products, Indian Sweets and Frozen products. We will continue to Invest & Innovate and expand our product offering to add value to our Food business operations.

On the Rice front, the export demand of Indian Basmati Rice increased due to widening of international market and devaluation of Indian Rupee. Our Rice business, that includes Private Label as well, grew in almost all geographies where we are present e.g., Asia Pacific, US, Africa and Middle East.

With the objective of bringing authentic Indian flavours to the people all over the world, we want your Company Kohinoor Foods to become a leading name in the food business globally. In pursuit of our vision to make Kohinoor the most trusted & preferred food brand globally, we would continue to develop products, increase operational efficiency and follow our successful strategies.

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

With best wishes,

Sincerely

Sd/-

Jugal Kishore Arora

Chairman

Meeting with customers at International Trade Shows and Client visiting our facilities











Directors' Report and Management Discussion & Analysis

The following report should be read in conjunction with the audited financial statements and notes for the year ended March 31, 2015 and the audited financial statements and notes for the year ended March 31, 2014. This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Company – In General

Synonymous with the fine taste of India in its absolute authentic form, the sole objective of Kohinoor Foods Limited, since its inception, has been to make the world experience the true Indian flavour. The Company offers an extensive range that caters to consumers' need in all parts of the world – a wide variety of Basmati Rice, Ready to Eat Curries & Meals, Readymade Gravies, Cooking Pastes, Chutney's, Spices and Seasonings to Frozen Breads, Ghee, Snacks & Paneer (Indian Cottage Cheese), healthy grains, edible oils. Today, the most powerful brand of the Company "Kohinoor" is a household name in the countries like USA, UK, UAE, Canada, Australia, Singapore, Japan, Mauritius & Middle Eastern, European countries . As of now, the brand 'Kohinoor' is known in more than 60 countries worldwide.

Your Directors presents the 26th Annual Report and the Audited Annual Accounts of the Company for the Financial Year ended 31st March, 2015.

Financial Overview

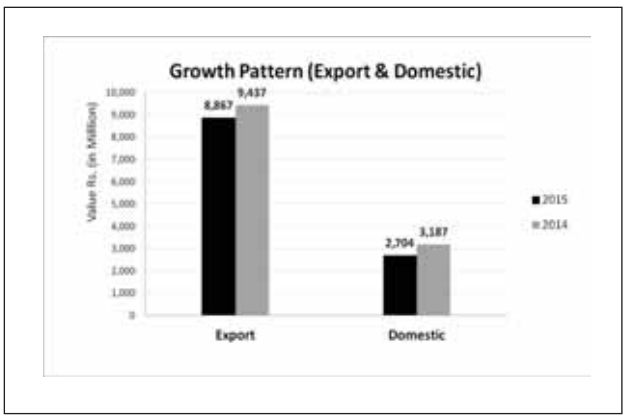
The financial highlights for the year ending 31st March, 2015 are as under:

(Rs. In Million)

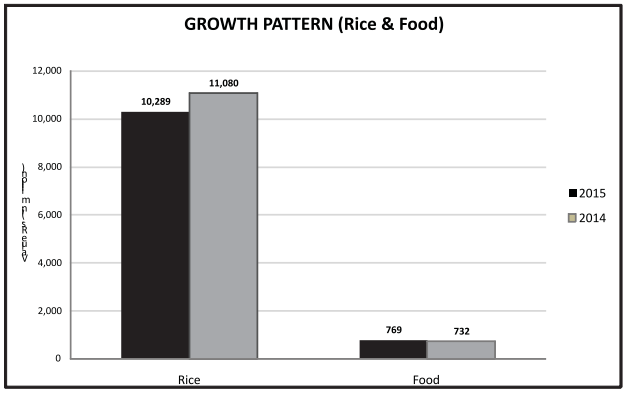
Particulars	FY'15	FY'14
Total Turnover	**11611.29**	**12649.32**
Profit Before Interest, Depreciation and Tax	177.56	1202.19
Profit/(Loss) Before Exceptional and Extra-Ordinary Items	(974.03)	225.02
Exceptional and Extra Ordinary Items	–	152.71
Profit Before Tax	**(974.03)**	**72.30**
Less: Tax Expense	(248.51)	7.21
Profit After Tax	**(725.52)**	**65.09**

The Board's Report is based on the stand alone financial statements of the Company.

Operations:
For the financial year under review 2014-15, the Company's Export sales stood at INR 8,867 million as against INR 9,437 million in previous year whereas the Domestic Sales stood at INR 2,704 million as against INR 3,187 million in the last financial year.



The contribution made by Rice to the Company's business is INR 10,289 million as against Rs.11,080 million in the last financial year, while the Food Business also contributed INR 769 million as against INR 732 million in the previous year, a marginal growth over last year



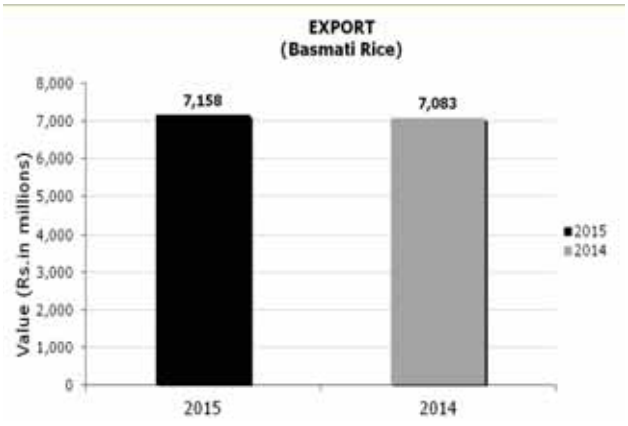
The year saw decline in Basmati rice exports from India both in value and volume terms mainly due to surplus supply and lower international demand especially from Iran, which is the biggest importer of Indian Basmati Rice. Also political instability in countries such as Iraq, Syria & Yemen contributed to the decline of Indian export of basmati rice. In addition, many importing countries of Basmati rice held back Indian Rice imported earlier and are now disposing that inventory instead of ordering new quantities. Also the Basmati Rice exporters had to bear high cost of Processing of Paddy and lower realization. Major highlights during the financial year being:

- Our Basmati Rice exports grew by 22% in volume Terms and 12% in value terms.
- Impressive growth in the volume of Basmati Rice in the markets of United Kingdom, Iran, United Arab Emirates, Sri Lanka, Bangladesh, Hong Kong, Israel, Qatar & Reunion.
- The private label business of Basmati Rice grew on the back of acquiring new clients & more buying from existing customers. New clients include from countries such as Brazil, Portugal, Bosnia & Herzegovina, Iran, Saudi Arabia & Paraguay etc. The Company focussed on spreading its foot prints across the globe and reaching out to new customers.
- In Saudi Arabia, our Private Label business has recorded a robust growth.
- Basmati Rice exports to Iran and United Kingdom recorded significant growth at 36% & 74% respectively
- We have recorded phenomenal growth in both value and volume terms in export of Basmati Rice to our JV Company M/s Al Dahra Kohinoor LLC (Abu Dhabi)

EXPORT MARKETS

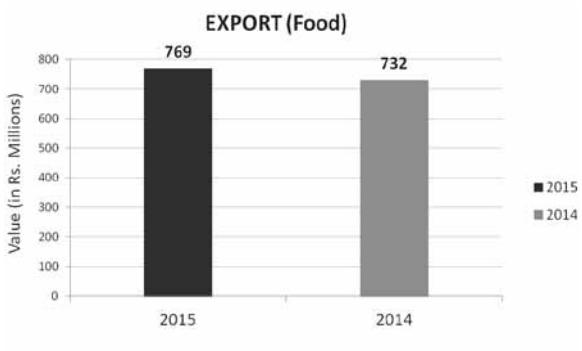
Export- Basmati Rice

This year, in the Export of Basmati Rice, the Company did the business of around INR 7,158 million as against INR 7,083 million in the previous financial year. The Company did business in more than 60 countries this year and recorded a growth of 22% in volume in comparison to the last year business.



Export- Processed Food

This year the export of processed food products of Kohinoor recorded a modest growth with revenues of INR 769 million as against INR 732 million in the previous year. Because of the restructuring of US operations & and low business revenue from one of our major client of Private Label in South Africa; the overall business momentum was hampered that resulted in slower growth.



Subsidiaries/Joint Venture

UAE Operations

In the last financial year (2013-14) Kohinoor Foods Limited entered into a Joint Venture with Al Dahra (Abu Dhabi) that seeks to establish robust frame work for Rice & other agro products between India & UAE and to provide long-term sustainable food security to the people of UAE. Through this JV we will be able to gain enhanced marketing & trading access for our rice products across the Arabian Gulf & Middle East Region. Consequently your Company will disinvest from the earlier JV Company M/s Rich Rice Raisers Factory LLC (Dubai) pursuant to the agreement with Al-Dahra. As per the terms of this agreement a rice processing mill & storage facility is being created and the construction work is in progress.

As we aware that Rich Rice Raisers Factory LLC, (RRR) is a joint venture Company having KFL holding of 25% in equity. This Joint Venture Company was formed in the year 2000 to promote our products and also to trade in other commodities. However at the time of formation of Al Dahra Kohinoor in Abu Dhabi it was decided that RRR will discontinue its business and Al Dahra Kohinoor will look after the rice business in UAE.

The joint venture with Al-Dahra has been successful and in its first year of the operation, the export of Rice to our Joint Venture Company has been very encouraging and we hope to export significant quantity in the next financial year.



Joint Venture Partner Al Dahra team visiting at our facilities

U.K Operations:

Indo European Foods Limited (IEFL)

The principal activity of the Company during the year was processing and marketing of rice and food products. The Company showed a commendable growth in sales by 4.1 million GBP (20.27%) to 24.5 million GBP in the year, 2015 (20.4 million GBP in the year 2014), reflecting the management's efforts to maintain continuing growth in turnover. The Company made a net profit of 32,051 GBP.

The Company will continue to concentrate on profitable growth and the management is upbeat about the performance in terms of sales and profitability will show an improvement in next year. The highlights of the achievement of UK operations are given below.

Efficiency in supply chain-

Increase in volumes successfully achieved. Company met its target of 98.5% delivery target to its key UK retail customers. Team at Felixstowe takes great pride in being instrumental in sustaining growth through various cost reduction and optimisation of processes while working hand in hand with the sales team in meeting corporate targets. IEFL operations has been commended on this achievement by all retailers.

Investment in People-

IEFL has also made strides in investing in various training programs for factory staffs and invested in making systems and processes more agronomical for the entire staff. Trainings such as Food Safety & Hygiene, Food Handling and Health and safety processes allowed to achieve better operational efficiency by reducing wastage, increasing quality of our products and reduction in health hazards and accidents. These programs also boosted staff moral and motivation which is a key achievement in becoming a preferred employer for new recruits.

BRC Audit –

IEFL has been awarded the highly sought after "Grade A" by the British Retail Consortium (BRC). The Felixstowe factory meets the criteria of global standard for food safety and is equipped to supply all major international retailers.

Forward Thinking -

Company has made great strides in the ground work for installation of 5,000 Mt Grain Silos at the premises which will lead to more efficient product storage and a better control on supply chain from raw material stage to finished goods. Approvals have now been granted and these will be installed by next year. Furthermore, rice milling has increased significantly by 34% and the company has received permission from the local council to mill the rice 24 hours a day, 7 days a week.

Focus on Food Products –

In order to drive further penetration of the Kohinoor brand into the competitive UK landscape, IEFL is focusing more on food products which will help elevate our status as a preferred supplier of World Foods with a wider range of product. This year the company has increased the distribution of Kohinoor Cooking Sauces & Kohinoor Namkeens in Tesco and ASDA respectively. The number of food containers being imported has increased by 65%

Overall, this year IEFL had a satisfactory performance with roll out of new products and its existing products making headways into new accounts in major multiples, food services and the airline supply business.

USA Operations
Kohinoor Foods USA Inc.

Kohinoor Foods USA Inc., a wholly owned subsidiary based in New Jersey, that caters to the US and the Canada market.

The Company has explored the possibilities to strengthen/restructure of its Wholly Owned Subsidiary based at New Jersey (USA) to reduce its operational cost and to increase the marketability of our KOHINOOR brand as well as other brands registered in USA, by virtue of resolution passed by the Board of Directors in their meeting held on 13th August, 2014. The Company has initiated certain changes/restructuring in our business model in USA to:

Reduce fixed cost

Reduce operational cost

Increase business volume in USA

To improve the financial position of WOS by reducing debt and interest burden.

On account of restructuring of the business model the focus of the Company was more on recovery of old dues, disposal of stock etc. The turnover of the Company this year has been $ 11.35 million and loss of $ 2.47 Million mostly on account of writing off of old unrecoverable dues and old stocks.



The highlight of the performance of USA operation are given below.

Through this subsidiary the Company has demonstrated its presence in both the Ethnic & the Mainstream segment of the business. It caters to over 3,000 ethnic stores across the US markets besides Kohinoor brand is widely available in the main stream supermarkets as well. To refocus and re-align the marketing and operational goals we have under-taken re-structuring and re-organizing our business activities to serve our customers & stake holders in an efficient and productive way. On the back of these initiatives, we hope to increase the Top-line revenues and look for improved performance in future. The brand 'Kohinoor' is well known in US and under our new strategy we plan to increase the width and the depth of distribution across US & Canada markets to further improve the visibility & strengthen the brand.

Besides, Kohinoor Foods USA Inc. aims to keep a close eye on consumer's food preferences and buying behaviour and introduce new products to stay ahead in the competition. Ethnic food in United States has traditionally meant Mexican and Chinese. However, the Indian foods and related food products are now the hottest trend today. The modern day life and the rigors that tag along, leave most people with very little time for themselves. A need of healthy vegetarian food and growing awareness of the relationship between diet and health has driven consumer to look at food that has made the Indian convenience food most popular in USA markets. The trend has been steadily evolving over the past decade.

Our success can be measured by the fact we are available in coveted retail chains like Target, Kroger, Wal-mart, Wegmans, Big Lots and many more and also in Canadian supermarkets such as Metro, Loblaw's, Wal-mart in Canada

FOOD BUSINESS:

'Food Division' has grown substantially from year on year basis from 2011-12 to 2014-15; from a turn-over of INR 350 Mn to the tune of INR 769 Mn. The division has grown with diversification of product categories from single category of Ready to Eat products to multiple categories like Edible Oil, Diary (Paneer & Ghee), Snacks & Savories, Dry Fruits and instant mixes.

During the year (2014-15) Kohinoor Processed & Packaged Food recorded a business of Rs. 769 Mn as against Rs. 732 Mn in the previous year. A modest growth on account of lower sales to USA and discontinuation of certain categories such as Biscuits, Instant Mixes & Pickles. However we added new product categories such as Rice Bran Oil & Healthy range of Quinoa based Products to expand our bouquet of product portfolio.

Bulk of Kohinoor's processed food business to the extent of 70% is contributed by the clients of Private Label; so in the event of any issue with the major client has direct bearing on our Revenues.

However we expect to notch up some good numbers in the next financial year through some exciting product launches, increased Distribution Network and acquire new customers in new markets.

Highlights (2014-15)

- Ready to Eat (ambient) segment of products achieved the sales of INR 615 Mn in financial year 2014-15 as compared to INR 553 Mn achieved in last financial year, a growth of 11%.

New Category of Products were successfully launched such as - Rice Bran Oil (RBO)

- In the first year its operation Rice Bran Oil has achieved the revenues of INR 35 Mn in financial year 2014-15 and we plan to double the revenues in the next financial year

- Expanded to New Category of Products for our Private Label Business such as Healthy Range of Microwaveable Products like-

Brown Rice with Red Quinoa

Brown Rice with Chia

Multigrain

These new categories were developed and processed for Coles (a reputed Retail Chain of Australia) and were well received and appreciated by the consumers. We certainly believe that these products will grow bigger in next financial year 2015-16.

Proposed Product Launches in 2015-16

-"Green Grown" range of 100% certified Organic & Healthy products, catering to the demands of organic food for the world. Green Grown would offer more than 100 Organic/healthy/certified products including whole cereals, pulses, spices (whole and ground), Ready to Eat Products, healthy grains, edible oils, rice (basmati and sona masoori) and other range of 100% natural / healthy / organic products.

-In our Private Label business of Coles (Australia), one of the reputed Retail Chains, we plan to introduce Ready to Eat- Pasta & Black Rice. It is envisaged that these categories in coming times will garner bigger volumes.

- In addition we are also working closely with 'Traders Joe's, one of the leading Retail Chain in US for Quinoa based breakfast cereal project.



Industry Overview

Food Processing Industry

The Indian market offers a huge potential for the food processing industry - more so because of the fact that it promotes two main growing factors of our Indian Economy - Industry & Agriculture. During the last one decade, India moved from a position of scarcity to surplus in Food. Given the trade in production of food commodities, the Food Processing Industry in India is on an assured track of growth and profitability. It is expected to attract phenomenal investment in capital, human, technological and financial areas. A reason why the Food Processing Industry sector in India has been accorded high priority by the Government of India, with a number of fiscal relief and incentives, to encourage commercialization and value addition. As per a study conducted by McKinsey and Confederation of Indian Industry (CII), the turnover of the total food market is approximately Rs.250,000 Crores, out of which value-added food products comprise Rs.80,000 Crores.

Basmati Rice

Like any other commodity business, Basmati Rice is a category which is little complex and widely unorganized. With an industry estimated consumption of around 1.5 million tonnes of Basmati Rice in India, this is one category which has grown significantly over the years and slated to grow further in times to come. Though majorly unorganized, but year on year this category is experiencing good number of conversions from unbranded to branded packaged Basmati Rice in terms of consumptions in India. This is mainly due to introduction of branded and package basmati rice in many retail outlets. India's growing middle class has augmented the domestic demand of branded rice. Moreover, introduction of modern food retail formats has also propelled the packaged food market, facilitating the availability, visibility and accessibility of branded products. The domestic branded market in India is expected to grow in double digits as compared to single digit growth for unbranded rice. Eating rice is common habit in most of the Indian households and it is usually a part of one of the 3 meals cooked every day. Geographically, the consumption of Basmati is higher in the Northern & Western part of the country while culturally, its consumption is quite high in the Punjabi & Gujarati families. With the view of serving the best to their customers & employees, Basmati consumption is also higher in well recognized hotels & large institutions. The consumption of branded packaged Basmati Rice is also being driven by the modern retail that allows every consumer to select what they want.

Ambient - Ready Meals

Ready Meals, is a category which is gaining popularity globally though still at a growing stage; but the factors that has so far contributed to sales of Ready Meals have been increasing consumer base of working people who have less time to spend on cooking, Eating out of home becoming a common phenomena on weekends, growth of Modern trade, the Convenience of making exotic vegetarian & non-vegetarian dishes in just a few minutes, etc. As this category grows, an Innovative value addition to products with Health & Nutrition is expected to become an important aspect of it.

Frozen Food - Ready Meals

Though Frozen Food as a category constitutes many products, majority of it being the frozen unprocessed non-vegetarian food, but within this segment vegetarian Frozen Ready Meals, snacks too is growing at significant rate. The factors that contribute to the growth of this category is very similar to that of Ambient Ready Meals like growing consumer base of working people who have less time to spend on cooking, Eating out of home becoming a common phenomena every week & on weekend, Growth of Modern trade, the Convenience of making exotic Vegetarian dishes in just a few minutes, etc.

Risks & Concerns

Macro-economic factors like recession, subdued demand and political uncertainty may affect the business of the Company and the industry at large as well. The Company is aware that uncertainties in business offer opportunities as well as downside risks and thus has identified and put in place mitigation tools for the same. Some key risk areas are:

Procurement risk: Adequate availability of key raw materials at the right prices is crucial for the Company. Being a generic natural product with low yield concentrated in a small region of the World, production of Basmati depends on the vagaries of nature. Therefore, any disruption in the supply due to a natural or other calamity or violent changes in the cost structure could adversely affect the Company's ability to reach its consumers with the right value proposition. However, we are ready with plans that might help us at such times. However, the Company's long term relationship with farmers built on trust ensures constant supply and thus over the years it has not faced any procurement problems. Also, adequacy of irrigation facilities in the Basmati producing regions mitigates these uncertainties.

High working capital requirement: Basmati rice requires to be aged for 9-12 months before selling, leading to huge working capital requirements. This results in low ROCE for the industry. Combating this risk, efficient working capital management system has been set in place by the Company and cash flow is monitored on daily basis.

Intense competition from unorganized sector: Another characteristic of this industry is the presence of unorganized



sector offering basmati in loose unbranded form which intensifies competition. The Company is moving towards branded products and has invested significantly in building strong brands which helps differentiate their product.

Dividend

Your Directors do not recommend any dividend for the financial year 2014-15.

Re-Appointment / Appointment of Directors

In accordance with the provisions of the Companies Act, 2013, Mr. Gurnam Arora (holding DIN – 00010731), Director retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Your Directors recommend his re-appointment.

Pursuant to Clause 49(II) (A) (1) of the Listing Agreement and Section 149 of the Companies Act, 2013 a Women Director Ms. Madhu Vij (holding DIN – 00025006), was appointed as an Additional Director by the Board at its meeting held on 31st March, 2015, to comply with the requirements. According to the provisions of Section 161 of the Companies Act, 2013, she holds the office upto the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Independent Director of the Company, pursuant to provision of section 149 of the Companies Act, 2013, not subject to retirement by rotation, to hold office for a term of 5 (Five) consecutive years commencing from the date of her appointment as an additional director i.e. 31st March, 2015 up to March 30th, 2020.

Ms. Madhu Vij, Non-Executive Director of the Company, has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, the director fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as an Independent Director and she is independent of the management. The Nomination Committee has recommended the appointment of these directors as Independent Directors from 31st March, 2015 upto March 30, 2020.

The Appointment and Remunerations of Mr. Jugal Kishore Arora, Mr. Satnam Arora and Mr. Gurnam Arora had been approved by the Shareholders in the Annual General Meeting of the Company held on 27the September, 2012 for the period of Five years.

The Company has obtained the approval of the Central Government for payment of remuneration subject to the limit as specified in the letter dated 23rd September, 2013 for the period of Three Years from 1st October, 2012 to 30th September, 2015 and accordingly the Company has given the remunerations to its directors within the limit as approved by the Central Government. Now the Company wants to renew the remuneration payable to the Managerial Personnel on the same terms and conditions as approved by the shareholder in their Annual General Meeting held on 27th September, 2012 for the period of further two years starting from 1st October, 2015, subject to the overall limit as approved by the Central Government.

Your Directors recommend this resolution for approval of the members.

Re-Appointment / Appointment of Key Managerial Personnel (KMP)

Mr. Prabhat Kumar was working as Vice President Banking of Company and also handling Finance functions of the Company. Pursuant to provisions of Section 2(51) and Section 203 of Companies Act, 2013 and as per Clause 49 of the Listing Agreement Mr. Prabhat Kumar is designated as Chief Financial Officer (CFO) of the Company w.e.f. 13th August, 2014, on the terms and condition as recommended by the Committees and as approved by the Board of Directors."

The Company has intimated to the Ministry of Company Affairs by filing MR-1 within the stipulated time.

Subsidiary, Joint Ventures and Associate Companies

In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all of its subsidiaries, which form part of the Annual Report. The statement provides the details of performance, financial positions of each of the subsidiaries. However, the Company has no material subsidiary in accordance with the provisions of clause 49 of the Listing Agreement.

During the year the Board of Directors of the Company had reviewed the affairs of the subsidiaries and a statement containing the salient features of the financial statement of our subsidiaries and Joint Venture in the prescribed format AOC-1 is enclosed as Part I and Part II of Annexure A to the consolidated financial statement and hence not repeated here for the sake of brevity.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website www.kohinoorfoods.in/investor. These documents will also be available for inspection during business hours at our corporate office.

Further the Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at the link: www.kohinoorfoods.in/investor

Internal Control System

The Company has in place adequate internal control systems, commensurate with its size and nature of business and complexity of its operations designed to provide a



reasonable degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguard for assets, internal control over financial reporting and compliance with applicable laws and regulations.

Internal audit function evaluates the adequacy of, and compliance with policies, plans, regulatory and statutory requirements. The Internal Auditors directly report to the Board's Audit Committee, thus ensuring the independence of the process. It also evaluates and suggests improvement in effectiveness of risk management, controls and governance process. The Audit committee and Board provides necessary oversight and directions to the Internal audit function and periodically reviews the findings and ensures corrective measures are taken. In the opinion of the management and the internal auditors, there exists adequate safeguard against fraud and negligence within the Company.

Our Offices as well as the manufacturing facilities endorse the highest health, safety, security and environmental standards

Listing at Stock Exchange

The Equity Shares of the Company are listed with BSE Limited and National Stock Exchange of India Ltd. The annual listing fee for the year 2015-16 has been paid to the Exchanges.

Corporate Governance

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as stipulated by the Stock Exchanges. Pursuant to clause 49 of the Listing Agreement, a report on the Corporate Governance , Certificate regarding Compliance, Secretarial Audit Report and Managing Director and CFO certification along with the Auditors Certificate have been made part of the Annual Report.

Auditors

M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi, Statutory Auditors of the Company, holds office till the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits and they are not disqualified for re-appointment.

The Board pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and on the recommendation of the Audit Committee has considered the appointment of M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi (Firm Registration No. 016379N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting.

Auditors Report

The Company has received the Auditors Report duly signed by M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi, and took note of the same. Further as mentioned in the Auditors Report, attention is drawn to Note No. 11(c) & 38(a)(i) to the financial statements, the board discussed the contention of the Auditor and is of the view that the losses incurred by the Wholly Owned Subsidiary is not going to affect the Company's investment in long run. Further as per advice received from legal experts and on the basis of merit of the case, there is a high probability that the income tax order will be set aside and the demand will be quashed. Accordingly, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts.

Cost Auditors

The Cost Auditor M/s Cheena and Associates, appointed as Cost Accountants of the Company for the year 2014-15 has completed the audit of the cost record of the Company.

The Board pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendation of the Audit Committee has approved the appointment of M/s Cheena & Associates, Cost Accountant Firm to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2016 and remuneration to be paid subject to rectification by shareholders.

Secretarial Audit

The Board of Directors pursuant to the Provision of Section 205 of the Companies Act, 2013, has appointed M/s Vinod Aggarwal Associates, Company Secretary Firm, to conduct Secretarial Audit of the Company for the Financial Year 2015-2016.

Secretarial Audit Report

The Secretarial Auditor M/s Vinod Aggarwal and Associates, Company Secretaries, appointed for the year 2014-15 has completed the secretarial audit of the Company. The Secretarial Audit Report as received from the Practicing Company Secretary is annexed to the Annual Report. As per the Secretarial Audit Report the Company has complied with all the applicable acts, laws, rules and regulations.

Internal Auditor

The terms of M/s SPMG & Co., Chartered Accountants, New Delhi, who was reappointed as an Internal Auditor of the Company for the Financial Year 2014-15 expired on 31st March, 2015.

Your Directors have approved their reappointment in the Board Meeting dated 28th May, 2015, for the financial year



2015-16.

Fixed Deposits

Your Company has not accepted any deposit from Public during the year under review.

Share Capital of the Company

The paid up Share Capital of the Company is amounting to Rs. 35,24,15,300/- comprising of 3,52,41,530 equity shares of Rs. 10/- each.

Board Meetings

The Board is headed by an executive Chairman. As on 31 March 2015, the Board of Directors consisted of Nine Directors, including Chairman, Joint Managing Directors, Woman Director, Independent Director and others.

There were five (5) Board Meetings held during the year 2014-15 and the gap between two meetings did not exceed 120 day.

Audit Committee Meetings

During the year under review, the Audit Committee met Four (4) times i.e. on 29th May, 2014, 13th August, 2014, 13th November, 2014 and 9th February, 2015 and the maximum time gap between any two consecutive meetings did not exceed 120 Days. The minutes of the meetings of the Audit Committee are noted by the Board.

Nomination and Remuneration Committee

The Board of Directors of the Company at their meeting held on 29th May, 2014, have approved the change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee and have revised their role. The recommendation of the Nomination and Remuneration Committee, the Board has formulated a Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration.

Whistle Blower Policy/Vigil mechanism

The Company adopted its Whistle Blower Policy on 13th August 2014, more specifically required as per clause 49 of the Listing Agreement. The Whistle Blower Policy/Vigil Mechanism provides a mechanism for the director/employee to report violations, without fear of victimisation of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest. The said Policy is placed on the Company's website www.kohinoorfoods.in/investor

Risk Management

The Company has adopted several strategies for Risk Management to mitigate risks and uncertainties. Controls have been put in place to quickly and systematically identify, prioritise, monitor and mitigate such risks on a constant basis. This is a real-time and ever-evolving area, given the dynamic nature of the environment.

The Company has devised its risk management policy to ensure that the Company has an appropriate and effective Risk management system with appropriate Policies and process which carries out Risk assessment and ensures that Risk mitigation plans are in place. In addition, all the key risks get continuously deliberated and discussed at the Group Executive Committee level as well as the Business Unit level. The said Policy is placed on the Company's website www.kohinoorfoods.in/investor

Particulars of Loan given, Investment made, Guarantees given and Securities provided

Particulars of loans given, investments made, guarantees given and securities provided under section 186 of the Companies Act, 2013 are provided in the notes of standalone Financials statement.

STATUS OF PENDING LITIGATIONS BEFORE VARIOUS COURT / AUTHORITIES

1. The Company has preferred an appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2002-03 to 2008-09 in which additional income tax of Rs. 63.32 Cr (Pr. Yr. 63.32 Cr) alongwith interest Rs. 31.55 Cr. (Pr. Yr.-Rs.31.55 Cr.) has been demanded. Subsequently, Company has deposited Rs. 13.50 Cr. "Under Protest" against the aforesaid demand.

   Subsequently, during the last year, Hon'ble ITAT, New Delhi has passed its order on 21st July 2014 against the above appeal and has granted significant relief by deleting the addition of more than Rs. 110 Cr out of the total addition of Rs. 185 Cr. In view of the substantial material place on the record, Hon'ble ITAT has remanded back certain issues to the Assessing Officer for fresh adjudication. As per the partial appeal order effect received from the Dept., the tax demand and interest demand stand reduced to Rs.30.23 Cr and Rs.24.83 Cr. respectively.

   Against the above ITAT order, appeal filed by the Income Tax Dept. has been dismissed by Hon'ble Delhi High Court whereas Company's appeal filed before Hon'ble Delhi High Court is pending to be heard.

   The Company has preferred another appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2009-10 in which income tax of Rs. 17.90 Cr., along with interest Rs. 10.54 Cr. has been demanded.

   The Company has also filed objections before the



Dispute Resolution Panel, New Delhi against the draft assessment order passed by the Income Tax Dept. in respect of Assessment Years 2011-12. The tax effect of the additions made is estimated at Rs. 26.89 Cr.

As per the advice received from legal experts and on the basis of merit of the case, there is a high probability that the aforesaid impugned orders will be set aside and the demand will be deleted. Accordingly, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts.

2. The Company has filed a suit for declaration, and mandatory injunction against the Reserve Bank of India and Punjab National Bank before the Hon'ble High Court, New Delhi for loss of Rs. 27.49 Cr. arising out of forex derivative transactions.

   However recently the Company and PNB have entered into a mutual agreement to resolve the pending Derivative matter under which the company will pay an agreed lump sum amout of Rs. 25.00 crores, in respect of disputed liability and will jointly withdraw the case in due course.

3. The Board of Trustee of the port of Mumbai has filed a money suit for recovery of Rs. 9.64 Cr. towards alleged outstanding demurrage charges against which the Company has filed its counter claim of Rs. 10.88 Cr. towards the financial losses, interest on the investment, refund of the license fees, refund of the demurrage charges, compensation and damages etc.

4. There are few more cases which are pending before the various authorities and the same has been duly disclosed under Notes to the Account.

Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earning and Outgo

The particulars as prescribed in sub-section (3) of section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 are enclosed as Annexure B to this Report.

Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act,2013, the extract of the annual return in Form No. MGT – 9 and is enclosed as Annexure C to this Report.

Information regarding Employees

Information as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 read with Companies (Particulars of Employee) Rules 1975, the names and other particulars of Employees are given as under:

I) Name of the Employees, Designation/Nature of Duties, Gross Remuneration, Qualification, Age, Total Experience (in years), Date of Commencement of Employment, the percentage of Equity Shares held, employed throughout the year and in receipt of remuneration of Rs. 60,00,000/- or more per annum are as under.

   a) Shri Jugal Kishore Arora, Whole time Director designated as Chairman, Rs. 96,00,000/-, Graduate, 72 years, 29 years and he is the promoter of the Company, 17.15% of total Equity.

   b) Shri Satnam Arora, designated as Joint Managing Director, Rs. 1,14,52,455/-, Post Graduate, 66 years, 29 years and he is the promoter of the Company, 15.26% of total equity.

   c) Shri Gurnam Arora, designated as Joint Managing Director, Rs. 1,15,82,043/-, Graduate, 65 years, 29 years and he is the promoter of the Company, 17.31% of total equity.

ii) Employed part of the year and in receipt of remuneration of Rs. 5,00,000/- or more per month during any part of the year under consideration.: Nil

Disclosers as required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of management Personnel) Rules, 2014, is annexed as annexure D to this report.

Management's Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

Directors' Responsibility Statement

Pursuant to section 134(5) of The Companies Act, 2013, the Directors confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other



irregularities;

d)) The Directors had prepared the annual accounts on a going concern basis;

e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Awards & Recognitions

Kohinoor Foods is no stranger to Awards & Recognitions. Since its inception, the company has been earning awards and recognition like consumer validated Super Brand Award (thrice in series), Reader's Digest Most Trusted Brand award (4 times in a row), Power Brand Award, Guinness Book of World Record (for making World's Largest Biryani), National award for Export Excellence, Brand Equity Award & many APEDA awards.

Corporate Social Responsibility

As per Companies Act, 2013, all companies having net worth of Rs 500 Crore or more, or turnover of Rs.1,000 Crore or more or a net profit of Rs. 5.00 Crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of Board of Directors comprising three or more directors, at least one of whom should be an Independent Director and such Company shall spend 2% of the average net profits of the Company's profit immediately preceding financial year.

Accordingly a detailed CSR Policy was framed by the Company with the approvals of the CSR Committee and Board taken on 29th May, 2014. The Policy, inter alia, covers the following:

- Philosophy
- Scope
- List of CSR activities
- Modalities of execution of projects/programmes
- Implementation through CSR Cell
- Monitoring assessment of projects/programmes

CSR Policy gives an overview of the projects or programmes which are proposed to be undertaken by the Company in the coming years.

2. The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board in its meeting held on 29th May, 2014 with the following members:

Mr. Sandeep Kohli

Mr. Maharaj Kishan Trisal

Mr. Satnam Arora

Mr. Gurnam Arora

As the Average net Profit/(Loss) of the Company for last three financial years prior to 2014-15 comes to Rs.29.69 crores, average net loss and therefore the company is not required to spend any amount as prescribed for CSR expenditure.

Although the company is not statutorily required to expend 2% of the average net profit (INR) of the last three financial years, being average net loss. However the company voluntarily spent an amount of Rs. 18.38 lakhs in the last financial year on this account by doing various CSR activities.

Kohinoor envisions to improve lives in communities we live around, protect workplace rights, respect people, support missions that help people have a better life, provide good jobs, world class quality products and a healthy environment to all of us around.

At Workplace, Kohinoor Foods maintains high standards for fair and dignified treatment of all the people who work for our company. For all of its employees, it is not just a place to work, but like another home and everybody in is like a big family, closely bonded with each other.

Kohinoor Foods also believes that a company is as good as the people who work for it - their combined talents; skills, knowledge, experience and passion make a company what it is. Hence, company's continuous goal is to inspire and motivate its people to hone their talents, increase their knowledge & skills and achieve extraordinary results at their workplace. In this endeavour we have offered subsidized meals to our employees at a very nominal cost.

The company also considers it as its responsibility to support the community that we live in. Kohinoor Foods supports 'Maitri' an NGO working for widows on Vrindavan to make difference in their lives. It supported CEQUIN (Centre for Equity & Inclusion), a non-profit organisation working towards the empowerment of marginalised and excluded sections of the population especially the women. Due to unprecedented floods in Jammu & Kashmir, Kohinoor Foods, supplied Ready to Eat Processed Food products to the victims of that region and helped them to normalcy. In addition we also supported the needy girl child's education at Himalayan School Society, Dehradun and also to Rotary Southend Charitable Trust towards Saving Lives, to contribute positively to the society.

Being environmentally conscious company and as part of Go Green campaign, we have put up water treatment plant in our rice factory (Murthal), where treated water is used for watering the lawn, garden and irrigate the fields.

Adherence to global human rights standards, No minor labour, Fair trade practices, complete Medical facilities for its people, Safe & sound working environment are the things that Kohinoor Foods take utmost care about.

The CSR Policy may be accessed on the Company's website at the link : www.kohinoorfoods.in/investor

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place a Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. The Sexual Harassment Committee, has been set up to redress complaints received regarding sexual harassment.

The Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges.

Board Evaluation

In accordance with Clause 49 of the Listing Agreement, it is mandatory that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in the Annual Report. The Board approved the evaluation results as collated by the Nomination and Remuneration Committee.

None of the Independent Directors are due for re-appointment.

Training of Independent Directors

The Company Secretary of the company conducted a details training programmes to provide/update the changes in the Listing Agreement/Companies Act and other relevant act to the Independent Directors.

Further, the Company issues a formal letter of appointment to Independent Directors outlining their roles, responsibilities, functions and duties as an Independent Director. The format of the letter of appointment is available on the Company's website at the link:

www.kohinoorfoods.in/investor

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1 .Details relating to deposits covered under Chapter V of the Act.

2. Details relating to transfer in reserve.

3. Issue of equity shares with differential rights as to dividend, voting or otherwise.

4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Acknowledgment

Your Directors acknowledge with gratitude, the commitment and dedication of the employees at all levels that has contributed to the growth and success of the Company. Your Directors also put on record their appreciation and thanks to the Authorities and millions of consumers who have reposed faith in the products of your Company.

For and on Behalf of the Board

Sd/-

Jugal Kishore Arora
Chairman

Faridabad
August 13th, 2015

ANNEXURE 'A' TO THE DIRECTORS' REPORT
REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Company has always maintained an integrated way of thinking, which is reflected in the functioning of the Board and corporate governance framework. A Company's relationship with its investors is an important component of corporate governance. The Board of Directors believes in upholding the highest standards of accountability and actively participates in overseeing risks and strategic management. The board fully supports and endorses corporate governance practices in accordance with the provisions of Clause 49 of the Listing Agreements. The primary objective of corporate governance is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, to develop capabilities and identify opportunities that best serve the goal of value creation. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company. Over the years, we have strengthened governance practices. These practices define the way business is conduc1515ted and value is generated.

The Securities and Exchange Board of India (SEBI) amended the Listing Agreement effective from 1st, October 2014, to bring in additional corporate governance norms for listed entities. The norms provide for stricker disclosures and protection of investor rights, including equitable treatment for minority and foreign shareholders.

Our corporate governance framework has helped us to be aligned with the new guidelines of the Companies Act, 2013. We believe that an active, well informed and independent board is necessary to ensure the highest standards of corporate governance.

2. Board of Directors

The Company is managed and controlled by Board of Directors which has an optimal combination of Executive, Non-Executive and Independent Directors. The Board is headed by an executive Chairman. As on 31 March 2015, the Board of Directors consisted of Nine Directors, including Chairman, Joint Managing Directors, Woman Director, Independent Director and others.

As on 31 March 2015, none of the Directors on the Company's Board was a Director in more than 20 Companies, neither a Chairman of more than five Committees nor a member of more than 10 Committees in accordance with Companies Act, 2013. Further, all the Directors have made necessary disclosures regarding their Directorships and Chairmanships/Committees Memberships in other Companies as per the requirement of Companies Act, 2013. The Board members possess the requisite skills, experience and expertise to guide the Company.

No Director is related to any other Director on the Board, except Mr. Jugal Kishore Arora, Mr. Satnam Arora and Mr. Gurnam Arora, being related to each other as brothers.

The appointment of the Chairman and Joint Managing Directors including the tenure and terms of remuneration, are approved by the members at their general meetings and also obtained approvals of Central Government wherever it's applicable.

Five (5) Board meetings were held during 2014-15 and the gap between two meetings did not exceed 120 days. The dates, on which the Board meetings were held, are as follows:

29 May 2014, 13 August 2014, 13th November, 2014, 9th February, 2015 and 31st March, 2015.

Dates for the Board Meetings are decided well in advance and the Agenda, along with the supporting documents, explanatory notes and information, as enumerated under Clause 49 of the Listing Agreement, are made available to the Board along with the notice of respective meetings. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company undertakes steps to rectify instances of non-compliance, if any.

The names and categories of the Directors on the Board, along with their attendance at the Board Meetings held during the year ended 31st March 2015, and at the last Annual General Meeting, and the number of other Directorship and Chairmanship/Membership of Committees held by them, are given below:



Name of the Director	No. of Board meetings attended during tenure	Whether attended the last AGM	No. of other Directorships*	Committee position of other Com panies**		No. of Equity Shares held
				Chairman	Member	
Executive (Promoter)						
Mr. Jugal Kishore Arora (Whole time Director designated as Chairman)	3	No	4	Nil	Nil	60,43,484
Mr. Satnam Arora (Joint Managing Director)	5	No	5	Nil	2	53,78,923
Mr. Gu rnam Arora (Joint Managing Director)	5	Yes	3	Nil	Nil	60,98,889
Non -executive and Non - Independent						
Mr. Khedaim Abdulla Saeed Faris Alderei (Investor Director)	2	No	Nil	Nil	Nil	Nil
Non -executive and Independent						
Mr. Vijay Burman	5	Yes	Nil	Nil	Nil	Nil
Mr. Sandeep Kohli	5	No	Nil	Nil	Nil	Nil
Mr. Maharaj Kishan Trisal	4	No	6	Nil	Nil	Nil
Mr. Satish Chandra Gupta	4	No	8	2	8	Nil
Ms. Madhu Vij	1	No	4	Nil	2	Nil

**This includes Directorship in public limited companies (including subsidiaries of public limited companies) and excludes Directorship in associations, private, foreign and Section 8 companies

** Represents Chairmanship/Membership of Audit Committee, Remuneration and Nomination Committee and Stakeholder Relationship (Shareholders'/ Investors' Grievance) Committee, This includes Chairmanship/Membership in public limited companies (including subsidiaries of public limited companies) and excludes Chairmanship/Membership in private, foreign and Section 8 companies.

*** Ms. Madhu Vij was appointed as an Additional Director on 31st March, 2015.



INFORMATION REQUIRED AS PER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS

Mr. Jugal Kishore Arora (DIN- 00010704) is a Chairman of the Company.

He is associated with the Organisation since its inception and has completed his Graduation from Punjab University. He has been looking after and is in-charge of Procurement as well as the Production of the Company. His vast experiences of more than three decades in the rice industry, together with a sharp eye for detail, have reaped rich dividends. In fact, he has been largely responsible for the wide acceptance that the Company's Basmati Brands enjoy all over the World today. Mr. Arora set up the first rice processing plant at Amritsar followed by rice processing plants at Murthal (Haryana) and New Delhi. His major contribution is in the areas of quality standardisation. He has pioneered the development of different quality parameters for Indian basmati rice by carrying out extensive interactions with the farmers, agro-scientists and research personnel for the betterment of basmati rice, the quality and output at the domestic level. Today, he is engaged in providing strategic direction to the Company's business; taking the overall charge of procuring raw-material (paddy) and selecting the optimum growing region etc. and setting "QUALITY" standards for the Company's range of rice-offerings.

He is a Director of Satnam Haegens Ltd., Sachdeva Brothers Pvt. Ltd., Indo European Foods Ltd. UK, Kohinoor Foods USA Inc. and some of the Pvt. Ltd. company.

He holds 60,43,484 (17.15%) Equity Shares of the Company in his own name as on 31st March, 2015.

Mr. Satnam Arora (DIN – 00010667) is a Jt. Managing Director of the Company.

He has completed his education as a Master in Economics from Punjab University and has been involved in the family business of trading of Basmati Rice right from the beginning. He has vast experience in marketing the rice in overseas market. Mr. Satnam Arora has been looking after Export Marketing as well as he is responsible for Banking, Finance, Taxation and Secretarial as well. The fact that the Company has taken a Commanding Share of the Basmati Export Market is largely because of the sincere efforts and initiative taken by Mr. Satnam Arora. He strongly believes that success in life can be achieved only with self-confidence and belief. In order to bring significant exposure to his organisation, he has been a part of several Industry association like FICCI, ASSOCHAM, AIREA (All India Rice Exporters Association) and APEDA etc.

He is a director of Indraprastha Medical Corporation Ltd, Satnam Haegens Ltd., Sachdeva Brothers Pvt. Ltd., Sara Textiles Ltd., Kohinoor Foods USA, Inc. and some of the Pvt. Ltd. company.

He is a member of Audit Committee and Stakeholder Relationship Committee of the Kohinoor Foods Ltd.

He holds 53,78,923 (15.26%)Equity Shares of the Company in his own name as on 31st March, 2015.

Mr. Gurnam Arora (DIN – 00010731) is a Jt. Managing Director of the Company.

He is having vast experience and skills and has been instrumental in providing a new strategic focus to the rice industry from a commodity driven business to a branded category. After completion of Graduation degree, he joined the family business of rice trading. Over the years, Mr. Gurnam Arora learnt the intricacies of the business and demonstrated his strategic approach & acumen by successfully marketing & promoting Company's products in national & international markets. Amongst other career milestones, he has played a key role in introducing convenient packaging options and many more value additions for the consumers. He has over thirty three years of experience in rice industry. Mr. Gurnam Arora has been looking after Domestic Marketing, Purchase, Administration, HR, Quality Control and day to day Corporate Affairs of the Company. Mr. Gurnam Arora's broad vision helped the Company to increase its value. The Sales in domestic market have increased manifolds in the past years. He was the President of All India Rice Exporters Association and a member of the Basmati Development Fund, APEDA and Ministry of Commerce and also associated with various industry associations like FICCI, ASSOCHAM etc.

He is a Director of Satnam Haegens Ltd., Sachdeva Brothers Pvt. Ltd. and Indo European Foods Ltd. UK.

He is a member of Remuneration Committee of the Kohinoor Foods Limited.

He holds 60,98,889 (17.31%) Equity Shares of the Company in his own name as on 31st March, 2015



INFORMATION REQUIRED AS PER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS

Mr. Vijay Burman (DIN – 00013710) Independent Director of the Company.

He is a Science Graduate with over 40 years experience in Textile Industry and also having sufficient expertise in Finance. Because of his vast Financial Exposure, he has been appointed as an Independent Director of the Company. His vide exposure helps the Company to improve its Financials.

He is a Chairman of Audit Committee and Nomination and Remuneration Committee and also a member of Stakeholders Relationship Committee the Kohinoor Foods Limited.

He does not hold any share of the Company in his name as on March 31st, 2015.

Mr. Sandeep Kohli (DIN – 00300767) Independent Director of the Company.

He is a Post Graduate. He is having Twenty five years of bluechip, MNC management experience in India and parts of Asia and has knowledge of finance, marketing, brand building and legal aspects of businesses. He has launched KFC, Pizza Hut and A&W brands in the Indian sub-continent and Indian Ocean countries, also instrumental in establishing and growing businesses in the services, hospitality and real estate industries, currently involved in various projects in the hospitality and services sector in an entrepreneurial and advisory capacity and also developed American Express card member, travelers cheques and travel business base in India and Taiwan. Established American Express travel as the travel service provider in India.

He is a Director of some prestigious Pvt. Ltd. company.

He is a member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the Company.

He does not hold any share of the Company in his name as on March 31st, 2015.

Mr. Maharaj Kishan Trisal (DIN – 00059545) Independent Director of the Company.

He holds an Electrical Engineering degree from Thapar Institite of Engg. & Technology & has been awarded the coveted honor of being "Distinguished Alumnus" of the institute in the year 2002. He has extensive knowledge and experience in Industrial Power Generation business and has spearheaded and launched the concept of Cogeneration in Industrial Power Generation in India. He is presently working as President and Chief Executive Officer with Marathon Electric India Limited - An affiliate of Regal Beloit Corporation, USA. Marathon India is the combination of two Indian Companies GE Motors India Ltd & Alstom Industrial Products Ltd. Trisal's previous work experience includes various positions including Divisional Manager with Escorts, and Associate Vice President - Turbine with Kirloskar Oil Engine Ltd.

He is a Director of Sudhir Genset Ltd., Sudhir Power Projects Ltd, Sudhir Transformers Ltd., Sudhir Sales & Services Limited, Ansal Housing and Construction Ltd. and RBC Motors India Ltd. He is a member of Audit Committee and Nomination and Remuneration Committee of the Company.

He does not hold any share of the Company in his name as on March 31st, 2015.

Mr. Satish Chandra Gupta (DIN – 00025780) Independent Director of the Company.

Mr. Satish Chandra Gupta is M. Com., CAIIB served as a Manager and General Manager at Oriental Bank of Commerce. Mr. Gupta was responsible for Credit, Credit Policy, Planning and Development, Marketing, International Banking Division, Domestic & International Treasuries, Accounts, Merchant Banking and Recovery & Law etc., having joined it in 1972. He served as the Managing Director of Punjab National Bank from May 1, 2001 to June 5, 2007 and Indian Overseas Bank from May 2001 to June 9, 2005. He is a practicing Chartered Accountant for more than 32 years with rich experiences in the field of Banking, finance and audit. He started his career with State Bank of India in the year 1966 and moved to Syndicate Bank as a probationer officer. He has been a career banker and has put in 41 years of banking service before attaining superannuation on May 31, 2007. His



INFORMATION REQUIRED AS PER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS

specialization is Credit and Manpower Management. In his career as a banker, he has worked as Credit Officer, Branch Manager, Regional Head, General Manager in-charge of the operations, For Indian Overseas Bank & Punjab National Bank. In the course of his earlier assignments, deployment of funds to SME and Large Corporates alike was the core area of his operations. In IOB and PNB, he dabbled with Treasury Operations as well apart from Corporate Planning and Manpower Management. He is B.Com and LL.B besides being a fellow member of the Institute of Chartered Accountants of India. Mr. Gupta is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He is a Director of Emmsons International Ltd., ISMT Ltd., Gujarat Foils Ltd., SMC Investments And Advisors Ltd., Brahmaputra Infrastructure Ltd., Brahamputra Infraproject Ltd., SMC Global Securities Ltd., Kamanwala Housing Construction Ltd. and some of the Pvt. Ltd. Company.

He is a member of Audit Committee and Nomination and Remuneration Committee of the Company.

He does not hold any share of the Company in his name as on March 31st, 2015.

Mr. Khedaim Abdulla Saeed Faris Alderei (DIN – 06699678), Investor Director/ Non –Executive Director of the Company.

He is the Vice Chairman of the Al Dahra Agriculture. He has over 20 years of public and private sector experience and has held senior positions within the UAE's diplomatic core, as well as managing the public and private offices of senior members of the UAE Government and Royal Family.

He began his career working in the UAE Ministry of Foreign Affairs, with postings to the UAE Embassies in Washington DC, USA and Beirut, Lebanon, where he held the post of First Secretary. Khadim was then appointed Plenipotentiary Minister First Class at the Ministry of Foreign Affairs. In addition to these duties he was made Deputy General Manager to the Court of His Highness Sheikh Hamdan Bin Zayed Al Nahyan, the then Deputy Prime Minister and Minister for Foreign Affairs.

After leaving the Ministry of Foreign Affairs, he was appointed Chief Executive Officer of the Private Office of His Highness Sheikh Hamdan Bin Zayed Al Nahyan. In this role, he was responsible for the coordination of all private and business interests and activities of His Highness.

His Excellency holds a Bachelors Degree in Human Resources Development form the American University in Washington DC, USA and a MBA in International Relations from the American University of Beirut, Lebanon. He has also attended several executive management programs at top institutions such as the Harvard Business School in Boston, USA.

He is a Director of various other company situated outside India.

He is a member of Audit Committee and Nomination and Remuneration Committee of the Company.

He does not hold any share of the Company in his name as on March 31st, 2015.

Ms. Madhu Vij (DIN – 00025006) has been appointed as an Independent Director of the Company.

Ms. Madhu Vij is a Professor of Finance at the Faculty of Management Studies, University of Delhi where she has been teaching for over three decades. Her professional and teaching interests include the areas of International Finance, Risk Management, Banking and Financial Services, Corporate Finance and Accounting. She has received the Alumni Excellence award from Shri Ram College of Commerce, University of Delhi.Dr Vij has participated and attended the Global Colloquium on 'Participant Centered Learning' at Harvard Business School, Boston, USA. Prof Vij was on the Panel of Judges for award of PM's trophy for



INFORMATION REQUIRED AS PER CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO DIRECTORS

selecting the best steel plant for 2 years (2011-2013) and has also been a member of Ad-Hoc TaskForce, Results Framework Document (2011-2013). Dr. Madhu Vij has been an Independent Director of MOIL Limited. Currently, she is an Independent Director for a private limited Company.

Prof Vij's research interests include asset liability management, country risk analysis, derivatives, foreign exchange risk management, treasury management, corporate valuation, credit ratings and financial crisis, currency correlation and corporate governance. She has completed a number of projects sanctioned by National bodies like UGC, RBI, ICSSR, SAIL and Delhi University. She serves on the editorial board and is also a reviewer for several academic journals, national and international conferences.

She has published several research papers in International and national Journals of repute and has presented papers globally in the field of banking and finance. She has authored four books namely Multinational Financial Management, Management Accounting, Management of Financial Institutions and a book on Corporate Finance for NIIT for MBA participants for ITT, USA. She has also co-authored two books – one on 'Merchant Banking and Financial Services' and the second one on 'Women's

Studies in India: A Journey of 25 Years.

She is actively involved in research, consultancy and training for several leading public and private organizations in the areas of Project Management, Strategic Financial Management, Case based method of learning and teaching, Finance for Non finance managers.

She is a Director of SMC Global Securities Ltd., Singer India Ltd., Amtek Auto Ltd., and Solar Industries India Ltd.

She is a member of Audit Committee of the Company.

She does not hold any share of the Company in her name as on March 31st, 2015.

NOTE: None of them has directorships in more than 10 public companies. For reckoning the limit of public companies, directorship of private companies that are either holding or subsidiary of a public Company is included. As per declarations received, none of the directors serves as an independent director in more than 7 listed companies. Further, the whole-time director in the Company does not serve as an independent director in more than 3 listed companies. None of the directors was a member in more than 10 committees, nor a chairman in more than 5 committees across all companies, in which he was a director. For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, have been included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 have been excluded. Only audit committee and stakeholders relationship committee are considered for the purpose of reckoning committee positions.

3. **BOARD COMMITTEES**

The Board of Directors has constituted the following Committees of Directors with adequate delegation of powers to discharge the Company's requisite business:

- **Audit Committee**
- **Stakeholder Relationship (Shareholders'/Investors' Grievance) Committee**
- **Nomination and Remuneration Committee**
- **Corporate Social Responsibility Committee**

The minutes of the meetings of all such committees are placed before the Board for discussion/noting.

Detail of the composition, number of meetings held during the year, attendance of members and scope of the committees are as below:

I) **Audit Committee**

The Company has an Audit Committee which deals in matters relating to financial reporting and internal controls. All the



members are financially literate. Mr. Vijay Burman, who has the expertise in the accounting and financial management is the Chairman of the Audit Committee. Mr. Satnam Arora, Jt. Managing Director and the person responsible for Finance and Accounting, Banking, Taxation, Secretarial & Legal and other departmental head were also present time to time apart from the Internal Auditors and Statutory Auditors, who were the permanent invitees. The Company Secretary acts as Secretary to the Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 29th September, 2014 to answer member queries.

In accordance with Section 177(1) of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 (which is effective from October 1, 2014) , the Board of Directors of the Company at their meeting held on 29th May, 2014, have approved new terms of reference for the Audit Committee and thereupon the revised terms of reference of the Audit Committee are in conformity with the requirements of Clause 49 (III)(D) of the revised Listing Agreement and Section 177(1) of the Companies Act, 2013. Further the Audit Committee has been granted powers as prescribed under Clause 49 (III) (C) of the Listing Agreement.

During the year under review, the Audit Committee met Four (4) times i.e. on 29th May, 2014, 13th August, 2014, 13th November, 2014 and 9th February, 2015 and the maximum time gap between any two consecutive meetings did not exceed 120 Days. The minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along, are given below.

Name	Position	Meetings Attended
Mr. Vijay Burman	Chairman	4
Mr. Maharaj Kishan Trisal	Member	4
Mr. Sandeep Kholi	Member	4
Mr. Satnam Arora*	Member	4
Mr. Satish Chandra Gupta*	Member	3
Mr. Khedaim Abdulla Saeed Faris Alderei*	Member	Nil
Ms. Madhu Vij*	Member	Nil

*** Appointed w.e.f. 31st March, 2015**

ii) Stakeholder Relationship Committee (formerly termed as Investor's Grievance and Share Transfer Committee)

- The Company Secretary, being the Compliance Officer is entrusted with the responsibility to specifically look into the redressal of shareholders and investors complaints and report the same to Investors Grievance/ Share Transfer Committee.
- The Functioning and terms of reference of Investors Grievance/ Share Transfer Committee includes
- To specifically look into the redressal of investors' grievance pertaining to transfer/ transmission of shares, dividends, dematerialization/ rematerialisation, replacement of lost/ stolen/ mutilated share certificates;
- To consider the matters relating to transfer, transmission and transposition of shares, sub-division and consolidation of shares, replacement of lost/ stolen and mutilated share certificates and review of requests for dematerialization/ rematerialisation of shares
- Other related issues and to strengthen investors' relations.

In accordance with Section 178(5) of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17,



2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the Board of Directors of the Company at their meeting held on May 29, 2014, have approved the change in nomenclature of the Shareholders Grievances Committee to Stakeholders Relationship Committee and enhanced their role. The Board of Directors of the Company currently has a Stakeholders Relationship Committee to specifically look into and resolve grievances of security-holders on various matters. Routine queries/complaints received from shareholders are promptly attended to and replied. Queries/complaints received during the period under review related to non-receipt of dividend by warrants as well as through electronic clearing service, non-receipt of annual report, non-receipt of transferred shares and change of address and/or bank particulars. There were no pending issues to be addressed or resolved.

The Company received a total of 10 complaints from investors during the year 01.04.2014 to 31.03.2015, all of which were resolved within the stipulated time to the satisfaction of the complainants. No requests for share transfers are pending except those that are disputed or sub-judice.

Constitution of Stakeholders Relationship Committee is as under:

Name	Position
Mr. Sandeep Kohli	Chairman
Mr. Vijay Burman	Member
Mr. Satnam Arora	Member

iii) Remuneration and Nomination Committee (formerly termed as Remuneration Committee)

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated April 17, 2014 for amendment to Equity Listing Agreement (which is effective from October 1, 2014), the Board of Directors of the Company at their meeting held on 29th May, 2014, have approved the change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee and have revised their role as under:

The revised role of the Nomination and Remuneration Committee, inter-alia, includes the following:

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Formulation of criteria for evaluation of Independent Directors and the Board;

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;;

Devising a policy on Board diversity;

In compliance with provisions of clause 49 of Listing Agreement, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. It may be noted that, the Board composition as at present broadly meets with the above objective.

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The detailed Remuneration Policy is placed on Company's website www.kohinoorfoods.in/investor

Constitution of Remuneration and Nomination Committee

Name of Director	Remuneration and Nomination Committee
Mr. Vijay Burman	Chairman
Mr. Maharaj Kishan Trisal	Member
Mr. Sandeep Kohli	Member
Mr. Satnam Arora	Member
Mr. Satish Chandra Gupta	Member
Mr. Khedaim Abdulla Saeed Faris Alderei	Member

REMUNERATION OF EXECUTIVE DIRECTORS FOR 2014-2015

Name of Director	Salary (Rs.Lacs)	Other Perquisites (Rs.Lacs)	Service Contract Tenure
Mr. Jugal Kishore Arora	96	0.00	5 years, w.e.f. 27.09.12
Mr. Satnam Arora	90	24.52	5 years, w.e.f. 27.09.12
Mr. Gurnam Arora	90	25.82	5 years, w.e.f. 27.09.12

The Appointment and Remunerations of Mr. Jugal Kishor Arora, Mr. Satnam Arora and Mr. Gurnam Arora had been approved by the Shareholders in the Annual General Meeting of the Company held on 27th September, 2012 for the period of Five years.

The Company has obtained the approval of the Central Government for payment of remuneration subject to the limit as specified in the letter dated 23rd September, 2013 for the period of Three Years from 1st October, 2012 to 30th September, 2015 and accordingly the Company has given the remunerations to its directors within the limit as approved by the Central Government. Now the Company wants to renew the remuneration payable to the Managerial Personnel on the same term and condition as approved by the shareholder in their Annual General Meeting held on 27th September, 2012 for the period of further two years starting from 1st October, 2015, subject to the overall limit as approved by the Central Government.

Non-Executive Directors' Compensation

The Board of Directors at its meeting held on 13th November, 2014, revised sitting fee to Rs. 25,000/- per meeting to Non-Executive Independent Directors, for every meeting of the Board or Committees of the Board attended by them as member effective from this meeting. Earlier, the Company used to pay sitting fees of Rs. 20,000/-(per meeting) to its Non-Executive Independent Directors for attending Board Meeting only as approved by the Board in their meeting held on 10th February, 2009.The Company currently does not have a stock option programme for any of its directors.

Maximum tenure of Independent Directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and clause 49 of the Listing Agreement.

Formal letter of appointment to Independent Directors

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and clause 49 of the Listing Agreement. The terms and conditions of appointment of independent directors are placed on the Company's website www.kohinoorfoods.in/investor

Pecuniary transactions with Non-Executive Directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company.

Criteria of making payments to Non-Executive Directors

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee corporate governance framework of the Company. As stated earlier, the Remuneration Policy, inter alia, disclosing criteria of making payments to directors, key managerial personnel and employees is placed on the Company's website www.kohinoorfoods.in/investor



iv) Corporate Social Responsibility Committee

As per Companies Act, 2013, all companies having net worth of Rs 500 Crore or more, or turnover of Rs.1,000 Crore or more or a net profit of Rs.5 Crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of Board of Directors comprising three or more directors, at least one of whom should be an Independent Director and such Company shall spend 2% of the average net profits of the Company's profit immediately preceding financial year.

Accordingly a detailed CSR Policy was framed by the Company with the approvals of the CSR Committee and Board taken on 29th May, 2014. The composition of the CSR Committee

1. Mr. Sandeep Kohli
2. Mr. M K Trisal
3. Mr. Satnam Arora
4. Mr. Gurnam Arora

As the Average net Profit/(Loss) of the Company for last three financial years prior to 2014-15 comes to Rs.29.69 crores, average net loss and therefore the Company is not required to spent any amount as prescribed for CSR expenditure.

Although the Company is not statutory require to expend 2% of the average net profit (INR) of the last three financial years, being average net loss. However the company voluntarily expends an amount of Rs. 18.38 lakhs in the last financial year on this account by doing various CSR activities. The CSR Policy may be accessed on the Company's website at the link: www.kohinoorfoods.in/investor

Independent Directors' Meeting

In compliance with Schedule IV to the Companies Act, 2013 and revised clause 49 of Listing Agreement, a separate meeting of Independent Directors was held on 31st March 2015, without the attendance of non-independent directors and members of management, inter alia, to discuss the following:

i) review the performance of non-independent directors and the Board as a whole;

ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and

iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All independent directors were present at the meeting, deliberated on the above and expressed their satisfaction.

Board Diversity Policy

In compliance with provisions of clause 49 of Listing Agreement, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. It may be noted that, the Board composition as at present broadly meets with the above objective.

Orderly succession to Board and Senior Management

The Board of the Company has satisfied itself that plans are in place for orderly succession for appointments to the Board and to Senior Management.

Code of Conduct for Board Members & Senior Management Team:

In Compliance with the Revised clause 49 of Listing Agreement requires listed Companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.The Company pursuant to erstwhile clause 49, already had a Code of Conduct for Directors and members of Senior Management. As required under the revised clause 49, the Board at its meeting on 13th August, 2014 adopted a revised Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on the Company's website www.kohinoorfoods.in/investor. All Directors and Senior Management personnel have affirmed compliance with the new code for 2014-15.



All Board Members and Senior Management Team have affirmed compliance of Code of Conduct as on 31st March 2015. A declaration signed by Chairman is enclosed herewith.

Compliances regarding Insider Trading

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. These regulations have been substituted by SEBI with a new set of Regulations, which has come into effect from 15th May 2015. Regulation 8 of the newly introduced Regulations, required the Company to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), which the Company needs to follow in order to adhere to each of the principles set out in Schedule A to the said Regulations. Further, regulation 9(1) of these Regulations required listed Company to formulate a Code of Conduct to Regulate, Monitor and Report trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations. Accordingly, the Board at its meeting held on 28th May, 2015, approved and adopted:

a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and

b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons. The said codes are being adhered to with effect from 15 May 2015.

Compliance Report as per Clause 49 of Listing Agreement

Compliance Report of Kohinoor Foods Limited as on 31.03.2015 with the applicable mandatory requirements of Clause 49 is as under:

Particulars	Clause of Listing Agreements	Compliance Status (Yes/ No/N.A.)	Reamrks
II. Boards of Directors	49 II		-
A. Composition of the Board	49(IIA)	Yes	-
B. Non-Executive Directions	49(IIB)	Yes	-
C. Non-Executive Directions compensation & disclousers	49(IIC)	Yes	-
D. Other provisions as to Board and Commitees	49(IID)	Yes	-
E. Code of Conduct	49(IIE)	Yes	-
F. Whistle Blower Policy	49(IIF)	Yes	-
III. Audit Committee A. Qualified & Independent	49 III		-
Audit Committee	49(IIIA)	Yes	-
B. Meeting of Audit Committee	49(IIIB)	Yes	-
C. Power of Audit Committee	49(IIIC)	Yes	-
D. Role of Audit Committee	49(IIIE)	Yes	-
E. Review of Information by Audit Committee	49(IIIE)	Yes	-
IV. Nomination and Remuneration Committee	49(IV)	Yes	-
V. Subsidiary Companies	49(V)	Yes	-
VI. Risk Management	49(VI)	Yes	-



Particulars	Clause of Listing Agreements	Compliance Status (Yes/ No/N.A.)	Reamrks
VII. Related Party Transactions	49(VII)	Yes	-
Viii. Disclosures	49(VIII)	Yes	-
A. Related Party Transactions	49(VIIIA)	Yes	There are no material transaction with Related Parties
B. Disclosure of Accounting Treatment	49 (VIIIB)	Yes	-
C. Remuneration of Directors	49(VIIIC)	Yes	-
D. Management	49(VIIID)	Yes	-
E. Shareholders	49(VIIIE)	Yes	-
F. Proceeds from public issues, rights issues Preferential issues etc.	49(VIIIF)	Yes	-
IX. CEO/CFO certification	49(IX)	Yes	-
X. Report on Corporate Governance	49(X)	Yes	-
XI. Compliance	49(XI)	Yes	-

Review of Legal Compliance Reports

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Whistle Blower Policy/Vigil Mechanism

The Company adopted its Whistle Blower Policy on 13th August 2014, more specifically required as per clause 49 of the Listing Agreement. The Whistle Blower Policy/Vigil Mechanism provides a mechanism for the director/employee to report violations, without fear of victimisation of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice. The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website www.kohinoorfoods.in/investor.

Subsidiary Companies

The Company has two Wholly Owned Subsidiary, namely M/s Kohinoor Foods USA, Inc. (USA) and Indo European Foods Limited (UK), situated outside India. The Company is having one Indian Wholly Owned Subsidiary in the name of Sachdeva Brothers Pvt. Ltd., as its unlisted non material subsidiary as prescribed under clause 49 of the Listing Agreement. However, the Company has no material subsidiary in accordance with the provisions of clause 49 of the Listing Agreement. A Policy on `material subsidiaries' in terms of clause 49 of the Listing Agreement has been formulated by the Board at its meeting held on 13th August, 2014 and the same is placed on the Company's website www.kohinoorfoods.in. During the year the Audit Committee and Board of Directors reviewed the affairs of the subsidiaries. In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report.

Related Party Transactions

There were no related parties transaction entered into during the financial year, 2014-15 and did not attract provisions of section 188 of Companies Act, 2013 and were also not material RPTs under clause 49 of the Listing Agreement. There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the



Company. A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board during the year under review and the same is placed on the Company's website www.kohinoorfoods.in.

Review of Legal Compliance Reports

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

Disclosure of Material Transactions

Under clause 49, the Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was nil.

Disclosures

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in Accounting Standards.

Investors' complaints Attended/resolved during 2014-15

Pending at the beginning of the year	Nil
Received during the year	10
Disposed of during the year	10
Remaining unresolved at the end of the year	Nil

Financial calendar

Audited annual results for year ending 31st March by May
Mailing of annual reports August/September
Annual General Meeting by September
Unaudited first quarter financial results by August
Unaudited second quarter financial results by November
Unaudited third quarter financial results by February

Share Transfer Agent

The Company has appointed M/s Skyline Financial Services Pvt. Ltd. as its share transfer agent and processing of share transfer/dematerialisation/ rematerialisation. All physical transfers, transmission, transposition issue of duplicate share certificate(s), issue of demand drafts in lieu of dividend warrants etc. as well as requests for dematerialization / rematerialisation are being processed in periodical cycles at Skyilne. The work related to dematerialisation/ rematerialisation is handled by Skyilne through connectivity with NSDL and CDSL.

Share transfer system

Share transfers received by the share transfer agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Total number of shares transferred in physical category during 2014-15 was 7,556 shares versus 1,678 shares during 2013-14.

Voting through electronic means

Pursuant to section 108 of the Companies Act, 2013 and the Rules made thereunder, every listed Company is required to provide its members facility to exercise their right to vote at general meetings by electronic means. The Company has entered into an arrangement with M/s Skyline Financial Services Pvt. Ltd., the authorised agency for this purpose, to facilitate such e-voting for its members. The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of annual general meeting, through such e-voting method. Further, in accordance with the Companies (Management and Administration) Rules, 2014 as amended, the Company shall also be making arrangements to provide for e-voting facility at the venue of the annual general meeting. Shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting. Cut-off date, as per the amended Rules for e-voting shall be from 26th September, 2015 (9.00 a.m.) till 28th September, 2015 (5.00 p.m.). The Board has appointed Mr. Vinod Aggarwal, Practising Company Secretary as scrutiniser for the e-voting process. Detailed procedure is given in the Notice of the twenty-sixth annual

general meeting and is also placed on the website of the Company. Shareholders may get in touch with the Company Secretary for further assistance.

4. GENERAL BODY MEETINGS

Details of location of the last three Annual General Meetings of the Company are given below :

Year Ended	Date of AGM	Time	Venue	Special Resolutions Passed
2012	27-09-2012	12:30 P.M.	Pearey Lal Bhawan Assocication, 2 Bahadur Shah Zafar Marg, New Delhi 110002	3
2013	27-09-2013	05:00 P.M	Pearey Lal Bhawan Assocication, 2 Bahadur Shah Zafar Marg, New Delhi 110002	1
2014	30-09-2014	11:00 AM	Pearey Lal Bhawan Assocication, 2 Bahadur Shah Zafar Marg, New Delhi 110002	4

5. Disclosures

a) Related Party Transactions

There was no related party transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of Companies Act, 2013. There being no 'material' related party transactions as defined under clause 49 of the Listing Agreement, there are no details to be disclosed in Form AOC-2 in that regard.

The Policy on RPTs as approved by Board is uploaded on the Company's website www.kohinoorfoods.in

b) Compliances made by the Company

The Company was not subject to any non-compliance and no penalties or strictures have been imposed by Stock Exchanges, SEBI or any other Statutory Authority, on any matters relating to Capital Market during the last three years.

c) The Company has complied with the applicable mandatory requirements of Clause 49 of the Listing Agreement. There are certain Non-mandatory requirements which have also been unilaterally adopted by the Company.

d) Reconciliation of Share Capital Audit

A qualified practicing Company Secretary carried out audit on quarterly basis to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The reconciliation of share capital audit report confirms the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

6. Means of Communication

The Company interacts with its shareholders through multiple forms of corporate and financial communication:

a) Financial Results:

The quarterly, half-yearly and annual results were generally published in English Newspaper Financial Express and regional language newspaper (Hindi) in Jansatta. The same were sent to Stock Exchanges and were also displayed on the website of the Company, www.kohinoorfoods.in.n



b) Website:

The Company's website www.kohinoorfoods.in contains a separate dedicated section 'Investor' where shareholders information is available. Annual Report of the Company, Notices of Postal Ballot, Board Meeting etc. are regularly updated on the website.

c) NSE Electronic Application Processing System (NEAPS):

NEAPS is also a web based application designed by NSE where corporates are required to upload the prescribed informatio on the website for viewing by the investors. The Company is electronically filing the Corporate Governance, Shareholding

Pattern and Reconciliation of Share Capital Audit Report periodically as prescribed by NSE on NEAPS.

d) SEBI Complaints Redress System(SCORES)

SEBI has designed a centralised web-based system, www.scores.gov.in, wherein the investors can lodge their complaints and can view the status of their complaints being replied to by the respective Company. In compliance thereof, the Company is regularly uploading the 'Action taken Report' on the said website in respect of the investors' references received, if any.

7. Shareholders Information

Annual General Meeting

Date	:	29th September, 2015
Time	:	4:00 P.M
Venue	:	Pearey Lal Bhawan Association, 2, Bahadur Shah Zafar Marg, New Delhi -110 002
Financial Calendar	:	1st April to 31st March
Date of Book Closure	:	15.09.2015 to 29.09.2015 (both days inclusive)
CIN	:	L52110DL1989PLC037097

8. Listing on Stock Exchanges

The Equity Shares of the Company are listed with The BSE Ltd.(BSE) and National Stock Exchange of India Ltd. (NSE).

9. Payment of Listing Fees

The annual listing fee for the year 2015-2016 has been paid by the Company to BSE and NSE, both the Stock Exchanges.

10. Payment of Depository Fees

There is no outstanding invoice of Annual Custody / Issuer fees to be paid by the Company to NSDL and CDSL.

11. Trading Symbol / Stock Code

1.	National Stock Exchange of India Ltd.	: Kohinoor
2.	The Bombay Stock Exchange Ltd., Mumbai	: 512559
3.	ISIN Number for NSDL & CDSL	: INE080B01012

STOCK MARKET DATA

Monthly High and Low quotations of Shares traded at The National Stock Exchange of India Ltd. (NSE) and The BSE Ltd. (BSE)

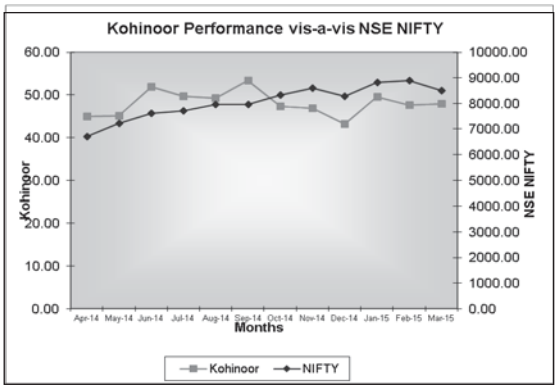
Month/Year	N.S.E		B.S.E	
	High(Rs.)	Low(Rs.)	High(Rs.)	Low(Rs.)
April 2014	48.80	41.15	48.70	41.00
May	50.80	39.45	50.85	39.30
June	59.75	44.00	59.90	43.80
July	54.40	45.05	54.00	45.20
August	53.35	45.00	53.40	45.60
September	61.10	45.65	61.20	45.85
October	49.90	44.60	49.80	44.95
November	51.45	42.15	51.50	42.35
December	48.00	38.40	47.00	38.80
January 2015	57.90	41.00	57.70	40.20
February	41.95	43.10	51.85	43.30
March	53.90	41.75	53.85	40.15

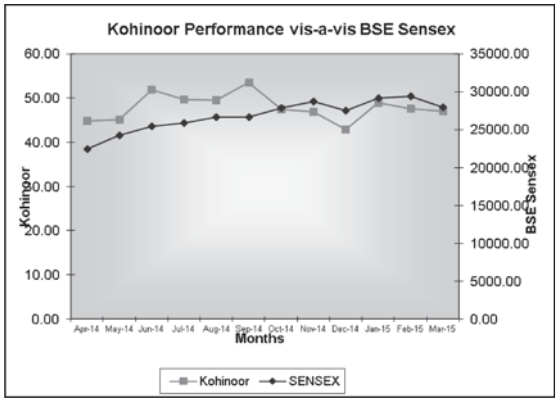
S&P CNX Nifty/Sensex vis-à-vis Kohinoor Foods

Relative Price Movements

April 2014 – March 2015

(Base price as on 1st April 2014)





12. Registrar and Share Transfer Agent

M/s. Skyline Financial Services Pvt. Ltd.
D-153-A, Ist Floor, Okhla Industrial Area,
Phase-I, New Delhi 110 020

Share Transfer System

All the Transfers received are processed and approved by the share transfer committee and to the shareholders within a period of 15 days. The Company obtains from a practicing Company Secretary half yearly certificate of compliance as required under clause 47(c) of the Listing Agreement and files the same with Stock Exchanges.

13. Distribution of Shareholding and Shareholding Pattern as on 31st March, 2015.

Distribution of Shareholding As on 31st March, 2015

NO. OF SHARES		SHARE HOLDERS		TOTAL SHARES	
		No.	% age	Total	% of Total
01	500	32267	94.02	2235311	6.34
501	1,000	1088	3.17	912404	2.59
1,001	2,000	467	1.36	725117	2.06
2,001	3,000	152	0.44	389061	1.10
3,001	4,000	72	0.21	258267	0.73
4,001	5,000	71	0.21	335685	0.95
5,001	10,000	80	0.23	599457	1.70
10,001	Above	111	0.32	29786228	84.52
Total		**34308**	**100.00**	**35241530**	**100.00**

Shareholding Pattern as on 31st March, 2015

Category	Number of Shares	Percentage (%)
Promoters	18291140	51.90
Mutual Funds & UTI	-	-
Banks, Financial Institution	171578	0.49
F.I.Is	-	-
Corporate Bodies Public	2954791	8.38
Public	6574976	18.66
NRIs/OCBs	7249045	20.57
Any Other	-	-
Total	**35241530**	**100.00**



14. **CEO and CFO Certification**

The Joint Managing Directors of the Company give quarterly certification on Financial Results while placing Financial Results before the Board in terms of clause 41 of the Listing Agreement. The Joint Managing Director and CFO of the Company has also given certificate on CEO and CFO Certification for the year ended 31st March, 2015 and the same is attached with the Annual Report.

15. **Compliance Certificate**

The Joint Managing Director of the Company gives quarterly certificate on compliance with various laws and regulations and other legal requirement of the central, state and other government and local authorities concerning the business and affairs of the Company.

16. **Dematerialisation of Shares**

The Shares of the Company are in Compulsory Demat segment and are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). At the end of Financial Year 3,47,55,505 Equity Shares of the Company forming 98.62% of the total share capital of the Company, stand dematerialized.

17. **Promoter Shareholding**

In compliance of the SEBI circular No. Cir/ISD/3/2011 dated June 17, 2011, all the Shares of the Promoters are in Dematerialization form.

18. **Un-Paid Dividend of Shareholders**

As per MCA Circular no. G.S.R.352 (E) dated 20th May, 2012 the List of Un-paid dividend shareholders as on date of last Annual General Meeting is now available on MCA Portal as well as on the Company's website www.kohinoorfoods.in/investor.

19. **Green Initiatives**

The Company had started a sustainability initiative with the aim of going green and minimizing our impact on the environment. Members are requested to support this green initiative by registering/updating their e-mail address, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Skyline Financial Services Pvt. Ltd

20. **Plant Locations**

- 50-51 Milestone, G.T.Karnal Road, Murthal, Dist. Sonepat (Haryana)

21. **Address for Correspondence**

Shareholders Correspondence may be addressed to :

M/s. Skyline Financial Services Pvt.Ltd.
D-153-A, Ist Floor,
Okhla Industrial Area,
Phase-I, New Delhi 110 020

Or

The Company Secretary
Kohinoor Foods Limited
201, Vipps Centre, Masjid Moth,
Greater Kailash-II, New Delhi 110 048

Or

The Company Secretary
Kohinoor Foods Limited
Pinnacle Business Tower, 10th Floor,
Surajkund, Faridabad, Haryana- 121001

However, shareholders holding shares in demat mode should address their correspondence relating to their holdings to the respective Depository participants.



Declaration as required under Clause 49 of the Listing Agreement

As provided under Clause 49 of the Listing Agreement, the Board Members and the Key and Senior Management Personnels of the Company have confirmed compliance with the Code of Conduct for the financial year ended 31st March 2015.

FOR AND ON BEHALF OF THE BOARD

Sd/-

13th August, 2015
Faridabad

Jugal Kishore Arora
Chairman

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Member,
Kohinoor Foods Limited,

We have examined the compliance of condition of Corporate Governance by Kohinoor Foods Ltd.(the Company), for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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.

For Rajender Kumar Singal & Associates LLP
CHARTERED ACCOUNTANTS
FRN : 016379N

Sd/-
Pankaj Gupta
Partner
Membership No. 094909

Place: New Delhi
Date: 13.08.2015

CEO AND CFO CERTIFICATION

Pursuant to the provisions of Clause 49 of the Listing Agreement with BSE and NSE, we, Satnam Arora, Jt. Managing Director and Mr. Prabhat Kumar, CFO, of the Company are responsible for the finance function certify that:

We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year 2014-15, which ar fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and have disclosed to the auditors and



the Audit Committee, wherever applicable.

d) i) There has not been any significant change in internal control over financial reporting during the year under reference;

ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and

We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
Faridabad	Satnam Arora	Parbhat Kumar
13.08.2015	Jt. Managing Director	(CFO)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

To
The Members,
Kohinoor Foods Limited
201, Vipps Center, Masjid Moth
Greater Kailash-II
New Delhi – 110 048

We were appointed by the Board of Directors of M/s Kohinoor Foods Limited to conduct the Secretarial Audit of the Company for the financial year ended on 31th March, 2015.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Kohinoor Foods Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Kohinoor Foods Limited'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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Kohinoor Foods Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009 – Not Applicable as the Company did not issue any security during the financial year under review.
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable as the Company has not granted any options to its employees during the financial year under review.



- ❖ The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable as the Company has not issued any debt security during the financial year under review.
- ❖ 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 - Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
- ❖ The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.
- ➢ The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not Applicable as the Company has not bought back any of its securities during the financial year under review.
- ➢ Other laws as applicablefor food Company,

❖The Food Safety and Standards Act including packaging and Labelling Laws.

❖Prevention of Food Adulteration Act, 1954.

❖Legal Metrology Act, 2009 and rules and regulations made thereunder.

❖Other mandatory law in relation to industry.

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India (Not Applicable for the financial year under review).

(a) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Material compliances are listed as Annexure A to this Report.

We further report that:

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(b) Adequate notice of atleast seven days is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least three 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.

(c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period the Company has obtained approval of the members under section 180(1) (c) of the Companies Act, 2013 by way of special resolution for borrowing upto Rs. 1500 crore over and above the aggregate of the paid-up share capital and free reserves of the Company.

For Vinod Aggarwal & Associates

Company Secretaries

Place: New Delhi

Sd/-

Date: 13.08.2015

Vinod Aggarwal, Prop.

FCS No: 8007

CP No:8816

This report is to be read alongwith our letter of even date which is annexed as Annexure B and forms an integral part of this report.

Annexure A

Annexure to Secretarial Audit Report for the financial year ended 31.03.2015

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made there under and the Memorandum and Articles of

Association of the Company with regard to:-

1. maintenance of various statutory registers and documents and making necessary entries therein;
2. contracts, Common Seal, Registered Office and publication of name of the Company;
3. forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities;
4. service of documents by the Company on its Members, Directors, Stock Exchanges, Auditors and the Registrar of Companies;
5. constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Governance and Social Responsibility Committee.
6. appointment, Re-appointment and Retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them.
7. disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities by Directors.
8. disclosure requirements in respect to their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors and Senior Management Personnel as per Clause 49 of the Listing Agreement and with the 'Kohinoor Foods Limited Policy on Insider Information' by the Directors.
9. establishing a policy on Related Party Transactions and hosting the same on the website of the Company.
10. establishing a Vigil Mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee.
11. constituting the Corporate Governance and Social Responsibility (CGSR) Committee, formulating and adopting Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company and hosting the same on the website of the Company.
12. formulation and adoption of Kohinoor Foods Limited Code of Business Conduct and other mandatory policies and hosting the same on the website.
13. appointment of the following as Key Managerial Personnel:-

(a) Mr. Jugal Kishore Arora – Jt Managing Director (Chairman)
(b) Mr. Satnam Arora– Jt Managing Director
(c) Mr. Gurnam Arora – Jt Managing Director
(d) Mr. Rama Kant– Company Secretary
(e) Mr. Prabhat Kumar– Chief Financial Officer

14. appointment and remuneration of Statutory Auditors and Cost Auditors;
15. appointment of Internal Auditors.
16. notice of meetings of the Board and Committees thereof;
17. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
18. Notice convening 25th Annual General Meeting held on 29th September 2014 and holding of the meeting on that date;
19. Minutes of General Meeting;
20. approvals of members, Board of Directors, Committees of Directors, and government authorities, wherever required;
21. report of the Board of Directors for the Financial Year ended 31st March 2014
22. closure of Register of Members/record date for dividends;
23. transfer of amounts as required under the Act to the Investor Education and Protection Fund;
24. borrowings and registration of charges;
25. investment of the Company's funds including inter corporate loans and investments;

For Vinod Aggarwal & Associates
Company Secretaries
Sd/-
Vinod Aggarwal, Prop.
FCS No: 8007
CP No:8816

Place: New Delhi
Date: 13.08.2015



Annexure B

To,
The Members
Kohinoor Foods Limited
Regd Off: 201, Vipps Centre, Masjid Moth,
Greater Kailash-II
New Delhi- 110048
Our report of even date is to be read along with this letter.

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

For Vinod Aggarwal & Associates,
Company Secretaries
Sd/-
Vinod Aggarwal Prop.
FCS No :8007
CP No : 8816
Date: 13.08.2015
Place: New Delhi

ANNEXURE – 'B' TO THE DIRECTORS' REPORT

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming Part of the Directors' Report for the year ended 31st March, 2015.

A. Conservation of Energy

Improvement of methods of Energy Conservation and optimal utilisation of Energy in all operations, continued to receive close attention. Company is always conscious to conserve energy through improved methods of operations and design. In this regard the Company has introduced energy saving features in the systems and monitors by which the user saves the power consumption to a considerable extent.

B. Research & Development (R & D)

I) Specific areas in which R&D carried out by the Company and benefits derived as a result of R&D

Research & Development has always been a focus area at Kohinoor Foods. In the last year the Company has put special efforts in research and development. The R&D team of the Company has worked on a number of areas, more specifically in the areas of frozen foods. This has resulted in the Company being able to launch a range of products in the Kohinoor 'Ghee' and introduction of new range product variants e.g. Rice Bran Oil, Dry Fruits, Quinoa, Chia Seeds, Multigrain etc. in both Ready to Eat & Ready to Cook segments. We expect to notch up good numbers in the next financial year through some exciting product launches and expanding & streamlining the distribution network.



ii) Future plan of action

Steps are continuously being taken to promote the branded sales in domestic as well as overseas market. The Company is continuously making efforts to provide best of quality products to its customers.

iii) Expenditure on R&D

a)	Capital	:	Nil
b)	Recurring	:	Rs. 3,962,724/-
c)	Total	:	Rs. 3,962,724/-

Total R&D expenditure as a percentage of: 0.03% of total turnover

C) Technology Absorption, Adaptation and Innovation

Technology Absorption, Adaptation and Innovation had always been the key strength of the Company. Company plans to be a leading player in technology introduction through innovative products.

D) Foreign Exchange Earnings and Outgo

a) Total Foreign Exchange earned and used.

Foreign Exchange Earnings of the Company amounted to Rs. 88671.91 Lacs as against Foreign Exchange Outgo of Rs. 5,680.17 Lacs during the year under review.

b) Activities related to exports, initiative taken to increase exports, development of new export markets for products.

In the last year, Kohinoor Foods has put in a lot of emphasis to increase exports of value added food products, basmati rice from the country, namely, the following:

- Basmati Rice
- Ghee
- Spices
- Indian Sweets
- Cookies
- Cookies
- Paneer
- Rice Bran Oil
- Dry Fruits
- Quinoa
- Chia Seeds
- Processed Foods (value added culinary products using basmati rice, and other vegetables)

With its traditional strength in the exports of basmati gathered over the years, Kohinoor Foods has yet again put special efforts to increase the exports of value added food products in the last year. The Company having two subsidiaries in UK and USA and a joint venture operation in United Arab Emirates, has been able to provide renewed impetus to the growth of exports of various agro commodities, produced in India.

It has now made substantial inroads in the overseas markets, particularly in Benin, Cyprus, Germany, Iran, Israel, Italy, Jordan, Kuwait, Lebanon, Maldives, New Zealand, Poland, Reunion & Saudi Arabia. Kohinoor Foods has concentrated in marketing of valued added food products and basmati rice in order to maximise selling under its own brand names even in the overseas markets.

FOR AND ON BEHALF OF THE BOARD

Sd/-

JUGAL KISHORE ARORA

CHAIRMAN

Faridabad

August 13, 2015

ANNEXURE -C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[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:

I) CIN	L52110DL1989PLC037097
ii) Registration Date	26th July, 1989
iii) Name of the Company	**Kohinoor Foods Limited**
iv) Category / Sub - Category of the Company	**Public (Listed) Company**
v) Address of the Registered office and contact details:	Regd.Off.: 201, Vipps Centre, Masjid Moth, Greater Kailash - II, New Delhi-110048 Phone: +91-11-29220330 Corp.Off.: Pinnacle Business Tower, 10th Floor, Surajkund, Faridabad, Haryana- 121001 Phone: +91-129-424-2222 Fax:+91-129-424-2233 Email: info@kohinoorfoods.in Website: www.kohinoorfoods.in
vi) Whether listed company Yes / No	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Pvt. Ltd., Off: D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph No. 26812682,83,83

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:-

Sl. No.	Name and Description of	NIC Code of the Product/ service	% to total turnover of the company main products / services
1.	Rice	2042	89%
2.	Food	2180	11%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.NO	Name and Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY / JOINT VENTURE	% of shares held
1.	Kohinoor Foods USA INC,40, Northfield Avenue Edison, NJ 08837	NA	SUBSIDIARY	100%
2.	Indo European Foods Limited, Kohinoor Congress House, 6th Floor, Suite 2, 14 Lyon Road, Harrow, Middlesex, Post Code: HA2 2 EN, United Kingdom	NA	SUBSIDIARY	100%
3.	Sachdeva Brothers Pvt. Ltd. 201, Vipps Centre, Masjid Moth, Greater Kailash-II, New Delhi-110 048	U15311DL1986PTC222606	SUBSIDIARY	100%
4.	Rich Rice Raisers Factory LLC Post Box No. 15542, Al Quoz Industrial Area, 3rd Interchange, Sh Zayed Road, Dubai, U.A.E.	NA	JOINT VENTURE	25%

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
A. Promoter									
(1) Indian									
a) Individual / HUF	16787311	0	16787311	47.64	18291140	0	18291140	51.90	4.26
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	16787311	0	16787311	47.64	18291140	0	18291140	51.90	4.26



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other….	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	16787311	0	16787311	47.6	18291140	0	18291140	51.90	4.26
B. Public Share holding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	164554	0	164554	0.47	171578	0	171578	0.49	0.02
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	17500	0	17500	0.05	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
I) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	182054	0	182054	0.52	171578	0	171578	0.49	0.02
2. Non Institutions a) Bodies Corp.									
i) Indian	3985847	344766	4020323	11.41	2920315	34476	2954791	8.38	-3.03
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4335235	447444	4782679	13.57	3935884	435349	4371233	12.40	-1.17



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
(ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1811798	16200	1827998	5.19	1653758	16200	1669958	4.74	-0.45
c) Other specify									
N.R.I.(Rept & Non-Rept)	237047	0	237047	0.67	200739	0	200739	0.57	-0.10
Public Trusts	0	0	0	0	0	0	0	0	0
Corporate Bodies-OCB	7048306	0	7048306	20	7048306	0	7048306	20	0
Intermediary/Other	0	0	0	0	0	0	0	0	0
Depository A/c									
Hindu Undivided Family	293571	0	293571	0.83	288542	0	288542	0.82	-0.01
Clearing Members/ House	62241	0	62241	0.18	245243	0	245243	0.70	0.52
Qualified Foreign Investor-Individual	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor-Corporate	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	17774045	808410	18272165	51.85	16292787	486025	16778812	48.17	-3.69
Total Public Shareholding (B)=(B)(1)+ (B)(2)	17956099	808410	18454219	52.36	16464365	486025	16950390	48.66	-3.67
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	34743410	808410	35241530	100	34755505	486025	35241530	0	0

(ii) Shareholding of Promoters

Sl N o.	Sharehold er's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	% change in share holding during the year
1.	Gurnam Arora	5594274	15.87	-	6098889	17.31	-	1.44
2.	Jugal Kishore Arora	5556984	15.77	-	6043484	17.15	-	1.38
3.	Satnam Arora	4866209	13.81	-	537823	15.26	-	1.45
4.	Rani Arora	746009	2.12	-	746009	2.12	-	-
5.	Nitin Arora	21000	0.06	-	21000	0.06	-	-
6.	Madhu Arora	1869	0.01	-	1869	0.01	-	-
7.	Meena Rani Arora	966	0.00	-	966	0.0	-	-
	Total	16787311	47.64	-	18291140	51.90	-	-

(i) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No		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 the company
	At the beginning of the year	16787311	47.64		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	13.03.15-1,30,000 17.03.15-1,45,000 18.03.15-1,15,000 20.03.15-1,29,900 23.03.15-1,66,000 24.03.15-1,31.071 25.03.15-1,00,000 26.03.15-1,90,000 27.03.15-1,99,999 30.03.15-1,55,859 31.03.15- 41,000	0.37 0.41 0.33 0.37 0.47 0.38 0.28 0.54 0.57 0.44 0.12	16917311 17062311 17177311 17307211 17473211 17604282 17704282 17894282 18094281 18250140 18291140	48.01 48.42 48.75 49.12 49.59 49.97 50.25 50.79 51.36 51.80 51.90
	At the End of the year	18291140	51.90*	18291140	51.90*

*The increase in percentage of Share is due to purchase of shares from open market.



(I) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S.no.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative	
		No. of Shares at the beginning (01-04-14) /end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the company
1.	Al Dahra International Investments LLC	7048306	20.00	31/03/2015	0			
2.	Transworld Finvest Pvt. Ltd.	1079437	3.06	31/03/2015	0			
3.	Kosani Finance & Investments Pvt. Ltd.	956790	2.71	30/05/2014	200000	sell	756790	-2.15
4.	PUG Stock Brokers Pvt. Ltd.	290736	0.82	01/04/2014	0			
5.	PUG Securities Pvt. Ltd.	236439	0.67	01/04/2014	0			
6.	Naminder Singh Dhir	142484	0.40	01/04/2014	0	-	-	-
7.	Syed Arshad Ali	135748	0.39	01/04/2014	0	-	-	-
8.	United India Insurance Company Limited	117081	0.33	01/04/2014	0	-	-	-
9.	Dilip Kumar Khandelwa	89779	0.25	01/04/2014	0	-	-	-
10.	Sri Gopa Chandak	89707	0.25	01/04/2014	0	-	-	-

(iii) Shareholding of Directors and Key Managerial Personnel:

S.no.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative	
		No. of Shares at the beginning (01-04-14) /end of the year (31-03-2015)	% of total shares of the Company				No. of Shares	% of total shares of the company
	Directors							
1.	Jugal Kishore Arora (Chairman)	5556984	15.77	01/04/2014	486500	Buy	6043484	17.15
2.	Satnam Arora (Jt.M.D)	4866209	13.81	01/04/2014	512714	Buy	5378923	15.26
3.	Gurnam Arora (Jt.M.D)	5594274	15.87	01/04/2014	504615	Buy	6098889	17.31
4.	Vijay Burman (Non-Executive & Independent Director)	-	-	31/03/2015	-	-	-	-
5.	M.K.Trisal (Non-Executive & Independen Director)	-	-	31/03/2015	-	-	-	-
6.	Satish Chandra Gupta (Non-Executive & Independent Director)	-	-	31/03/2015	-	-	-	-
7.	Sandeep Kohli (Non-Executive & Independent Director)	-	-	31/03/2015	-	-	-	-
8.	Khedaim Abdulla Saed Faris Alderei (Non-Executive Investor Director)	-	-	31/03/2015	-	-	-	-
9.	Madhu Vij (Non-Executive & Independent Director)	-	-	31/03/2015	-	-	-	-
Key Managerial Personnel								
Prabhat Kumar (CFO)		-	-	31/03/2015	-	-	-	-
Rama Kant, (CS & GM Legal)		-	-	31/03/2015	-	-	-	-



V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(I) Principal Amount	7,892,370,235	426,341,694	-	8,318,711,930
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15,076,790	258,356	-	15,335,146
Total (i+ii+iii)	7,907,447,025	426,600,050	-	8,334,047,076
Change in Indebtedness during the financial year				
· Addition	217,817,332	-	-	217,817,332
· Reduction	-	416,027,348	-	416,027,348
Net Change	217,817,332	- 416027348	-	-198,210,016
Indebtedness at the end of the financial year				
(I) Principal Amount	8,108,190,317	10,572,702	-	8,118,763,019
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	17,074,040	-	-	17,074,040
Total (i+ii+iii)	8,125,264,357	10,572,702	-	8,135,837,059

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Jugal Kishore Arora	Mr. Satnam Arora	Mr. Gurnam Arora	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,600,000	9,000,000	9,000,000	27,600,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	2,452,455	2,582,043	5,034,498
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	9,600,000	11,452,455	11,582,043	32,634,498
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Vijay Burman	Mr. Sandeep Kohli	Mr. MK Trishal	Mr. SC Gupta	Ms. Madhu Vij	
	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	241,000 - -	241,000 - -	405,600 - -	220,000 - -	25,000 - -	1,132,600 - -
	Total (1)	241,000	241,000	405,600	220,000	25,000	1,132,600
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	241,000	241,000	405,600	220,000	25,000	1,132,600
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

A. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1,913,184	2,682,834	4,596,018
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	194	21,600	21,794
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	2,259,828	3,012,600	5,272,428

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences against Tech Mahindra Limited and its Directors and Officers for the year ended on 31st March, 2015.

ANNEXURE-D

Disclosers as required under section 197(12) of the Companies Act 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of management Personnel) Rules, 2014.

1&2) Ratio of remuneration of each director of the median remuneration of employees of the Company and the Percentage increase in remuneration of Directors & KMPs in the Financial Year :

S. No.	Name of Director/KMP	Designation	Ratio of remuneratio of each director to median remuneration of Employees	Percentage increase in remuneration during FY 2014-15
1	Mr. Jugal Kishore Arora	Chairman	40.84	0.00%
2	Mr. Satnam Arora	Jt. Managing Director	48.72	3.2%
3	Mr. Gurnam Arora	Jt. Managing Director	49.27	5.06%
4	Mr. Prabhat Kumar	Chief Financial Officer	12.82	10.00%
5	Mr. Rama Kant	CS & GM (Legal)	9.61	10.00%

3)	Percentage increase in the median remuneration of employees in the financial year	10%
4)	Number of permanent employee on the roll of Company as at March 31, 2015	421
5)	Explanation on the relation ship between average increase ion	Average remuneration increase was 10%. The turnover is decreased by 0.08% and there is loss during the year.

(Rs. in Million)

6)	Comparison of remuneration of Key managerial Remuneration against the performance of the company	Total Turnover	11,589.74
		Total Remuneration to KMPs	37.91
		Total Remuneration of KMP as % to total revenue	0.33%
7) i	Variation in market capitalization of the company		Market capitalization increased from Rs. 1571.78 million as on 31st March 2014 to Rs. 1899.52 million as on 31st March 2015 as on 31st March 2015
ii	Price earning ratio of the Company		-
iii	Percentage increase over/ decrease in the market quotation of the shares of the company as compared to the rate at which the company come out with the last Public offer in the year		N/A
8)	Average percentile increase already made in the salaries of the employee 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 managerial remuneration		The average increase in remuneration of the employee other than the managerial personnal was 10% as compared to the increase in managerial remuneration by 3%. The increase in managerial remuneration is due to increase in the value of perquisites paid to directors.

9) Comparison of each remuneration of Key Managerial Remuneration against the performance of the Company

S. No.	Name of KMPs	Remuneration in FY 2014-15(Rs. in Million)	Remuneration as% of revenue median remuneration of Employees
1	Mr. Jugal Kishore Arora	9.60	0.08
2	Mr. Satnam Arora	11.45	0.10
3	Mr. Gurnam Arora	11.58	0.10
4	Mr. Prabhat Kumar	3.01	0.03
5	Mr. Rama Kant	2.26	0.02

10)	The Key parameter of any variable component of remuneration availed by the Directors	Not applicable
11)	Ratio of remuneration of highest paid director to that of the employee who are not director but receive remuneration in excess of the highest paid director during the year.	Not applicable
12)	Affirmation that the remuneration is as per the remuneration	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Director, KMP and other employees.



INDEPENDENT AUDITOR'S REPORT

To The Members of Kohinoor Foods Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Kohinoor Foods Limited ("the company"), which comprises the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, 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 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision 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 control, 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.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 judgment, 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 of affairs of the Company as at 31st March 2015 and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

a) Note – 11(c) to the financial statements, the company has not made provision for the Diminution in the value if Investments as the Investment is strategic investment,

b) Note - 38(a)(i) in the financial statements, the company has not made Provision for the demand raised by Income Tax Authorities as the matter is pending before ITAT and DRP.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2105 ("the Order") issued by the Central Government of India in terms of sub - section (11) of section 143 of the Act, we give in the Annexure a statement of the Matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit



b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account

d) In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of 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 of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements ;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long - term contracts including derivative contracts – Refer Note 5 and 9 to the financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAJENDER KUMAR SINGAL & ASSOCIATES LLP
(CHARTERED ACCOUNTANTS)
FRN : 016379N

Sd/-
(Pankaj Gupta)
PARTNER
Membership No. 94909

Place: Delhi
Date: 28-May-2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

i.

a. In our opinion, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and the nature of its assets. The management has confirmed that no discrepancies have been found.

ii.

a. As informed and represented to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable.

b. According to the information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

c. According to the information and explanation given to us, the company has maintained proper records of inventory and no discrepancies have been noticed on physical verification between physical stock and books records.

iii.

a. On the basis of books and records produced before us, the company has granted unsecured loans, to two bodies corporate covered in the register maintained under section 189 of the Companies Act 2013 ("the Act").



b. In the case of loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the terms of arrangements do not carry any interest and the repayment schedule of loans is not specified and are repayable on demand. Accordingly, paragraph 3(iii) (a) and (b) of the Order is not applicable to the Company.

c. There are no overdue amounts of more than rupees one lakh in respect of loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. We have not observed any major weakness in the internal control system during the course of the audit.

v. In our opinion and according to information given to us, the company has not accepted deposits from the public, which come under the directives issued by the Reserve Bank of India & the provisions of section 73 to76 or any other relevant provisions of the Companies Act 2013 and rules framed there under.

vi. To the best of our knowledge and explanation given to us, the cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act have been made and maintained by the company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii.

a. According to information and explanation given to us and on the basis of our examination of the books of accounts, the company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Income Tax, sales-tax, Wealth Tax, Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues (wherever applicable) with the appropriate authorities. As explained to us, there are no arrears of statutory dues as at 31st March 2015 which are outstanding for a period of more than 6 month from the date they become payable.

b. According to the information and explanation given to us, there are no material dues of Wealth Tax and duty of customs which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of Income tax, sales tax, value added tax, service tax and duty of excise have not been deposited by the company on account of disputes:

(INR. In Lacs)

Nature of Dues	Amount	Period to which the Amount relates	Forum where dispute is pending
Income Tax	1920.64	2002-03 to 2008-09	High Court of Delhi
Income Tax	3585.51	2002-03 to 2008-09	ACIT, New Delhi
Income Tax	2843.93	2009-10	Income Tax Appelatte Tribunal- (New Delhi)
Income Tax	3679.11	2010-11	Income Tax Appelatte Tribunal- (New Delhi)
Income Tax	2688.57	2011-12	DRP, New Delhi
Sales Tax - Delhi	122.00	1991-92 to 2000-01	Commissioner of Sales tax (Delhi)
Sales Tax - Amirtsar	477.25	2009-10 to 2010-11	Deputy Excise & Taxation Commission (Appeal)
Sales Tax - Haryana	732.35	2008-09	VAT Tribunal, Haryana
Sales Tax - Haryana	124.16	2010-11	Jt. Excise and Taxation Commissioner (Appeals), Haryana
Excise Duty	42.90	April 2005 to February 2006	CCE (Appeals)
Service Tax	259.25	2004-05 to 2008-09	Service Tax Appelatte Tribunal (New Delhi)



c. According to information and explanation given to us the amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provision of Companies Act 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

viii) The Company has no accumulated losses at the end of the financial year, however it has incurred cash losses in the current financial year.

ix) Based on our audit procedure and as per the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or bank.

x) According to the information and explanation given to us, the company has given corporate guarantee of a sum of Rs. 13029.91 Lakhs for the loan taken by its wholly owned subsidiaries and other associates from banks. In our opinion, the term and condition on which the company has given guarantee for loans taken by its wholly owned subsidiaries from banks are not prima facie prejudicial to the interest of the company.

xi) According to the information and explanation given to us, term loans were applied for the purpose for which they were obtained.

xii) As per the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place: Delhi
Date: 28th May, 2015

For RAJENDER KUMAR SINGAL & ASSOCIATES LLP
(CHARTERED ACCOUNTANTS)
FRN : 016379N

Sd/-
(Pankaj Gupta)
Partner
Membership No. 94909



BALANCE SHEET AS AT 31st MARCH, 2015 **(Rs. In Lacs)**

PARTICULARS	NOTE		AS AT 31-March-2015		AS AT 31-March-2014
EQUITY AND LIABILITIES					
Shareholder's Fund					
Share Capital	2	3,524.15		3,524.15	
Reserve and Surplus	3	37,632.10		44,983.07	
			41,156.25		48,507.22
Non-Current Liabilities					
Long Term Borrowings	4	622.83		3,193.35	
Long Term Provisions	5	239.09		203.98	
			861.92		3,397.33
Current Liabilities					
Short Term Borrowings	6	79,444.22		77,180.85	
Trade Payables	7	5,038.69		13,455.95	
Other Current Liabilities	8	28,038.93		23,736.35	
Short Term Provisions	9	19.18		184.70	
			112,541.03		114,557.85
TOTAL			154,559.20		166,462.40
ASSETS					
Non-Current Assets					
Fixed Assets	10				
Tangible Assets		7,384.88		9,031.99	
Capital Work-in-Progress		68.92	7,453.81	101.27	9,133.26
Non-Current Investments	11	13,240.11		13,240.11	
Deferred tax assets (net)	12	2,633.35		138.73	
Long Term Loans and Advances	13	2,088.04		2,042.33	
			17,961.51		15,421.17
Current Assets					
Inventories	14	105,690.89		108,887.36	
Trade Receivables	15	18,605.26		28,496.02	
Cash and Bank Balances	16	876.33		819.64	
Short Term Loans and Advances	17	3,931.35		3,646.42	
Other Current Assets	18	40.06		58.54	
			129,143.88		141,907.97
TOTAL			154,559.20		166,462.40
Significant Accounting Policies	1				

The Notes Referred To Above Form Part of The Balance Sheet

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
Chartered Accountants
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

PARTICULARS	Note	FOR THE YEAR ENDED 31-March-2015		FOR THE YEAR ENDED 31-March-2014	
INCOME					
Revenue from Operations	19	115,897.39		126,337.69	
Other Income	20	215.50		155.55	
Total Revenue			116,112.89		126,493.25
EXPENDITURE					
Cost of Material Consumed	21		83,993.40		74,739.83
Purchases of Stock-in-Trade	22		15,321.19		18,907.73
Changes of Inventories of Traded Goods	23		(354.50)		3,099.23
Employee Benefits Expenses	24		2,191.41		1,999.02
Finance Costs	25		9,719.89		8,641.28
Depreciation and Amortisation Expenses	10		1,796.08		1,130.40
Other Expenses	26		13,185.76		15,725.58
Total Expenses			125,853.23		124,243.07
Profit Before Extra Ordinary Items			**(9,740.34)**		**2,250.18**
Extra Ordinary Items	27		–		1,527.13
Profit Before Tax			**(9740.34)**		**723.05**
Tax Expenses					
Current Tax		–		171.16	
Less : - MAT credit entitlement		–	–	151.55	19.61
Income Tax for Prior Years			9.48		(180.78)
Deferred Tax			(2,494.62)		233.35
Profit for the year			**(7,255.20)**		**650.87**
Earnings per equity share before extra ordinary items of face value of Rs. 10 each					
Basic and Diluted (in Rs.) [Refer note no. 33]			(20.59)		7.15
Earnings per equity share after extra ordinary items of face value of Rs. 10 each					
Basic and Diluted (in Rs.) [Refer note no. 33]			(20.59)		2.14

The Notes Referred to Above Form Part of The Statement of Profit and Loss

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
CHARTERED ACCOUNTANTS
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2015

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED 31- March-2015	FOR THE YEAR ENDED 31-March-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & extra ordinary items	(9,740.34)	2,250.18
Adjustments for :		
Depreciation	1,796.08	1,130.40
Interest Paid	9,719.89	8,641.28
Interest Received	(57.69)	(42.78)
Dividend Received From Key Man Insurance Policy	(10.74)	(9.30)
Net gain/ loss on sale of Investment	-	(0.25)
Operating profit before working capital changes	**1,707.19**	**11,969.52**
Adjustments for :		
Debtors	9,890.76	(13,883.14)
Inventories	3,196.47	(15,657.26)
Current Liabilities & Provision	(4,245.08)	17,266.44
Direct taxes	(9.48)	161.17
Cash flow before exceptional and extra ordinary items	**10,539.86**	**(143.28)**
Exceptional Items	-	
Extra ordinary items	-	(1,527.13)
Net cash from operating activities	**10,539.86**	**(1670.41)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and change in Capital work in progress	(212.40)	(428.80)
Sale of Investments		0.68
Loans & advances and other current assets	(312.17)	(1,278.15)
Interest Received	57.69	42.78
Dividend Received From Key Man Insurance Policy	10.74	9.30
Net cash from Investment activities	**(456.13)**	**(1,654.18)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital		11,277.29
Proceeds from short term borrowings	2,263.37	2,667.38
Repayment of long term borrowing	(2,570.52)	(2,529.05)
Interest paid	(9,719.89)	(8,641.28)
Net cash flow from financing activities	**(10,027.03)**	**2,774.34**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**56.70**	**(550.25)**
- Cash & Cash equivalent at beginning of the year	819.64	1,369.88
- Cash & Cash equivalent at end of the year *	876.33	819.64
- Effect of change in Exchange Rate on Cash and Cash Equivalent	80.55	(70.21)
* Cash & Cash equivalent include :		
Restricted Bank Balance (In dividend accounts)	-	3.63
FDR/Margin money with Bank	702.20	690.28

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
CHARTERED ACCOUNTANTS
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**



1. Significant Accounting Policies

(a) Basis of Preparation of Financial Statements :

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and comply with the generaly accepted Accounting Priniciples in India including Accounting Standards notified under the relevant provisions of the Companies Act, 2013 to the extent applicable, as adopted consistently by the company.

(b) Use of Estimates and Judgments :

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

(c) Revenue Recognition :

The company follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund ,overdue interest from customers etc have been considered to the extent the amount is accepted by the parties. The principles of the revenue recognition are given below:-

Sales are recognized as follows :

Domestic Sales - At the point of dispatches to customers.

Export Sales - At the time of issue of Bill of Lading.

Sales are recorded net of sales returns, price differences and sales tax.

Sale of license and duty draw back are recognized on realization basis.

(d) Fixed Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. All costs, including financing cost till commencement of commercial production, net charges on foreign exchange contracts, if capitalization criteria are met.

Capital work in progress is stated at cost. Capital WIP includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

(e) Depreciation:

Depreciation is provided on written down value basis at rates provided in Schedule II to the Companies Act, 2013. The depreciation rates which are different from the principal rates specified in Schedule-II are as follows:-

Tarpaulin:	100% p.a.
Wooden & Plastic Crates:	100% p.a.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale, deduction and discardment as the case may be.

(f) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use the



estimated future cash flows are discounted to their present value at the weighted average cost of capital.

(g) Expenditure Incurred during Construction Period:

Expenditure directly relating to construction activity is capitalized, Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

(h) Leases:

(a) Finance Lease:

(i) Assets taken on finance lease are capitalised at fair value or net present value of the minimum lease payments, whichever is less.

(ii) Lease payments are approtioned between the finance charges and outstanding liability in respect of assets taken on lease.

(b) Operating Lease:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(i) Government Grants:

Grants in the nature of capital contribution towards setting up of projects in backward area is adjusted from the cost of the related fixed assets. Grants related to revenue are deducted from the related expense.

(j) Income Taxes:

(i) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods.

(ii) Minimum Alternate Tax (MAT) paid in accordance with Income Tax Act, 1961 gives rise to future economic benefits in the form of adjustments of future income tax liability against such payments.

(iii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.



(k) Provisions, Contingent Liabilities and Contingent Assets :

Provisions

A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are neither recognized nor disclosed.

(l) Employees Benefits :

The Company has adopted the Accounting Standard 15- Employee Benefits prescribed under the Companies (Accounting Standards) Rules, 2006 with effect from 1 January 2008. The Company's obligation towards various employee benefits has been recognized as follows:

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

Defined Benefit Plan

Gratuity cost is a defined Benefit Plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, years approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the profit and loss statement. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the settlement occurs.

(m) Borrowing Cost:

Borrowing cost includes:

a) Interest and commitment charges on bank borrowings and other short term and long term borrowings;

b) Amortization of discounts and premiums relating to the borrowings;

c) Amortization of ancillary costs incurred in connection with the arrangement of borrowing;

d) Finance charges in respect of assets acquired under finance lease and under other similar arrangements; and

e) Exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing cost attributable to the fixed assets during construction/ exploration, renovation and modernization are capitalized. Such borrowing costs are apportioned on the average balance of capital work in progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.



(n) Investments:

Long Term Investments

Long term Investments are stated at cost.

(o) Inventories:

Inventories are valued at cost or net realizable value whichever is lower, as taken, valued and certified by the management. The basis for determining cost for various categories of inventories are as under:

Raw Material	-	At cost on FIFO Basis
Finished Stock	-	At material cost + appropriate share of production overhead. +Other cost to the extent they are incurred in bringing the inventory to the present location and condition. (On weighted average cost basis).
Work in Progress	-	At material cost + appropriate share of production overhead. (On weighted average cost basis).
Packing Material	-	At cost
Stores & Spares	-	At cost

(p) Foreign Exchange Transactions :

Transactions in foreign currency are converted at the exchange rate prevailing at the date of the transaction. Foreign currency monetary assets and liabilities not covered by forward exchange contracts are restated at the year end rates and the resultant gains or losses are recognized in the Profit and Loss account. Non-monetary items are carried in terms of historical cost denominated in foreign currency using the exchange rates at the date of transaction.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitment or of highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Any profit or loss arising on cancellation of a forward contract is recognized as income or expense in the period in which they arise.

Mark to Market exposure arising out of derivative contracts are provided except for those contracts which have been challenged in the court of law and disclosed under contingent liabilities.

The Company follows the Accounting Standards which are made mandatory. It is in the process of formulating the requisite mechanism/systems to meet prescribed requirements under Accounting Standards 30, 31 & 32. It shall be following the accounting policy of recognition, presentation & disclosure of forward exchange transactions including Derivative/ Hedging/ Currency Swaps & Interest Swaps etc as prescribed under these Accounting Standards with effect from the date these are made mandatory by ICAI. Unhedged balances of receivables and payables are disclosed on net basis.

(q) Research & Development :

Revenue Expenditure on Research & Development is charged as an expense in the year in which it is incurred.
Capital expenditure is included in respective heads under fixed assets.

(r) Earning per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equityshareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(s) Cash and Cash Equivalents :

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments ,if any shall be treated separately from cash and cash equivalent.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015 **(Rs. In Lacs)**

PARTICULARS	AS AT 31-March-2015	AS AT 31-March-2014
2. SHARE CAPITAL		
Authorised Share Capital		
75,000,000 (Previous Year 75,000,000) Equity Shares of Rs. 10/- each	7,500.00	7,500.00
Issued, Subscribed And Paid-up Capital		
35,241,530 (Previous Year 35,241,530) Equity Shares of Rs. 10/- each fully paid-up	3,524.15	3,524.15
	3,524.15	3,524.15

a) The reconciliation of the number of shares outstanding is set out below:

Number of Equity Shares at the beginning of the year	35,241,530	28,193,224
Number of Equity Shares issued during the year	-	7,048,306
Number of Equity Shares at the end of the year	35,241,530	35,241,530

b) Shares held by Shareholders holding more than 5 percent shares in the Company :

	Name of Shareholder	As At 31-March-2015		As At 31-March-2014	
		No. of Shares	holding	No. of Shares	holding
(1)	Jugal Kishore Arora	6,043,484	17.15%	5,556,984	15.77%
(2)	Satnam Arora	5,378,923	15.26%	4,866,209	13.81%
(3)	Gurnam Arora	6,098,889	17.31%	5,594,274	15.87%
(4)	M/s Al Dahra International Investments LLC	7,048,306	20.00%	7,048,306	20.00%

c) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share and has equal dividend right. The Company declares and pays dividend in Indian Rupees. The Dividend if proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders.

3. Reserve And Surplus **(Rs. In Lacs)**

		AS AT 31-March-2015		AS AT 31-March-2014
Capital Reserve				
As per last Balance Sheet		742.76		742.76
Securities Premium Account				
As per last Balance Sheet	14,549.43		3,976.97	
Add: on shares issued during the year	-		10,572.46	
		14,549.43		1,4549.43
General Reserve				
As per last Balance Sheet	11.266.94		11,266.94	
Less: Adjustment related to fixed assets (refer to note 10)	95.77		—	
		11,171.17		11,266.94
Surplus from Statement of Profit & Loss				
As per last Balance sheet	18,423.94		17,773.07	
Add: Profit during the year	(7,255.20)	11,168.74	650.87	18,423.94
		37,632.10		44,983.07



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
4. LONG TERM BORROWINGS		
Secured Loans		
Term Loans from Banks	600.00	1,704.35
Long Term maturity of Finance Lease obligations	22.83	—
	622.83	1,704.35
Unsecured Loans		
Loan from Promoters	—	1,489.00
	622.83	3,193.35

a) Term loans are repayable in monthly/quarterly installments. Maturity profile of non-current term loans from banks are as set out below:

Term Loan Installments Repayable within:-		
1-2 Years	600.00	1,104.35
2-3 Years	-	600.00
	600.00	1,704.35

b) Term Loans carry different interest rates ranging from 12.75% to 13.5% per annum.

c) Term loan form banks (including current maturities) are secured by:-

i) Secured by mortgage of property belonging to Promoters and charge on Fixed Assets and second pari pasu charge on Current Assets of the company.	--	639.36
ii) Secured by fixed assets financed against the loan.	1,200.00	1,800.00
iii) Secured by Charge on third party property.	250.00	1,250.00
iv) Secured by charge on head office premises at Surajkund	254.35	529.35

5. LONG TERM PROVISIONS		
Provision for Employee Benefit		
Provision for Gratuity	239.09	203.98
	239.09	203.98
6. SHORT TERM BORROWINGS		
Secured		
Loan repayable on Demand from Banks	79,338.49	74,680.24
Unsecured		
Overdraft in Current Account	105.73	2,500.61
	79,444.22	77,180.85



a) Loan repayable on Demand from Banks include the followings		
Pre-Shipment	49,524.43	44,306.18
Post-Shipment	6,855.91	6956.60
Working Capital Demand Loan	1,200.00	1,050.00
Cash Credit	18,768.78	19,710.76
Suppliers Bill Discounting	2,989.37	2,656.70
	79,338.49	74,680.24

b) Loan repayable on Demand from Banks are secured by hypothecation of Inventory, book debts and other current assets of the company, both present and future and the first charge on fixed assets of the company (excluding of specific assets charged to Term lending Banks).

7. TRADE PAYABLE

-Due to Micro, Small and Medium Enterprises	—	—
-Due to Others	5,038.69	13,455.95
	5,038.69	13,455.95

The Ministry of Micro, Small and Medium Enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at the year end has been made in the financial statements based on the information received and available with the Company. Based on the information received from vendors, there are no dues outstanding to micro and small enterprises (Suppliers) covered under the Micro, Small and Medium Enterprises Development Act, 2006.

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Secured)	1,104.35	2,514.36
Current maturities of long-term debt (Unsecured)	--	273.81
Current maturities of finance lease obligations	16.23	24.75
Interest Accrued and due on borrowings	170.74	153.35
Advance received from customers	25,323.09	17,110.07
Unclaimed Dividends	—	3.63
Statutory Liabilities	124.99	111.66
Employees Benefit Expenses	84.74	131.31
Other Liabilities	1,214.79	3,413.40
	28,038.93	23,736.35

9. SHORT TERM PROVISIONS

Provision for employee benefits		
Provision for gratuity	17.67	13.88
Other Provisions		
Income Tax [Refer note no. 38]	—	169.35
Wealth Tax	1.52	1.47
	19.18	184.70

10. FIXED ASSETS

(Rs. In Lacs)

Particulars	Gross Block				Depreciation					WDV	WDV
	As at 31-03-2014	Additions	Deletions	As at 01-04-2014	As at 01-04-2014	For the Year	# Adjusted from Genernal Reserve	Deletions/ Adjustments	As at 31-03-2015	As at 31-03-2015	As at 31-03-2014
TANGIBLE ASSETS											
LAND	325.65	—	—	325.65	—	—	—	—	—	325.65	325.65
FACTORY BUILDING	3,031.78	14.07	—	3,045.85	1,523.92	184.24	—	—	1,708.17	1,337.69	1,507.86
OFFICE BUILDING	2,278.86	—	—	2,278.86	249.28	102.72	—	—	352.00	1,926.86	2,029.58
PLANT & MACHINERY & OFFICE EQUIPMENT	11,216.64	26.61	—	11,243.25	6,651.34	1,212.35	88.45	30.30	7,921.83	3,321.42	4,565.30
FURNITURE & FIXTURES	422.25	5.20	—	427.45	174.06	76.54	4.05	(30.30)	284.96	142.49	248.20
WOODEN, PLASTIC CRATES & TARPAULINS	76.57	24.05	—	100.62	24.03	64.63	—	—	88.66	11.96	52.53
COMPUTERS	201.80	18.22	—	220.02	174.53	25.17	3.20	—	202.89	17.12	27.27
VEHICLES*	948.59	163.59	45.09	1,067.09	672.99	130.43	0.08	38.09	765.40	301.69	275.61
TOTAL	**18,502.15**	**251.74**	**45.09**	**18,708.80**	**9,470.15**	**1,796.08**	**95.77**	**38.09**	**11,323.91**	**7,384.88**	**9,031.99**
PREVIOUS YEAR	17,825.95	691.19	15.00	18,502.15	8,348.07	1,130.40	—	8.32	9,470.15	9,031.99	9,477.88

CAPITAL WORK IN PROGRESS

(Rs. In Lacs)

Particulars	Gross Block			
	As at 31-03-2014	Addition during the year	Capitalisation during the year	As at 31-03-2015
Machinery WIP	79.30	41.20	79.46	41.04
Electric Installation WIP	16.92	7.96	—	24.88
Building WIP	5.05	12.23	14.28	3.00
TOTAL	**101.27**	**61.39**	**93.74**	**68.92**
PREVIOUS YEAR	356.98	85.89	341.59	101.27

Note:

* Vehicles include the financial leased vehicles.

Pursuant to the enactment of companies Act, 2013, the company has applied the estimated useful lives as specified in Schedule - II. Accordingly the unamortised carrying value is being depreciated over the revised/remainging useful lives. The written down value of fixed assets amounting to Rs. 9,577,164/- whose lives have expired as at 1st April, 2014 have been adjusted from General Reserve .



(Rs. In Lacs)

		AS AT 31-March-2015	AS AT 31-March-2014
11.	**NON-CURRENT INVESTMENTS**		
	Trade Investments		
	Investment in Unquoted Equity Instruments		
	Subsidiary Companies		
	Kohinoor Foods USA Inc. 56,000 (Previous year - 56,000) shares of USD 62.5 each fully paid up	1,608.68	1,608.68
	Indo European Foods Ltd., UK 5,183,534 (Previous year - 5,183,534) shares of GBP 1 each fully paid up	4,185.78	4,185.78
	Sachdeva Brothers Pvt. Ltd. 15,835 (Previous year - 15,835) shares of Rs. 100 each fully paid up	71.34	71.34
	Joint Venture Company		
	Rich Rice Raisers Factory LLC. 75 (Previous year - 75) shares of DHR 1000 each fully paid up	9.42	9.42
	Others		
	Kohinoor Speciality Foods India Pvt. Ltd. 44,161 (Previous year - 44,161) shares of Rs. 10 each fully paid up	4,220.86	4,220.86
	Investment in Unquoted Preference Shares		
	Subsidiary Companies		
	Kohinoor Foods USA Inc. 80,000 (Previous year - 80,000) shares of USD 62.5 each fully paid up	2,369.77	2,369.77
	Indo European Foods Ltd., UK 1,000,000 (Previous year - 1,000,000) shares of GBP 1 each fully paid up	773.64	773.64
	Other Investment		
	Investment in Quoted Equity Instruments		
	Anu Laboratories Ltd. 5,940 (Previous year - 5,940) shares of Rs. 1 each. Fully paid up	0.62	0.62
		13,240.11	13,240.11
a)	Aggregate amount of Quoted investments	0.62	0.62
	Aggregate amount of Market value of Quoted Investments	0.01	0.01
	Aggregate amount of Un-quoted Investments	13,239.49	13,239.49

b) All the Non-current investments are carried at cost.

c) The Company's Investment in Subsidiary/Joint Venture Companies are long term strategic investment involving long-term commitment. The losses incurred by wholly owned subsidiary companies are not going to effect the company's investment in long run, therefore no provisions for diminution in the value of investment or losses suffered by the subsidiary companies have been made in the accounts. However, consolidated financial statements have been prepared in accordance with AS-21 prescribed by the Companies (Accounting Standard) Rules, 2006.

12.	**DEFERRED TAX ASSETS (NET)**		
	Disallowance under Income tax act, 1961	87.27	73.57
	Related to fixed assets	(141.61)	(383.11)
	Related to business loss	2,687.69	448.27
		2,633.35	138.73



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
13. LONG TERM LOAN AND ADVANCES		
(Unsecured, Considered Good)		
Capital Advances	33.36	58.38
Security Deposit	129.48	129.56
Loan and advances to related parties	1,925.20	1,854.39
	2,088.04	2,042.33
a) Loans and advances to related parties*		
To Subsidiary Companies		
Sachdeva Brothers Private Limited	3.53	3.14
To Joint Venture		
Rich Rice Raisers Factory LLC.**	1,921.67	1,851.25
	1,925.20	1,854.39

*The loan and advances are provided for general business purpose.

** The loan to the Joint Venture Company, Rich Rice Raisers Factory LLC of Rs. 1,921.67 Lacs does not carry any interest and the repayment schedule is not specified.

b) Disclosures required by Clause 32 of the Listing Agreement

Amount of loans and advances in the nature of loans outstanding from subsidiaries, where interest is not charged.

Subsidiary Company		
Sachdeva Brothers Private Limited		
Amount outstanding at the end of years	3.53	3.14
Maximum amount outstanding during the years	3.53	3.14
14. INVENTORIES*		
(As taken, valued and certified by the Management)		
Raw Material	11,959.29	12,383.03
Finished Goods	91,835.56	95,093.15
Stock-in-trade	585.05	230.56
Stores and Spares	234.93	161.05
Packing Materials	1,076.06	1,019.57
	105,690.89	108,887.36

* Inventories are valued at cost or net realizable value which ever is lower.

15. TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months	2,900.50	3,163.57
Others	15,704.75	25,332.45
	18,605.26	28,496.02
a) Trade receivables include the following amount due from related parties		
Subsidiary Company		
Kohinoor Foods USA Inc	5,410.82	5,881.69
Indo European Foods Ltd.	3,354.78	3,858.89
Joint Venture Company		
Rich Rice Raisers Factory LLC.	—	1,104.97
	8,765.60	10,845.55



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
16. CASH & BANK BALANCES		
Cash & Cash Equivalents		
Balances with Banks in Current Accounts	138.74	98.34
Cash in Hand	35.39	27.38
	174.13	125.73
Other Bank Balances		
Fixed Deposits as Margin Money with Banks	702.20	690.28
Un-paid Dividend Accounts*	---	3.63
	702.20	693.91
	876.33	819.64

*Pursuant to Provision of the Companies Act, 2013, dividend of Rs. 3.63 Lacs pertaining to year 2006-2007, which was unclaimed for a period of seven years, was transferred during the year to the Investor Education and Protection Fund administered by the Central Government.

17. SHORT TERM LOAN AND ADVANCES		
(Unsecured considered good)		
Staff Advance	21.04	11.66
Pre-paid Expenses	187.12	295.98
Advance against Purchases	688.28	195.01
Advance Tax	2,228.67	2,176.42
MAT Credit Entitlement	453.97	471.76
Others	352.27	495.59
	3,931.35	3,646.42
18. OTHER CURRENT ASSETS		
(Unsecured, Considered good)		
Interest accrued but not due on bank deposits	40.06	58.54
	40.06	58.54

(Rs. In Lacs)

	For the Year Ended 31-March-2015	For the Year Ended 31-March-2014
19. REVENUES FROM OPERATIONS		
Sales of Products	115,715.26	126,237.29
Other Operating Revenues	182.13	100.40
	115,897.39	126,337.69
a) Sales of Products		
Rice	102,890.13	110,801.47
Foods	7,014.44	5,718.01
Pulses	—	1,937.74
Other Foods Products	5,810.69	7,780.07
	115,715.26	126,237.29
b) Other Operating Revenues		
Sale of Scrap	90.58	43.11
Duty Drawback/ Sale of License	91.55	57.29
	182.13	100.40



(Rs. In Lacs)

	For the Year Ended 31-March-2015	For the Year Ended 31-March-2014
20. OTHER INCOME		
Dividend from Key man Insurance Policy	10.74	9.30
Interest Income	57.69	42.78
Miscellaneous Income	147.07	103.47
	215.50	155.55
21. COST OF MATERIAL CONSUMED		
Opening Stock	107,476.18	88,724.20
Add: Purchases	80,312.07	93,491.80
Less Closing Stock	103,794.85	107,476.18
	83,993.40	74,739.83
Cost Of Material Consumed Under Broad Heads		
Paddy	32,409.07	36,186.78
Rice	51,584.33	38,553.05
	83,993.40	74,739.83
22. PURCHASE OF STOCK IN TRADE UNDER BROAD HEADS		
Non-Basmati Rice	3,355.51	6,998.97
Foods	6,347.47	5,025.76
Pulses	—	31.40
Other Foods Products	5,618.21	6,851.59
	15,321.19	18,907.73
23. CHANGES OF INVENTORIES OF TRADED GOODS		
Opening Stock	230.56	3,329.79
Closing Stock	585.05	230.56
	(354.50)	3,099.23
24. EMPLOYEE BENEFIT EXPENSES		
Staff Salaries	1,580.37	1,421.75
Director's Remuneration	326.34	317.60
Gratuity	51.67	54.55
Bonus	44.66	42.81
Staff Welfare	105.66	95.08
Employer's Contribution to P.F.& ESI	82.71	67.24
	2,191.41	1,999.02
25. FINANCE COST		
Interest Expense*	8,920.46	7,920.16
Other Bank Charges	34.07	8.12
Other Borrowing Cost	765.36	712.99
	9,719.89	8,641.28

*Interest cost for the year includes exchange difference of Rs. 270.50 Lacs arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest expense.



(Rs. In Lacs)

	For the Year Ended 31-March-2015	For the Year Ended 31-March-2014
26. OTHER EXPENSES		
a) Manufacturing Expenses		
Loading and Unloading Charges	278.56	287.15
Packing Materials Consumed	3,480.11	4,127.22
Wages	103.92	77.76
Processing Charges	20.09	80.10
Repair to Machinery	153.24	164.50
Consumables & Stores Consumed	153.05	129.70
Power & Fuel	999.65	786.77
Brokerage & Commission	7.41	496.51
	5,196.03	6,149.71
b) Administrative Expenses		
Payment to Auditors		
-Statutory Audit Fee	16.50	15.00
-Tax Audit Fee	4.00	4.00
-Other Matters	4.99	5.67
Postage, Telegram and Telephone	85.50	86.75
General Expenses^	143.66	127.27
Storage & Warehousing	—	22.18
Legal and Professional Charges	209.34	760.15
Loss on sale of Asset	—	0.10
Electricity Expenses	10.96	10.91
Rates and Taxes	18.27	14.95
Other Taxes Paid	69.67	135.13
Charity and Donation	22.96	7.21
Vehicle Maintenance	117.72	94.17
Printing and Stationery	27.33	29.60
Fumigation Expenses	90.92	90.29
Insurance Charges	158.92	182.17
Conveyance	47.25	43.30
Membership & Subscription	25.72	18.20
Traveling Expenses (Directors)	129.38	92.18
Traveling Expenses (Others)	124.20	120.77
Research & Development	39.63	19.10
Rent	97.80	47.35
Staff Recruitment Expenses	11.83	8.06
Bad Debts	246.73	41.36
Repairs to Building	123.09	113.34
Repairs to Others	98.11	73.42
Foreign Exchange Gain Loss	(459.74)	567.38
	1,464.74	2,730.01

^^ Expenses incurred during the year on registration of trade mark amounting to Rs.4.11 lacs (Previous year: Rs. 1.38 lacs) has been charged to profit/loss a/c and has not been recognized as an Intangible asset as per Accounting Standard-26.



(Rs. In Lacs)

	For the Year Ended 31-March-2015	For the Year Ended 31-March-2014
c) Selling & Distribution Expenses		
Advertisement and Publicity	32.32	43.87
Business Promotion	514.29	623.54
Rebate & Discount	—	1.70
Ocean Freight	2,128.93	2,408.92
Expenses Against Export	182.62	118.09
Brokerage & Commission on Sales	118.24	70.40
Clearing and Forwarding	3,548.60	3,579.34
	6,524.99	6,845.86
	13,185.76	15,725.58

27. Extra Ordinary Items

The company has entered into agreements with banks in respect of disputed liability on account of derivative transaction, which was shown as contingent liability in the notes on financial statements for the year ended 31st March 2013. The net loss on account of these agreements has been shown as extraordinary items in the statement of profit and loss for the year ended 31st March 2014

28. Disclosures under Accounting Standard 11 on "Effects of Change in Foreign Exchange Rates" :

a) Foreign currency exposure not hedged by a derivative instrument or otherwise

(Figures In Lacs)

Particulars	Currency	In Foreign Currency as at 31 March 2015	In Rupees
Export Receivable	USD	143.26	8,966.68
	GBP	0.29	26.78
Advance received from customers for export	USD	192.68	12,060.02
	EURO	0.05	3.29
Loans and advances	AED	113.22	1,921.67
Borrowings	USD	295.52	18,497.12
	GBP	10.35	957.01

b) As required under AS-11 the company has outstanding Forward contracts as on 31st March 2015 and there is Marked to Market (MTM) unrealized loss on forward contracts of Rs. 22.06 Lacs, which has been accounted for accordingly in the books of accounts.

c) Outstanding forward exchange contracts entered by the company for the purpose of hedging its foreign currency exposures are as under:

(Figures In Lacs)

Currency	Cross Currency	In Foreign Currency as at 31 March 2015	Fair value as at 31 March 2015
USD	Indian Rupees	40.00	2,561.15
GBP	Indian Rupees	5.00	473.90



29. Disclosures under Accounting Standard 15 on "Employees Benefits" :

a) Defined Contribution Plans:

Amount of Rs. 82.71 Lacs (previous year Rs. 67.23 Lacs) pertaining to employer's contribution to Provident Fund and Employees State Insurance is recognized as an expense and included in "Employees cost " in Note No. 24.

b) Defined Benefit Plan:

General description of Defined Benefit Plan (Gratuity):

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days basic salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service. The Company has set a limit of Rs. 10.00 lacs (previous year Rs.10.00 lacs) per employee.

(c) The disclosures for gratuity cost is given below:

(i) The changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

(Rs. In Lacs)

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Present value of obligation at the beginning of the year	217.86	174.53
2	Interest cost	17.97	14.40
3	Past service cost	—	—
4	Currents service cost	30.79	27.02
5	Liability transferred out	—	—
6	Benefits paid	(13.00)	(11.42)
7	Actuarial (gain)/loss on obligation	3.14	13.33
8	Present value of obligation at the end of the year	256.76	217.86

(ii) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Fair value of plan assets at the beginning of the year	1.41	5.06
2	Expected return on plan assets	0.12	0.44
3	Contributions	13.00	7.57
4	Liability transferred out	—	—
5	Benefits paid	(13.00)	(11.42)
6	Actuarial gain/(loss) on plan assets	0.10	(0.24)
7	Fair value of plan assets at the end of the year	1.63	1.41

(iii) Actuarial gain/ loss recognized are as follows:

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Actuarial gain/(loss) for the year - obligation	(3.14)	(13.33)
2	Actuarial gain/(loss) for the year - plan assets	0.10	(0.24)
3	Total gain/(loss) for the year	(3.03)	(13.57)
4	Actuarial gain/(loss) recognized in the year	(3.03)	(13.57)
5	Unrecognized actuarial gains (losses) at the end of year	—	—



(iv) The amounts recognized in Balance Sheet are as follows:-

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Present value of obligation as at the end of the year	256.76	217.86
2	Fair value of plan assets as at the end of the year	1.63	1.41
3	Funded/(unfunded) status	(255.12)	(216.45)
4	Excess of actual over estimated	0.10	(0.24)
5	Net assets/(liability) recognized in balance sheet	(255.12)	(216.45)

(v) The amounts recognized in Profit and Loss Account are as follows

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
1	Current service cost	30.79	27.02
2	Past service cost	—	—
3	Interest cost	17.97	14.40
4	Expected return on plan assets	(0.12)	(0.44)
5	Net actuarial (gain)/loss recognized in the year	3.03	13.57
6	Expenses recognized in the statement of profit and losses*	51.67	54.55

* Included in the "Employee Costs" in Note No. 24

(vi) Principal actuarial assumptions at the balance sheet date are as follows:

A. Economic Assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
1	Discount rate	8.25%	8.25%
2	Expected rate of return on plan assets	8.70%	8.70%
3	Salary growth rate	6.00%	6.00%

B. Demographic Assumption

1	Retirement Age	58 Years
2	Mortality table	Indian Assured life maturity (2006-08) ultimate

30. Disclosures under Accounting Standard 17 on "Segment Reporting":

The Company is primarily engaged in the business of manufacturing, trading & marketing of food products which is a single segment, as per Accounting Standard (AS) 17 issued by the Institute of Chartered Accountants of India.

31. Disclosures under Accounting Standard 18 on "Related Party Disclosures" :

31.1 List of Related Parties

i) Wholly Owned Subsidiaries of the Company
- Sachdeva Brothers Pvt Ltd. India
- Kohinoor Foods USA Inc.
- Indo European Foods Ltd., UK

ii) Joint Venture/Associates of the Company
- Rich Rice Raisers Factory LLC.- Dubai

iii) Key Managerial Personnel and their relatives

Mr. Jugal Kishore Arora	Chairman
Mr. Satnam Arora	Jt.Mg.Director
Mr. Gurnam Arora	Jt.Mg.Director
Mr. Nitin Arora	Son of Mr. Jugal Kishore Arora
Mr. Amit Arora	Son of Mr. Satnam Arora
Mr. Ankush Arora	Son of Mr.Gurnam Arora
Mr. Nishant Arora	Son of Mr.Gurnam Arora

iv) Enterprise over which key managerial personnel exercise significant influence
- Satnam Overseas (Exports) - Partnership Firm of Promoter Directors
- Adonis No.1 Beauty Clinic LLP
- Incredible Foods Pvt. Ltd.
- Satnam International Pvt. Ltd.
- Satnam Haegens Ltd.
- Adhiraj Buildcon Pvt. Ltd.
- Booker Satnam Wholesale Pvt. Ltd.
- Little Munchkins LLP.

31.2 The following transactions were carried out with related parties in the ordinary course of Business during the year*

(Rs. In Lacs)

	Subsidiary Companies	Joint Venture Company/ Associates	Key management personnel and their relatives	Enterprises over which Key management personnel exercise significant influence
Transactions during the year				
- Sale of Product	13,719.53 *(14,557.04)*	- *(1,255.63)*		
- Remuneration			491.49 *(461.27)*	
- Advance received from Customer		206.83 —		
- Expenses	—	—		— (12.59)
- Expenses Reimbursement to the related party	35.53 (10.46)	0.16 -		
- Loan from Promoters related party			500.00 (1,109.00)	
- Repayment of Promoters Loan			1,989.00	
- Expenses incurred on behalf of the related party	0.39 *(0.30)*			
Balances outstanding at the year end:-				
- Loans/Advances	3.53 *(3.14)*	1,921.67 *(1,851.25)*		
- Loan from Promoter			— *(1,489.00)*	
- Debtors	8,765.60 *(9,740.58)*	- *(1,104.97)*		
- Advance form customers		206.83		
- Corporate guarantee given by the company	13,029.91 *(15,094.45)*			

*Figures in ( ) are related to previous year.



	AS AT 31-March-2015	(Rs. In Lacs) AS AT 31-March-2014

32. Disclosures under Accounting Standard 19 on "Leases":

32.1 Total of minimum future lease payments under non-cancelable operating leases for various periods are as follows:-

Amount payable not later than one year	95.58	98.32
Amount payable later than one year but not later than five years	336.32	189.44
Amount payable later than five years	Nil	Nil
	431.90	287.76

The company has entered into operating lease agreements that are renewable on a periodic basis and cancelable at company's option.

The company has not entered into sublease agreements in respect of these leases.

32.2 The company has taken on lease certain vehicle and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under :-

a) Obligations towards minimum lease payments:-		
Amount payable not later than one year	19.57	25.69
Amount payable later than one year but not later than five years	24.47	Nil
Amount payable later than five years	Nil	Nil
	44.04	25.69
b) Present value of (a) above :-		
Amount payable not later than one year	16.23	24.75
Amount payable later than one year but not later than five years	22.83	Nil
Amount payable later than five years	Nil	Nil
	39.06	24.75
c) Finance Charges	4.97	0.94

33. Disclosures under Accounting Standard 20 on "Earning Per Share" :

a) Calculation of Weighted Average number of equity shares		
For Basic/Diluted EPS		
No. of Shares at the beginning of the year	35,241,530	28,193,224
Equity Shares issued during the year	—	7,048,306
Total number of equity shares outstanding at the end of the year	35,241,530	35,241,530
Equity shares outstanding for 248 days	35,241,530	28,193,224
Equity shares outstanding for 117 days	35,241,530	35,241,530
Weighted Average number of equity shares outstanding during the year	35,241,530	30,452,544
b) Net Profit after tax available for equity shareholders		
Before Extra Ordinary item (Rs. in Lacs)	(7,255)	2,178
After Extra Ordinary Item (Rs. in Lacs)	(7,255)	651
Earnings per share (face value per share Rs. 10 each)		
Basic and Diluted: before extra ordinary item (Rs.)	(20.59)	7.15
Basic and Diluted: after extra ordinary item (Rs.)	(20.59)	2.14



(Rs. In Lacs)

	AS AT 31st March, 2015	AS AT 31st March, 2014
34. Disclosures under Accounting Standard 27, "Financial Reporting of Interest in Joint Venture" :		
Rich Rice Raisers Factory LLC (Dubai) % holding in Joint Venture	25.00%	25.00%
34.1 The Company's Share of the assets, liabilities, contingent liabilities and capital commitments as at 31 March 2015		
Assets		
Non-current Assets	27.88	36.77
Non-current Investment	134.21	204.10
Current Assets	1099.68	2,51,9.30.
	1,261.76	2,760.16
Liabilities		
Non-current Liabilities	1,278.40	1,359.16
Current Liabilities	101.38	1,133.27
	1,379.78	2,492.43
Contingent Liabilities	—	1.10
Income	15.68	2,503.00
Expenses	369.47	2,797.62

(Rs. In Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
35. Other disclosures as per Revised Schedule VI of the Companies Act, 2013		
CIF Value of Imports		
- Capital Goods	15.55	
- Material Purchase	4,980.65	6,184.58
- Packaging Material	95.99	76.00
	5,092.18	6,260.58
Expenditure in Foreign Currency (On accrual basis)		
- Traveling	85.37	51.74
- Business Promotion	403.94	363.76
- Legal & Professional Charges	2.36	13.73
- Membership & Subscription	7.94	8.48
- Entertainment	2.47	4.44
- Boarding & Lodging Expenses	4.50	23.79
- Bad debts	—	43.65
- Clearing & Forwarding	0.64	16.00
- Advertisement & Publicity	24.41	7.91
- Telephone Expenses	1.21	1.16
- Commission on Export Sales	51.03	25.49
- Printing & Stationery	0.02	0.17
- Repair and Maintainance	4.10	—
	587.99	560.32
Earning in Foreign Exchange		
- FOB Value of Export of Goods	86,542.98	91,963.15

36. Consumption of Raw Material, Components and Spares etc.

(Rs. In Lacs)

	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
Consumption of	**Amount**	**%**	**Amount**	**%**
Indigenous	82,534.38	94.19%	72,736.17	92.07%
Imported	5,092.18	5.81%	6,260.58	7.93%
	87,626.56	100.00%	78,996.75	100.00%

37. Disclosures under Accounting Standard 29, "Provisions, Contingent Liabilities and Contingent Assets" : (Rs. In Lacs)

Provision relating to	Opening Balance as at 1 April, 2014	Created during the year	Withdrawals/ Deposited	Closing Balance as at 31 March, 2015
Gratuity	217.86	51.67	12.77	256.76
Income Tax	169.35	—	169.35	—
Wealth Tax	1.47	1.51	1.47	1.51
	388.68	53.19	183.60	258.27

(Rs. In Lacs)

		As at 31 March, 2015	As at 31 March, 2014
38.	**Contingent Liabilities**		
a)	**Claims against the company, not acknowledged as debt**		
i	Income Tax	14,717.77	14,405.96
ii	Sales Tax - Delhi	122.00	122.00
iii	Excise & Taxation Dept., Punjab	477.25	477.25
iv	Excise Duty	42.91	42.91
v	Service Tax	259.25	259.25
vi	Liability on account of Derivatives Transactions-PNB	2,749.00	2,749.00
vii	Legal Cases against the Company	963.94	963.94
viii	TDS/TCS	—	0.74
ix	VAT-Haryana	856.51	—
b)	Corporate Guarantee given by the Company.	13,029.91	13,397.00
c)	Surety Bonds issued to Govt. Agencies under EPCG scheme	1,886.65	1,886.67

Nature of Contingent Liabilities and other particulars are as given below:-

I The Company has preferred an appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2002-03 to 2008-09 in which additional income tax of Rs. 63.32 Cr (Pr. Yr. 63.32 Cr) alongwith interest Rs. 31.55 Cr. (Pr. Yr.-Rs.31.55 Cr.) has been demanded. Subsequently, company has deposited Rs. 13.50 Cr. "Under Protest" against the aforesaid demand.

Subsequently, during the last year, Hon.'ble ITAT, New Delhi has passed its order on 21st July 2014 against the above appeal and has granted significant relief by deleting the addition of more than Rs. 110 Cr out of the total addition of Rs. 185 Cr. In view of the substantial material placed on the record, Hon'ble ITAT has remanded back certain issues to the Assessing Officer for fresh adjudication. As per the partial appeal order effect received from the Deptt., the tax demand and interest demand stand reduced to Rs.30.23 Cr and Rs.24.83 Cr. respectively.

Against the above ITAT order, appeal filed by the Income Tax Deptt. has been dismissed by Hon.'ble Delhi High Court whereas company's appeal filed before Hon.'ble Delhi High Court is pending to be heard.

The Company has preferred another appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2009-10 in which income tax of Rs. 17.90 Cr alongwith interest Rs. 10.54 Cr. has been demanded.

The Company has preferred another appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2010-11 in which income tax of Rs. 23.31 Cr alongwith interest Rs. 13.48 Cr. has been demanded.

The Company has also filed objections before the Dispute Resolution Panel, New Delhi against the draft assessment order passed by the Income Tax Deptt. in respect of Assessment Years 2011-12. The tax effect of the additions made are estimated at Rs. 26.89 Cr.

As per the advice received from legal experts and on the basis of merit of the case, there is a high probability that the aforesaid impugned orders will be set aside and the demand will be deleted. Accordingly, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts.

ii An appeal before the Sales Tax Commissioner - Appeals, New Delhi is lying pending in respect of Sales Tax demand on sale of REP Licences made in earlier years.

iii An appeal is lying pending before the Dy. Excise & Taxation Commissioner-Appeal, Punjab against the Order received from Excise and Taxation Deptt., Punjab in respect of Year 2009-10 and 2010-11 demanding a sum of Rs. 4.50 Cr towards the cess imposed by the State Govt. on exports. The company has challenged the validity of imposition of cess on export in its appeal as the same is not permissible under article 286 of the Constitution of India. Further demand has been raised for Rs. 26.83 Lacs after completing the Sales Tax assessment for AY 2011-12 against which appeal has been filed.



iv An appeal before the Customs, Excise & Service Tax Appellate Tribunal, New Delhi is lying pending against the order of Commissioner of Central Excise (Appeals), Delhi -III in respect of additional excise duty demanded by the Excise department in connection of dispute over classification of goods - food product produced at Bahalgarh Factory- as per the Central Tariff Act. As the matter is still pending before the Tribunal, no provision in the books of accounts have been made

v An appeal before the Appellate Tribunal is lying pending against the order received from the office of Service Tax Commissionerate, New Delhi demanding the service tax & penalty Rs. 2.59 Cr in respect of certain services provided in earlier years. As per the advice received from the legal experts and on the basis of merit of the case, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts. Subsequently, the company has deposited Rs.20 Lacs "Under Protest" as per the directions given in the stay order granted by Appellate Tribunal in this regard.

vi The company has filed a suit for declaration, and mandatory injunction against the Reserve Bank of India and Punjab National Bank before the Hon'ble High Court, New Delhi for loss of Rs. 27.49 Cr. arising out of forex derivative transactions.

vii The Board of Trustee of the port of Mumbai has filed a money suit for recovery of Rs. 9.64 Cr. towards alleged outstanding demurrage charges against which the company has filed its counter claim of Rs. 10.88 Cr. towards the financial losses, interest on the investment, refund of the license fees, refund of the demurrage charges, compensation and damages etc.

viii The company has filed appeals before the Jt. Excise and Taxation Commissioner (Appeals), Haryana against the order passed by Haryana VAT Authority, Sonepat demanding the additional tax of Rs. 1.24 Cr. for the Assessment Year 2010-11.
The Company has also filed another appeal before the Tribunal, Haryana State against the order passed by Jt. Excise and Taxation Commissioner-cum-Revisional Authority, Faridabad (Range) demanding a sum of Rs. 7.32 Cr. (including interest) towards purchases made against concessional form H/D-2 within the state of Haryana.

39. Details of loans given, investment made gurantee given covered u/s 186 (4) of the Companies Act-2013.

i Loans given and investment made are given under the respective heads.

ii Corporate guarantees are given by the company for subsidiaries as follows:- (Rs. In Lacs)

Name of Beneficiary	Guarantee issued to	Amount in foreign currency	Amount in Rs. Lacs
i Indo European Foods Ltd	Bank of India, U.K	8,000,000 GBP	7,396.72
ii Kohinoor Foods USA INC	Punjab National Bank, Hong Kong	9,000,000 USD	5,633.19

		(Rs. In Lacs)
	As at 31 March, 2015	As at 31 March, 2014
40. Commitments		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	—	192.92
41. Bank Guarantee given by Bankers on behalf of the Company.	4,607.39	6,200.45

42. During the year no amount of Dividend has been remitted in foreign currency to Non Resident out side India.

43. Some of the balances of Debtors and Creditors are subject to confirmation.

44. Prior Period Items

There is no material prior period items included in profit & loss account required to be disclosed as per Accounting Standard - 5, prescribed by the Companies (Accounting Standard) Rules, 2006.

45. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary to confirm to current year classification.

The above notes form part of the financial statements
In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
CHARTERED ACCOUNTANTS
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**



ANNEXURE TO THE BALANCE SHEET AS AT 31st MARCH, 2015

Form AOC - 1

(Pursuant to first provisio to sub section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014)
Statement containing sailent features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

(Rs. in Lacs)

01	Name of subsidiaries Company	Sachdeva Brothers Pvt. Ltd.	Kohinoor Foods USA. Inc.	Indo European Foods Limited, UK
02	Reporting period for the subsidiary concerned	31-03-2015	31-03-2015	31-03-2015
03	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries			
	I) Reporting Currency	INR	USD	GBP
	ii) Exchange Rate	N.A	62.591	92.459
04	Share Capital	15.84	5,320.24	5,717.23
05	Reserves & Surplus	(19.35)	(5,928.59)	155.94
06	Total Assets	0.21	8,721.86	15,127.01
07	Total Liabilities	0.21	8,721.86	15,127.01
08	Investments	—	1,086.54	—
09	Turnover	—	6,953.64	24,339.95
10	Profit / Loss Before Tax	(0.44)	(1,363.56)	(440.41)
11	Provision for Tax	—	—	22.43
12	Profit / Loss after Tax	(0.44)	(1,363.56)	(462.84)
13	Proposed Dividend including Dividend declared during the year.	—	—	—
14	% of shareholding	100%	100%	100%

The amount given in the table above are from the Annual Account made for the respective financial year end for each of the companies.

Undertaking:-

We undertake that the annual accounts of the subsidiary companies and the related detailed information will be made available to the investors, who seek such information, at any point of time. The annual accounts of the subsidiary companies will also be kept for inspection by the investor in the Registered/Head office of Kohinoor Foods and that of subsidiary companies concerned.

for and on behalf of the Board of Directors

Sd/-
JUGAL KISHORE ARORA
CHAIRMAN
DIN NO. 00010704

Sd/-
GURNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010731

Sd/-
PRABHAT KUMAR
C.F.O

Faridabad
28-May-2015

Sd/-
RAMA KANT
COMPANY SECRETARY



Part "B": Associates and Joint Venture

(Rs. in Lacs)

01	Names of Associates and Joint Venture	Rich Rice Raiser Pvt Ltd.
02	Latest Audited balance sheet date	31-03-2015
03	Shares of Associates/ joint ventures the company on the year end:	
	Number of shares	75
	Amount of Investments Associates/; Joint Venture	9.42
	Extent of holding	25%
04	Discription of how there is significant influence	25% shareholding in joint venture company
05	Reason why the associates/ Joint venture is not consolidated	N/A.
06	Net worth attributable to Shareholding as per latest audited balance sheet	(118.02)
07	Profit/Loss for the year	
	(i) Considered in consolidation	(353.80)
	(ii) Not Considered in consolidation	(1,061.39)

Sd/-
JUGAL KISHORE ARORA
CHAIRMAN
DIN NO. 00010704

Sd/-
GURNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010731

Sd/-
PRABHAT KUMAR
C.F.O

Sd/-
RAMA KANT
COMPANY SECRETARY

Faridabad
28-May-2015

INDEPENDENT AUDITOR'S REPORT

To
The Members of Kohinoor Foods Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Kohinoor Foods Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, 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 Financial StatementsThe 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 including its Associates and Jointly controlled entities 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 and of its associates and jointly controlled entities 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 Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, 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, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following note as appearing in the Independent Auditors' Report of Rich Rice Raisers Factory LLC, the joint venture company in which Kohinoor Foods Limited holds 25% of the Nominal value of shares. "Investments in properties worth Dirham 3,162,888/- (equivalent to Rs.536.74 Lakhs) are in the personal name of one of the shareholders (other than Kohinoor Foods Limited)".We further draw attention to Note-34(a)(i) to the financial statements. The Company has not made provisions for the demand raised by Income Tax Authorities as the matter is pending before ITAT and DRP.



Other Matters

We did not audit the financial statements / financial information of three subsidiaries, and one jointly controlled entities, whose financial statements / financial information reflect total assets of Rs. 7844 Lakhs as at 31st March, 2015, total revenues of Rs. 17719 Lakhs and net cash flows amounting to Rs. (63.86) Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and(11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) 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 books of account maintained for the purpose of preparation of the consolidated financial statements.

d) 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.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporate in India is disqualified as on 31stMarch, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 34(a) (i) to the consolidated financial statements.

ii. 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 – Refer Note 5 and 9 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and jointly controlled entities.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

Delhi
28-May-2015

For RAJENDER KUMAR SINGAL & ASSOCIATES LLP
(CHARTERED ACCOUNTANTS)
FRN : 016379N
Sd/-
(PANKAJ GUPTA)
PARTNER
Membership No. 094909



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015

(Rs. In Lacs)

PARTICULARS	NOTE		AS AT 31-March-2015		AS AT 31-March-2014
EQUITY AND LIABILITIES					
Shareholder's Fund					
Share Capital	2	3,524.15		3,524.15	
Reserve and Surplus	3	33,805.84		43,051.85	
			37,330.00		46,576.00
Non-Current Liabilities					
Long Term Borrowings	4	1,882.82		4,852.98	
Long Term Provisions	5	239.09		203.98	
			2,121.91		5,056.95
Current Liabilities					
Short Term Borrowings	6	88,801.86		89,471.87	
Trade Payables	7	5,750.96		14,238.13	
Other Current Liabilities	8	28,376.82		24,649.08	
Short Term Provisions	9	19.18		221.23	
			122,948.82		128,580.32
TOTAL			162,400.72		180,213.27
ASSETS					
Non-Current Assets					
Fixed Assets	10				
Tangible Assets		12,306.96		14,042.01	
Intangible Assets		55.51		55.51	
Capital Work-in-Progress		68.92	12,431.39	101.27	14,198.79
Non-Current Investments	11	4,355.69		4,425.58	
Deferred tax assets (net)	12	3,675.12		1,156.36	
Long Term Loans and Advances	13	2,171.28		2,331.50	
			10,202.10		7,913.44
Current Assets					
Inventories	14	115,503.33		123,334.86	
Trade Receivables	15	16,946.90		27,585.26	
Cash and Bank Balances	16	2,304.32		2,311.50	
Short Term Loans and Advances	17	4,972.62		4,803.28	
Other Current Assets	18	40.06		66.15	
			139,767.23		158,101.05
TOTAL			162,400.72		180,213.27
Significant Accounting Policies	1				

The Notes Referred To Above Form Part of The Balance Sheet

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
Chartered Accountants
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2015 (Rs. In Lacs)

PARTICULARS	NOTE	FOR THE YEAR ENDED 31-March-2015		FOR THE YEAR ENDED 31-March-2014	
INCOME					
Revenue from Operations	19	133,471.45		141,956.87	
Other Income	20	360.78		256.31	
Total Revenue			133,832.24		142,213.18
EXPENDITURE					
Cost of Material Consumed	21		93,721.66		79,152.71
Purchases of Stock-in-Trade	22		16,729.55		22,886.33
Changes of Inventories of Traded Goods	23		1,695.59		1,903.32
Employee Benefits Expenses	24		2,962.81		2,853.32
Finance Costs	25		10,523.83		9,516.58
Depreciation and Amortisation Expenses	10		2,045.62		1,447.92
Other Expenses	26		18,058.13		20,466.43
Total Expenses			145,737.19		138,226.35
Profit Before Extra Ordinary items			**(11,904.95)**		**3,986.83**
Extra Ordinary Items	27		—		1,527.13
Profit Before Tax			**(11,904.95)**		**2,459.70**
Tax Expenses					
Current Tax		–		221.07	
Less :- MAT credit entitlement		–	–	151.55	69.52
Income Tax for Prior Years			9.48		(180.78)
Deferred Tax			(2,472.19)		258.36
Profit for the year			**(9,442.24)**		**2,312.61**
Earnings per equity share before extra ordinary item of face value of Rs. 10 each Basic and Diluted (in Rs.) [Refer note no. 32]			(26.79)		12.61
Earnings per equity share after extra ordinary items of face value of Rs. 10 each Basic and Diluted (in Rs.) [Refer note no. 32]			(26.79)		7.59

The Notes Referred To Above Form Part of The Statement of Profit and Loss
In terms of our separate report of even date attached

For Rajender Kumar Singal & Associates LLP.
Chartered Accountants
FRN : 016379N

for and on behalf of the Board of Directors

Sd/-
(PANKAJ GUPTA)
PARTNER
Membership No: 094909

Sd/-
JUGAL KISHORE ARORA
CHAIRMAN
DIN NO. 00010704

Sd/-
GURNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010731

Faridabad
28-May-2015

Sd/-
PRABHAT KUMAR
C.F.O

Sd/-
RAMA KANT
COMPANY SECRETARY



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED 31-March-2015	FOR THE YEAR ENDED 31-March-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & extra ordinary items	(11,904.95)	3,986.83
Adjustments for :		
Depreciation	2,045.62	1,447.92
Interest paid	10,523.83	9,516.58
Interest received	(60.63)	(47.50)
Dividend Received form key Man Insurance Policy	(10.74)	(9.30)
Net gain/loss on sale of Investment	—	(61.30)
Operating profit before working capital changes	**593.13**	**14,833.23**
Adjustments for :		
Debtors	10,638.36	(10,615.07)
Inventories	7,831.53	(19,065.11)
Current Liabilities & Provision	(4,926.37)	6,821.32
Direct taxes	(9.48)	111.26
Un realized Foreign exchange Gain/Loss	245.44	(703.17)
Cash flow before exceptional and extra ordinary items	**14,372.61**	**(8,617.53)**
Extra ordinary items	—	(1,527.13)
Net cash from operating activities	**14,372.61**	**(10,144.66)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets and change in Capital work in progress	(374.00)	(1,408.54)
Sale of Investments	69.89	188.40
Loans & advances and other current assets	16.96	5,055.01
Interest Received	60.63	47.50
Dividend Received from Key Man Insurance Policy	10.74	9.30
Net cash from Investing activities	**(215.78)**	**3,891.68**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	—	11,277.29
Proceeds from short term borrowings	(670.02)	6,359.51
Repayment of long term borrowing	(2,970.16)	(1,865.63)
Interest paid	(10,523.83)	(9,516.58)
Net cash flow from financing activities	**(14,164.00)**	**6,254.58**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	**(7.18)**	**1.61**
- Cash & Cash equivalent at beginning of the year	2,311.50	2,309.89
- Cash & Cash equivalent at end of the year *	2,304.32	2,311.50
* Cash & Cash equivalent include :		
Restricted Bank Balance (In dividend accounts)	—	3.63
FDR/Margin money with Bank	702.20	1,498.09

In terms of our separate report of even date attached

For Rajender Kumar Singal & Associates LLP.
Chartered Accountants
FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER
Membership No: 094909

Faridabad
28-May-2015

for and on behalf of the Board of Directors

Sd/-
JUGAL KISHORE ARORA
CHAIRMAN
DIN NO. 00010704

Sd/-
PRABHAT KUMAR
C.F.O

Sd/-
GURNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010731

Sd/-
RAMA KANT
COMPANY SECRETARY



1. SIGNIFICANT ACCOUNTING POLICIES

a) Principles of Consolidation :

These Consolidated Financial Statements (CFS) relate to Kohinoor Foods Limited (i.e. Parent company), its subsidiary companies (i.e. Indo European Foods Ltd, Kohinoor Foods Inc. and Sachdeva Brothers Pvt Ltd.), and its Joint Venture company i.e. Rich Rice Raisers LLC. These Consolidated Financial Statements are prepared and presented in Indian Rupees under the historical cost convention, on the accrual basis of accounting and comply with the generaly accepted Accounting Priniciples in India including Accounting Standards notified under the relevant provisions of the Companies Act, 2013 to the extent applicable, as adopted consistently by the company.

b) Basis of Preparation of Consolidated Financial Statements

These CFS are prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" prescribed by the Companies (Accounting Standard) Rules, 2006. The financial statements of the Parent and its subsidiaries are combined on a line by line basis by adding together sums of like nature, comprising assets, liabilities, income and expenses and after eliminating intra-group balances/ transactions.

The Financial Statements of foreign subsidiaries and the joint venture, are prepared on the basis of generally accepted accounting principles, local laws and regulations as prevalent in their respective countries and such financial statements are considered for consolidation. The effect of adjustments on account of variance in accounting policies of such associate and joint venture vis-à-vis those of the parent is not material, and accordingly, not considered.

Investment in Joint Venture undertaking over which the company exercises joint control is accounted for using proportionate consolidation method as prescribed under Accounting Standard (AS) 27 'Financial Reporting of Interests in Joint Ventures' prescribed by the Companies (Accounting Standard) Rules, 2006.

For the purpose of consolidation, foreign currency assets, liabilities, income and expenditure are translated using the exchange rate as prescribed under Accounting Standard (AS-11) on 'Accounting for the Effects of Changes in Foreign Exchange Rates', prescribed by the Companies (Accounting Standard) Rules, 2006. The exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve classified under Reserves and Surplus.

c) Use of Estimates and Judgments

The preparation of financial statements are in conformity with the Accounting Standards which requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as on the date of balance sheet and the reported amount of revenues and expenditures during the reporting period. The estimates and assumptions used in the Financial Statements are based upon Management's best evaluation of the relevant facts and circumstances as of the date of the Financial Statements. Examples of such estimates include useful life of fixed assets, creation of deferred tax asset, lease rentals and write off of deferred revenue expenditure. Actual results may differ from those estimates.

d) Revenue Recognition :

The Group follows the mercantile system of accounting and recognizes the income and expenditures on accrual basis except in case of significant uncertainties. Certain items of income such as insurance claim, market fees refund ,overdue interest from customers etc have been considered to the extent the amount is accepted by the parties. The principles of the revenue recognition are given below:-

Sales are recognized as follows :

Domestic Sales	- At the point of dispatches to customers.
Export Sales	- At the time of issue of Bill of Lading.

Sales are recorded net of sales returns, price differences and sales tax.

Sale of license and duty draw back are recognized on realization basis.

e) Fixed Assets



Fixed assets of the Group are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. All costs, including financing cost till commencement of commercial production, net charges on foreign exchange contracts, if capitalization criteria are met.

Capital work in progress is stated at cost. Capital WIP includes the cost of fixed assets that are not yet ready for their intended use, as on the balance sheet date.

f) Depreciation /Amortization :

i) *Kohinoor Foods Limited*

Depreciation is provided on written down value basis at rates provided in Schedule XIV to the Companies Act, 1956. The depreciation rates which are different from the principal rates specified in Schedule-XIV are as follows:-

Tarpaulin	100% p.a.
Wooden & Plastic Crates	100% p.a.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are acquired/installed. Depreciation on sale/deduction from fixed assets is provided for upto the month of sale, deduction and discardment as the case may be.

ii) *Indo European Foods Limited :*

Depreciation is calculated as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that assets as follows:

Freehold Buildings	2% p.a. straight line basis
Plant and Machinery	Over estimated useful life
Fixtures and Fittings	15% p.a. reducing balance basis
Motor Vehicles	20% p.a. reducing balance basis

Amortization is calculated as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that assets as follows:

Website	7.50%

iii) *Rich Rice Raiser Factory LLC.*

Depreciation of property, plant and equipments is charged using the straight line method so as to provide for the full cost of assets over their estimated useful lives. The principal categories of assets and their useful lives are as follows:

	Years
Building Improvements	10
Office Equipment, Furniture and fixture	5
Plant and Machinery	10
Motor Vehicles	5

iv) *Kohinoor Foods USA INC.*

The Company records Property and equipments at cost. Depreciation is charged on Straight line methods. The principal categories of assets and their useful lives are as follows:

	Years
Office Equipment	5
Furniture and fixture	7
Computers	5
Software	3



g) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

h) Expenditure Incurred during Construction Period:

Expenditure directly relating to construction activity is capitalized, Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion are capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

i) Deferred Expenditure :

Indo European Foods Limited, UK

In line with group accounting policy on product entry cost, the company has carried forward, as deferred expenditure, certain cost relating to the introduction of various branded products into the united kingdom market.

Deferred expenditure is that which, when incurred will not produce an immediate return and which may be expected to accrue economic benefit over the future period.

Promotional expenditure (such as expenditure incurred to introduce a new brand name to, and increase awareness among , consumers) may be deferred over a period. Promotional expenditure following the introduction of a new sale product is carried forward and write off over a period not exceeding ten years provided, in the opinion of the directors, such expenditure is separately identifiable and the future product sales are reasonably expected to benefit from such expenditure. The future benefit is kept under constant review and the rate of write off adjusted accordingly.

j) Leases:

where the Group ,as a lessor, effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating lease. Charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

k) Income Taxes:

I) Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income that originates in one period and are capable of reversal in one or more subsequent periods.

ii) Minimum Alternate Tax (MAT) paid in accordance with Income Tax Act, 1961 gives rise to future economic benefits in the form of adjustments of future income tax liability against such payments.

iii) Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

l) Provisions, Contingent Liabilities and Contingent Assets :



Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets

Contingent Assets are neither recognized nor disclosed.

m) Employees Benefits :

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are short-term employee benefits. Benefits such as salaries, wages and bonus wages, etc, are recognized in the Profit and Loss statement in the period in which the employee renders the related service.

Defined Benefit Plan

Gratuity cost is a defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, years approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the profit and loss statement. Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the settlement occurs.

n) Investments:

Long Term Investments

Long term Investments are stated at cost.

o) Inventories:

Inventories are valued at cost or net realizable value whichever is lower, as taken, valued and certified by the management. The basis for determining cost for various categories of inventories are as under:

Raw Material	-	At cost on FIFO Basis
Finished Stock	-	At material cost + appropriate share of production overhead. (On weighted average cost basis).
Work in Progress	-	At material cost + appropriate share of production overhead. (On weighted average cost basis).
Packing Material	-	At cost
Stores & Spares	-	At cost

p) Foreign Exchange Transactions :

Transactions in foreign currency are converted at the exchange rate prevailing at the date of the transaction. Foreign currency monetary assets and liabilities not covered by forward exchange contracts are restated at the year end rates and the resultant gains or losses are recognized in the Profit and Loss account. Non-monetary items are carried in terms of historical cost



denominated in foreign currency using the exchange rates at the date of transaction.

Forward contracts other than those entered into to hedge foreign currency risk on unexecuted firm commitment or of highly probable forecast transactions are treated as foreign currency transactions and accounted accordingly. Any profit or loss arising on cancellation of a forward contract is recognized as income or expense in the period in which they arise.

Derivative transactions are considered as off balance sheet items and cash flows arising there from are recognized in the books of accounts as and when paid in accordance with the terms of the respective contracts over the tenor thereof. Mark to market exposure arising out of derivative contracts has not been reflected in the financial statements.

The Group follows the Accounting Standards which are made mandatory. It is in the process of formulating the requisite mechanism/systems to meet prescribed requirements under Accounting Standards 30, 31 & 32. It shall be following the accounting policy of recognition, presentation & disclosure of forward exchange transactions including Derivative/ Hedging/ Currency Swaps & Interest Swaps etc as prescribed under these Accounting Standards with effect from the date these are made mandatory by ICAI.

q) Research & Development :

Revenue Expenditure on Research & Development is charged as an expense in the year in which it is incurred.

Capital expenditure is included in respective heads under fixed assets.

r) Earning Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

s) Cash and Cash Equivalents :

Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term investments with an original maturity of three months or less. Earmarked balances with bank, margin money or security against borrowings, guarantees and other commitments ,if any shall be treated separately from cash and cash equivalent.

t) Consolidated Financial Statements comprise the financial statements of KFL, its subsidiaries and its joint venture company listed below.

A. Subsidiaries	**Country of Incorporation**	**% Ownership**
Wholly Owned Subsidiary (WOS)		
Domestic :		
Sachdeva Brothers Pvt. Ltd.	India	100
Overseas :		
Indo European Foods Ltd	United Kingdom	100
Kohinoor Foods USA Inc.	USA	100
B. Joint Venture		
Rich Rice Raisers Factory LLC	Dubai	25

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2015 **(Rs. In Lacs)**

PARTICULARS	AS AT 31-March-2015	AS AT 31-March-2014
2. SHARE CAPITAL		
Authorised Share Capital		
75,000,000 (Previous year 75,000,000) Equity shares of Rs. 10/- each	7,500.00	7,500.00
Issued, Subscribed And Paid-up Capital		
35,241,530 (Previous year 35,241,530) Equity Shares of Rs. 10/- each fully paid-up	3,524.15	3,524.15
	3,524.15	3,524.15

a) The reconciliation of the number of shares outstanding is set out below:

Number of Equity Shares at the beginning of the year	35,241,530	28,193,224
Number of Equity Shares issued during the year	—	7,048,306
Number of Equity Shares at the end of the year	35,241,530	35,241,530

b) Shareholders holding more than 5 percent shares in the Company :

	As At 31-March-2015		As At 31-March-2014	
	No. of Shares	% holding	No. of Shares	% holding
(1) Jugal Kishore Arora	6,043,484	17.15%	5,556,984	15.77%
(2) Satnam Arora	5,378,923	15.26%	4,866,209	13.81%
(3) Gurnam Arora	6,098,889	17.31%	5,594,274	15.87%
(4) M/s Al Dahra International Investments LLC	7,048,306	20.00%	7,048,306	20.00%

c) **Terms/Rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 10/- Per share. Each holder of equity shares is entitled to one vote per share and has equal dividend right. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders.

3. RESERVE AND SURPLUS **(Rs. In Lacs)**

		AS AT 31-March-2015		AS AT 31-March-2014
Capital Reserve				
As per last Balance Sheet		767.01		767.01
Securities Premium Account				
As per last Balance Sheet	14,549.43		3,976.76	
Add: on shares issued during the year	—	14,549.43	10,572.46	14,549.43
General Reserve				
As per last Balance Sheet	11,266.94		11,266.94	
Less: Adjustment relating ti fixed assets (Refer Note 10)	95.77	11,171.17		11,266.94
Revaluation Reserve				
As per last Balance Sheet				
Addition during the year on valuations of Fixed Assets		375.77		
Surplus from Statement of Profit & Loss				
As per last Balance Sheet	20,855.31		18,542.70	
Add: Profit during the year	(9,422.24)	11,413.07	2,312.61	20,855.31
Foreign Currency Translation Reserve				
As per last Balance Sheet	(4.386.84)		(1,539.64)	
Add: Exchange fluctuation during the year	(83.77)	(4,470.60)	(2,847.19)	(4,386.84)
		33,805.84		43,051.85



(Rs. In Lacs)

		AS AT 31-March-2015	AS AT 31-March-2014
4.	**LONG TERM BORROWINGS**		
	Secured Loans		
	Term Loans from Banks	973.33	2,273.85
	Long Term maturity of Finance Lease obligations	22.83	—
		996.16	2,273.85
	Unsecured Loans		
	Loan from Promoters	—	1,489.00
	Loans from Related Party	886.65	1,090.13
		886.65	2,579.13
		1,882.82	4,852.98
a)	Term loans are repayable in monthly/quarterly installments. Maturity profile of non-current term loans from banks are as set out below		
	Term Loan Installments Repayable within:-		
	1-2 Years	973.33	1,673.85
	2-3 Years	—	600.00
	3-4 Years	—	—
		973.33	2,273.85
b)	Term Loans carry different interest rates ranging from 5.50% to 13.5% per annum.		
c)	Term loan from banks (including current maturities) are secured by :-		
(i)	Secured by mortgage of property belonging to Promoters and charge on Fixed Assets and second pari pasu charge on Current Assets of the company .	—	639.36
(ii)	Secured by Charge on fixed assets financed against the loan.	1,200.00	1,800.00
(iii)	Secured by Charge on third party property.	250.00	1,250.00
(iv)	Secured by Charge on head office premises at Surajkund .	254.35	529.35
(v)	Secured against Investment Property of Rich Rice Raiser Factory LLC, Dubai.	228.73	256.97
(vi)	Secured by debenture over the current and future assets of Indo European Foods Limited, incorporating a legal charge over the company's freehold property and a corporate guarantee given by the parent company.	144.61	312.53
5.	**LONG TERM PROVISIONS**		
	Provision for Employee Benefit		
	Provision for Gratuity	239.09	203.98
		239.09	203.98
6.	**SHORT TERM BORROWINGS**		
	Secured		
	Loan repayable on Demand from Banks	88,696.13	86,971.27
	Unsecured		
	Overdraft in Current Account	105.73	2,500.61
		88,801.86	89,471.87



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
a) Loan repayable on Demand from Banks include the following		
Pre-Shipment	49,524.43	44,306.18
Post-Shipment	6,855.91	6,956.60
Working Capital Demand Loan	7,020.02	9,009.13
Trust Receipts & Cheque Discounting	—	355.29
Loan against Property and Vehicles	—	1.99
Cash Credit	22,306.40	23,685.39
Suppliers Bill Discounting	2,989.37	2,656.70
	88,696.13	86,971.27

b) Loan repayable on Demand from Banks are secured by hypothecation of Inventory, book debts and other current assets of the company, both present and future and the first charge on fixed assets of the company (excluding of specific assets charged to Term lending Banks)

7. TRADE PAYABLE

-Due to Micro, Small and Medium Enterprises	–	—
-Due to Others	5,750.96	14,238.13
	5,750.96	14,238.13

*The Ministry of Micro, Small and Medium Enterprises has issued an office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amount payable to such enterprises as at the year end has been made in the financial statements based on the information received and available with the Company. Based on the information received from vendors, there are no dues outstanding to micro and small enterprises (Suppliers) covered under the Micro, Small and Medium Enterprises Development Act, 2006.

8. OTHER CURRENT LIABILITIES

Current maturities of long-term debt (Secured)	1,104.35	2,514.36
Current maturities of long-term debt (Unsecured)	—	273.81
Current maturities of finance lease obligations	16.23	24.75
Interest Accured and due on borrowings	170.74	153.35
Advance received from customers	25,327.82	17,114.98
Unclaimed Dividends	—	3.63
Statutory Liabilitites	150.05	139.93
Employees Benefit Payable	84.74	131.31
Other Liabilities	1,522.88	4,292.96
	28,376.82	24,649.08

9. SHORT TERM PROVISIONS

Provision for employee benefits		
Provision for gratuity	17.67	13.88
Other provisions		
Income Tax [Refer note no.34]	—	205.88
Wealth Tax	1.51	1.47
	19.18	221.23

10. FIXED ASSETS

(Rs. In Lacs)

Particulars	Gross Block					Depreciation						WDV	
	As At 01-04-2014	Additions	Dele-tions	Translation Reserve	As at 31-03-2015	As at 31-03-2014	Addition during the year	Adjusted from General Reserve	Deletions/ Adjust-ments	Translation Reserve	Total as at 31-03-2015	As At 31-03-2015	As At 31-03-2014
TANGIBLE ASSETS													
LAND	916.47	—	—	24.49	940.95	—	—	—	—	—	—	940.95	916.47
FACTORY BUILDING	3,031.78	14.07	—	—	3,045.85	1,523.92	184.24	—	—	—	1,708.17	1,337.69	1,507.86
OFFICE BUILDING	5,777.92	—	—	(218.21)	5,559.72	755.85	126.10	—	350.14	(22.72)	509.09	5,050.63	5,022.07
PLANT & MACHINERY AND OFFICE EQUIPMENTS	13,796.46	108.80	—	(155.14)	13,750.11	7,962.32	1,401.08	88.45	30.30	(65.56)	9,355.97	4,394.14	5,834.14
FURNITURE & FIXTURE	827.31	5.20	—	(18.26)	814.25	442.87	99.18	4.05	(30.30)	(8.72)	567.68	246.57	384.44
WOODEN, PLASTIC CREATES & TARPAULINS	76.57	24.05	—	—	100.62	24.03	64.63	—	—	—	88.66	11.96	52.53
COMPUTERS	216.62	18.22	—	0.61	235.45	183.72	31.03	3.20	—	0.38	218.32	17.12	32.90
VEHICLES[1]	1,204.02	163.59	51.23	3.12	1,319.49	912.42	139.36	0.08	43.20	2.93	1,011.58	307.91	291.60
SUBTOTAL	**25,847.14**	**333.92**	**51.23**	**(363.39)**	**25,766.45**	**11,805.13**	**2,045.62**	**95.77**	**393.34**	**(93.70)**	**13,459.48**	**12,306.96**	**14.042**
INTANGIBLE ASSETS													
GOODWILL	55.51	—	—	—	55.51	—	—	—	—	—	—	55.51	55.51
DEFERRED MARKETING EXPENSES	819.76	—	—	77.88	853.73	819.76	—	—	—	33.98	853.73	—	—
SUBTOTAL	**875.27**	**—**	**—**	**33.98**	**909.24**	**819.76**	**—**	**—**	**—**	**33.98**	**853.73**	**55.51**	**55.51**
GRAND TOTAL	**26,722.41**	**333.92**	**51.23**	**(329.41)**	**26,675.69**	**12,624.89**	**2,045.62**	**95.77**	**393.34**	**(59.72)**	**14,313.22**	**12,362.47**	**14,097.52**
Previous Year	**24,753.70**	**698.20**	**82.31**	**1,355.21**	**26,724.80**	**10,872.51**	**1,447.92**	**-**	**75.63**	**382.48**	**12,627.28**	**14,097.52**	**13,881.20**

CAPITAL WORK IN PROGRESS

(Rs. In Lacs)

Particulars	Gross Block			
	As at 01-04-2014	Addition during the year	Capitalisation during the year	As at 31-03-2015
Machinery WIP	79.30	41.20	79.46	41.04
Electric Installation WIP	16.92	7.96	—	24.88
Building WIP	5.05	12.23	14.28	3.00
TOTAL	**101.27**	**61.39**	**93.74**	**68.92**
PREVIOUS YEAR	356.98	85.89	341.59	101.27

Note:

[1] Vehicles include the financial leased vehicles.

#Pursuant to the enactment of Companies Act 2013 , the company has applied the estimated useful lives as specified in Schedule-**II**. Accordingly the unamortised carrying value is being depreciated over the revised/remaining useful lives. The written down value of fixed assets whose lives have expired as at 01st April-2014 have been adjusted from General Reserve amounting to Rs. 95.77 lacs.



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
11. NON-CURRENT INVESTMENTS		
Trade Investment		
Investment in Unquoted Equity Instruments		
Others		
Kohinoor Speciality Foods India Pvt. Ltd.	4,220.86	4,220.86
44,161 (Previous year - 44,161) shares of Rs.10 each fully paid up		
Investments in Unquoted Preference Shares		
Others Investment		
Investment in Quoted Equity Instruments		
Anu Laboratories Ltd.	0.62	0.62
5,940 (Previous year - 5,940) shares of Rs. 1 each. Fully paid up		
Investment in Property	134.21	204.10
	4,355.69	4,425.58
a) Aggregate amount of Quoted investments	0.62	0.62
Aggregate amount of Market value of Quoted investments	0.01	0.01
Aggregate amount of un-quoted investments	4,355.07	4,424.95
b) All the Non-current investments are carried at cost		
12. DEFERRED TAX ASSETS (NET)		
Disallowance under Income tax act, 1961	87.27	73.57
Related to fixed assets	(186.38)	660.19
Related to business loss	3,774.23	422.61
	3,675.12	1,156.36
13. LONG TEAM LOAN AND ADVANCES		
(Unsecured, Considered Good)		
Capital Advances	33.36	58.38
Security Deposit	189.80	200.45
Loan and advances to related parties	1,441.25	1,388.44
Deferred Marketing Expenditure	506.86	684.23
Total	2,171.28	2,331.50
a) Loans And Advances To Related Parties		
To Joint Venture		
Rich Rice Raisers Factory LLC.*	1,441.25	1,388.44
	1,441.25	1,388.44

* The loan to the joint venture company, Rich Rice Raisers Factory LLC does not carry any interest and the repayment schedule is not specified.



(Rs. In Lacs)

	AS AT 31-March-2015	AS AT 31-March-2014
14. INVENTORIES*		
(As taken, valued and certified by the Management)		
Raw Material	16,294.89	17,891.52
Finished Goods	96,287.65	100,926.72
Stock-in-trade	585.05	230.56
Stock in Transit	721.16	2,611.24
Stores and Spares	234.93	161.05
Packing Materials	1,379.64	1,513.77
	115,503.33	123,334.86
*Inventories are valued at cost or net realizable value which ever is lower.		
15. TRADE RECEIVABLES		
(Unsecured Considered Goods)		
Outstanding for a period exceeding six months	5,804.57	7,854.63
Others	11,142.33	19,730.63
	16,946.90	27,585.26
a) Trade receivables include the following amount due from related parties		
Joint Venture Company		
Rich Rich Raisers Factory LLC.	—	828.73
	—	828.73
16. CASH & BANK BALANCES		
Cash & Cash Equivalents		
Balances with Banks in Current Accounts	1,548.95	775.84
Cash in Hand	53.18	33.94
	1,602.13	809.78
Other Bank Balances		
Fixed deposits as Margin Money With Banks	702.20	1,498.09
Un-paid Dividend Accounts*	—	3.63
	702.20	1,501.72
	2,304.32	2,311.50

*Pursuant to Provision of the Companies Act, 2013, dividend of Rs. 3.63 lacs pertaining to year 2006-2007, which was unclaimed for a period of seven years, was transferred during the year to the Investor Education and Protection Fund administered by the Central Government.

17. SHORT TERM LOAN AND ADVANCES		
(Unsecured considered good)		
Staff Advance	21.04	11.66
Loan and Advances to Related Parties*	623.48	639.69
Pre-paid Expenses	333.16	323.39
Advance against Purchases	688.28	214.37
Advance Tax	2,228.88	2,176.64
MAT Credit Entitlement	453.97	471.76
Others	623.48	965.78
	4,972.62	4,803.28
*** Loans and advances to related parties include the following:**		
- Sunny General Trading	623.48	639.69



(Rs. In Lacs)

	As At 31-March-2015	As At 31-March-2014
18. OTHER CURRENT ASSETS		
(Unsecured, Considered Good)		
Deposits	—	7.33
Prepayments	—	0.28
Interest accrued but not due on bank deposits	40.06	58.54
	40.06	66.15
	For the Year Ended 31-March-2015	**For the Year Ended 31-March-2015**
19. REVENUES FROM OPERATIONS		
Sales of Products	133,289.32	141,856.47
Sales of Services	—	—
Other Operating Revenues	182.13	100.40
	133,471.45	141,956.87
a) Sales of Products		
Rice	117,653.89	123,366.09
Foods	6,806.58	6,007.58
Pulses	551.65	2,574.50
Others Products	8,277.20	9,908.30
	133,289.32	141,856.47
c) Other Operating Revenues		
Sale of Scrap	90.58	43.11
Duty Drawback/Sale of License	91.55	57.29
	182.13	100.40
20. OTHER INCOME		
Dividend from Key man Insurance Policy	10.74	9.30
Profit (Loss) on sale of Investment	—	61.30
Interest Income	60.63	47.50
Miscellaneous Income	289.42	138.21
	360.78	256.31
21. COST OF MATERIAL CONSUMED		
Opening Stock	117,010.72	96,047.30
Add: Purchases	87,455.36	100,116.13
Less Closing Stock	110,744.42	117,010.72
	93,721.66	79,152.71
22. PURCHASE OF STOCK IN TRADE UNDER BROAD HEADS		
Rice	3,822.09	6,852.76
Foods	6,498.91	6,087.53
Pulses	366.50	1,446.97
Others Products	6,042.06	8,499.07
	16,729.55	22,886.33



(Rs. In Lacs)

	For the Year Ended 31-March-2015	For the Year Ended 31-March-2014
23. CHANGES OF INVENTORIES OF TRADED GOODS		
Opening Stock	5,143.52	7,046.83
Closing Stock	3,447.92	5,143.52
	1,695.59	1,903.32
24. EMPLOYEE BENEFIT EXPENSES		
Staff Salaries	2,232.68	2,118.91
Director's Remuneration	406.93	411.65
Gratuity	51.67	54.55
Bonus	44.66	49.86
Staff Welfare	114.00	150.85
Employer's Contribution to P.F.& ESI	112.87	67.24
	2,962.81	2,853.06
25. FINANCE COST		
Interest Expense*	9,688.10	8,678.93
Other Bank Charges	70.37	124.66
Other Borrowing Cost	765.36	712.99
	10,523.83	9,516.58

*Interest cost for the year includes exchange difference of Rs. 270.50 Lacs arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest expense.

26. OTHER EXPENSES		
a) Manufacturing Expenses		
Loading and Unloading Charges	278.56	304.92
Packing Materials Consumed	3,480.11	4,133.51
Wages	608.03	461.53
Processing Charges	20.09	80.10
Repair to Machinery	153.24	164.50
Consumables & Stores Consumed	153.05	129.70
Power & Fuel	1,010.60	797.67
Warehouse Expenses	327.67	374.01
Brokerage & Commission	7.41	496.51
	6,038.76	6,942.46
b) Administrative Expenses		
Payment to Auditors		
-Statutory Audit Fee	33.00	29.69
-Tax Audit Fee	4.00	4.00
-Other Matters	4.99	5.67
Postage, Telegram and Telephone	137.10	136.83
General Expenses^	189.22	211.02
Storage & Warehousing	—	22.18
Legal and Professional Charges	444.45	893.13
Loss on sale of Asset	0.41	0.10
Utilities	158.96	133.08
Rate and Taxes	59.22	80.11
Other Taxes Paid	69.67	135.13
Charity and Donation	22.96	7.21
Vehicle Maintenance	256.26	269.03
Printing and Stationery	55.79	48.59
Fumigation Expenses	90.92	90.29



29. Disclosures under Accounting Standard 17 on "Segment Reporting" :

The Company is primarily engaged in the business of manufacturing, trading & marketing of food products which is a single segment, as per Accounting Standard (AS) 17 issued by the Institute of Chartered Accountants of India.

30. Disclosures under Accounting Standard 18 on "Related Party Disclosures" :

30.1 List of related parties

i) Joint Venture/Associates of the Company
- Rich Rice Raisers Factory LLC.- Dubai

ii) Key Managerial Personnel and their relatives

Mr. Jugal Kishore Arora	Chairman
Mr. Satnam Arora	Jt.Mg.Director
Mr. Gurnam Arora	Jt.Mg.Director
Mr. Nitin Arora	Son of Mr. Jugal Kishore Arora
Mr. Amit Arora	Son of Mr. Satnam Arora
Mr. Ankush Arora	Son of Mr.Gurnam Arora
Mr. Nishant Arora	Son of Mr.Gurnam Arora
Mr. Mukesh Kochar	Managing Director of Rich Rice Raisers Factory LLC
Mr. Sumit Arora	Director of Indo European Foods Ltd
Ms. Chandni Arora	Wife of Mr. Sumit Arora

iii) Enterprise over which key managerial personnel exercise significant influence
- Satnam Overseas (Exports) - Partnership Firm of Promoter directors
- Adonis No.1 Beauty Clinic LLP
- Incredible Foods Pvt. Ltd.
- Satnam International Pvt. Ltd.
- Satnam Haegens Ltd.
- Adhiraj Buildcon Pvt. Ltd.
- Booker Satnam Wholesale Pvt. Ltd.
- Little Munchkins
- Gourmet Foods and Beverages Limited
- Sunny General Trading

30.2 The following transactions were carried out with related parties in the ordinary course of Business durint the year*

(Rs. In Lacs)

	Joint Venture Company/ Asscoiates	Key management personnel and their relatives	Enterprises over which Key management Personnel exercise significant influence
Transactions during the year			
- Sale of products	—		
	(941.72)		
- Repayment of Loan / Advance	—		39.93
			(-271.42)
- Advance from customers	155.12		—
	—		---
- Repayment of Loan	—		692.89
			(364.88)



	For the Year Ended 31-March-2014	(Rs. In Lacs) For the Year Ended 31-March-2013
Insurance Charges	304.17	328.65
Conveyance	47.25	43.30
Membership & Subscription	25.72	18.20
Traveling Expenses (Directors)	129.38	96.00
Traveling Expenses (Others)	195.32	180.60
Research & Development	48.64	68.22
Rent	605.11	634.89
Staff Recruitment Expenses	11.83	8.06
Bad Debts	618.88	374.81
Repairs to Building	123.09	113.34
Repairs to Others	276.32	268.45
Vendor Charge back	35.18	24.73
Sanitation	2.26	2.37
Hire of Equipment	46.72	39.31
Foreign Exchange Loss	(303.82)	907.27
	3,693.01	5,174.24

^ Expenses incurred during the year on registration of trade mark amounting to Rs. 4.11 Lacs (Previous year: Rs1.38 Lacs) has been charged to profit/loss a/c and has not been recognized as an Intangible asset as per Accounting Standard-26.

c) Selling & Distribution Expenses

Advertisement and Publicity	761.06	770.86
Marketing Expenses	117.22	—
Business Promotion	602.75	755.08
Rebate & Discount	0.88	1.70
Ocean Freight	2,128.93	2,408.92
Expenses Against Export	182.62	118.09
Brokerage & Commission on Sales	137.61	106.06
Clearing and Forwarding	4,335.29	4,189.01
	8,326.36	8,349.72
	18,058.13	20,466.43

27. Extra Ordinary Items

The company had entered into agreements with banks in respect of disputed liability on account of derivative transaction, which was shown as contingent liability in the notes on financial statements for the year ended 31st March 2013. The net loss on account of these agreements has been shown as extraordinary items in the statement of profit and loss for the year ended 31st March 2014.

28. Disclosures under Accounting Standard 11 on "Effects of Change in Foreign Exchange Rates" :

a) As required under AS-11 the company has outstanding Forward contracts as on 31st March 2015 and there is Marked to Market (MTM) unrealized gain on forward contracts of Rs.22.06 Lacs which has been accounted for accordingly in the books of accounts.

b) Outstanding forward exchange contracts entered by the company for the purpose of hedging its foreign currency exposures are as under:

(Figures in Lacs)

Currency	Cross Currency	In Foreign Currency as at 31st March, 2015	Fair value as at 31st March, 2015
USD	Indian Rupees	40.00	2,561.15
GBP	Indian Rupees	5.00	473.90



- Remuneration		572.07 *(555.32)*	
- Expenses Reimbursement	0.12 —		(12.59)
- Payment of Royalty		59.51 (48.65)	
- Repayment of Loan provided by related party		1,471.80 (1,109.00)	
Balances outstanding at the year end:-			
- Loans/Advances	1,441.25 *(1,388.44)*		623.48 (639.69)
- Loan from Key managerial personnal		468.64 (1,940.44)	
- Loan from Related Party			725.00 (1,425.04)
- Debtors	— (828.73)		
- Advance form Customer	155.12 ---		

*Figures in ( ) are related to previous year.

(Rs. In Lacs)

	As at 31-March-2015	As at 31-March-2014
31 Disclosures under Accounting Standard 19 on "Leases" :		
31.1 Total of minimum future lease payments under non-cancelable operating leases for various periods are as follows:-		
Amount payable not later than one year	136.89	295.20
Amount payable later than one year but not later than five years	336.32	189.44
Amount payable later than five years	Nil	Nil
	473.21	484.65

The company has entered into operating lease agreements that are renewable on a periodic basis and cancelable at company's option.

The company has not entered into sublease agreements in respect of these leases.

31.2 The company has taken on lease certain vehicle and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under :-

a) Obligations towards minimum lease payments:-		
Amount payable not later than one year	19.57	25.69
Amount payable later than one year but not later than five years	24.47	—
Amount payable later than five years	Nil	—
	44.04	25.69
b) Present value of (a) above :-		
Amount payable not later than one year	16.23	24.75
Amount payable later than one year but not later than five years	22.83	Nil
Amount payable later than five years	Nil	Nil
	39.06	24.75
c) Finance Charges	4.97	0.94



		(Rs. In Lacs)
	AS AT 31-March-2015	AS AT 31-March-2014

32. Disclosures under Accounting Standard 20 on "Earning Per Share":

a) *Calculation of Weighted Average number of equity shares*		
For Basic/Diluted EPS		
No. of Shares at the beginning of the year	35,241,530.00	28,193,224
Equity Shares issued during the year	—	7,048,306
Total number of equity shares outstanding at the end of the year	35,241,530.00	35,241,530
Equity shares outstanding for 248 days	35,241,530.00	28,193,224
Equity shares outstanding for 117 days	35,241,530.00	35,241,530
Weighted Average number of equity shares outstanding during the year.	35,241,530.00	30,452,544
b) *Net Profit after tax available for equity shareholders*		
Before Extra Ordinary item	(9,442.24)	3,839.74
After Extra Ordinary Item	(9,442.24)	2,312.61
Earnings per share (face value per share Rs. 10 each)		
Basic and Diluted: before extra ordinary item (Rs.)	(26.79)	12.61
Basic and Diluted: after extra ordinary item (Rs.)	(26.79)	7.59

33. Disclosures under Accounting Standard 29, "Provisions, Contingent Liabilities and Contingent Assets" : (Rs. In Lacs)

Provision relating to	Opening Balance as at 1st April, 2014	Created during the year	Withdrawals/ Deposited	Closing Balance as at 31st March, 2015
Gratuity	217.86	51.67	12.77	256.76
Income Tax	205.88	—	205.88	—
Wealth Tax	1.47	1.51	1.47	1.51
	425.21	53.19	220.12	258.27

		(Rs. In Lacs)
	AS AT 31-March-2015	AS AT 31-March-2014

34. Contingent Liabilities

a) Claims against the company, not acknowledged as debt			
i	Income Tax	14,717.77	14,405.96
ii	Sales Tax - Delhi	122.00	122.00
iii	Excise & Taxation Dep't., Punjab	477.25	477.25
iv	Excise Duty	42.91	42.91
v	Service Tax	259.25	259.25
vi	Liability on account of Derivatives Transactions-PNB	2,749.00	2,749.00
vii	Legal Cases against the Company	963.94	963.94
viii	TDS/TCS	—	0.74
ix	VAT-Haryana	856.51	—
x	Letter of Guarantee	—	1.10
b)	Surety Bonds issued to Govt. Agencies under EPCG Scheme	1,886.65	1,886.67



Nature of contingent liabilities and other particulars are as given below:-

I) The Company has preferred an appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2002-03 to 2008-09 in which additional income tax of Rs. 63.32 Cr (Pr. Yr. 63.32 Cr) alongwith interest Rs. 31.55 Cr. (Pr. Yr.-Rs.31.55 Cr.) has been demanded. Subsequently, company has deposited Rs. 13.50 Cr. "Under Protest" against the aforesaid demand. Subsequently, during the last year, Hon.'ble ITAT, New Delhi has passed its order on 21st July 2014 against the above appeal and has granted significant relief by deleting the addition of more than Rs. 110 Cr out of the total addition of Rs. 185 Cr. In view of the substantial material place on the record, Hon'ble ITAT has remanded back certain issues to the Assessing Officer for fresh adjudication. As per the partial appeal order effect received from the Deptt., the tax demand and interest demand stand reduced to Rs.30.23 Cr and Rs.24.83 Cr. respectively. Against the above ITAT order, appeal filed by the Income Tax Deptt. has been dismissed by Hon.'ble Delhi High Court whereas company's appeal filed before Hon.'ble Delhi High Court is pending to be heard.

The Company has preferred another appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2009-10 in which income tax of Rs. 17.90 Cr alongwith interest Rs. 10.54 Cr. has been demanded.

The Company has preferred another appeal before the Income Tax Appellate Tribunal, New Delhi against the impugned Income Tax Assessment Order in respect of Assessment Years 2010-11 in which income tax of Rs. 23.31 Cr alongwith interest Rs. 13.48 Cr. has been demanded.

The Company has also filed objections before the Dispute Resolution Panel, New Delhi against the draft assessment order passed by the Income Tax Deptt. in respect of Assessment Years 2011-12. The tax effect of the additions made are estimated at Rs. 26.89 Cr As per the advice received from legal experts and on the basis of merit of the case, there is a high probability that the aforesaid impugned orders will be set aside and the demand will be deleted. Accordingly, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts.

ii) An appeal before the Sales Tax Commissioner - Appeals, New Delhi is lying pending in respect of Sales Tax demand on sale of REP Licences made in earlier years.

iii) An appeal is lying pending before the Dy. Excise & Taxation Commissioner-Appeal, Punjab against the Order received from Excise and Taxation Deptt., Punjab in respect of Year 2009-10 and 2010-11 demanding a sum of Rs. 4.50 Cr towards the cess imposed by the State Govt. on exports. The company has challenged the validity of imposition of cess on export in its appeal as the same is not permissible under article 286 of the Constitution of India. Further demand has been raised for Rs. 26.83 Lacs after completing the Sales Tax assessment for AY 2011-12 against which appeal has been filed.

iv) An appeal before the Customs, Excise & Service Tax Appellate Tribunal, New Delhi is lying pending against the order of Commissioner of Central Excise (Appeals), Delhi -III in respect of additional excise duty demanded by the Excise department in connection of dispute over classification of goods - food product produced at Bahalgarh Factory- as per the Central Tariff Act. As the matter is still pending before the Tribunal, no provision in the books of accounts have been made.

v) An appeal before the Appellate Tribunal is lying pending against the order received from the office of Service Tax Commissionerate, New Delhi demanding the service tax & penalty Rs. 2.59 Cr in respect of certain services provided in earlier years. As per the advice received from the legal experts and on the basis of merit of the case, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts. Subsequently, the company has deposited Rs.20 Lacs "Under Protest" as per the directions given in the stay order granted by Appellate Tribunal in this regard.



vi) The company has filed a suit for declaration, and mandatory injunction against the Reserve Bank of India and Punjab National Bank before the Hon'ble High Court, New Delhi for loss of Rs. 27.49 Cr. arising out of forex derivative transactions.

vii) The Board of Trustee of the port of Mumbai has filed a money suit for recovery of Rs. 9.64 Cr. towards alleged outstanding demurrage charges against which the company has filed its counter claim of Rs. 10.88 Cr. towards the financial losses, interest on the investment, refund of the license fees, refund of the demurrage charges, compensation and damages etc.

viii) The company has filed appeals before the Jt. Excise and Taxation Commissioner (Appeals), Haryana against the order passed by Haryana VAT Authority, Sonepat demanding the additional tax of Rs. 1.24 Cr. for the Assessment Year 2010-11. The Company has also filed another appeal before the Tribunal, Haryana State against the order passed by Jt. Excise and Taxation Commissioner-cum-Revisional Authority, Faridabad (Range) demanding a sum of Rs. 7.32 Cr. (including interest) towards purchases made against concessional form H/D-2 within the state of Haryana.

	AS AT 31-March-2015	AS AT 31-March-2014
35. Commitments		
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	—	192.92
36. Bank Guarantee given by Bankers on behalf of the Company.	4,607.39	4,503.00

37. During the year no amount of Dividend has been remitted in foreign currency to Non Resident out side India.

38. Some of the balances of Debtors and Creditors are subject to confirmation.

39. Prior Period Items

There is no material prior period items included in profit & loss account required to be disclosed as per Accounting Standard - 5, prescribed by the Companies (Accounting Standard) Rules, 2006.

40. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary to confirm to current year classification.

The above notes form part of the financial statements
In terms of our separate report of even date attached

For and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.
Chartered Accountants
FRN : 016379N

Sd/-	**Sd/-**	**Sd/-**
(PANKAJ GUPTA)	**JUGAL KISHORE ARORA**	**GURNAM ARORA**
PARTNER	**CHAIRMAN**	**JT. MG. DIRECTOR**
Membership No: 094909	DIN NO. 00010704	DIN NO. 00010731
	Sd/-	**Sd/-**
Faridabad	**PRABHAT KUMAR**	**RAMA KANT**
28-May-2015	**C.F.O**	**COMPANY SECRETARY**