



# FOODS AND INNS LIMITED

Dulwich Mansion, 3rd Floor, 224, Tardeo Road, Tardeo, Mumbai - 400 007, India

## 41st Annual General Meeting

Date	: September 20, 2013
Day	: Friday
Time	: 10.00 am.
Venue	: "Board Room", 31st Floor, MVIRDC World Trade centre, Centre 1, Cuffe Parade, Mumbai - 400 005.

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## BOARD OF DIRECTORS

Mr. B. C. Dalal - Chairman (Alternate to Mr. George Gonszor)  
Mr. Utsav Dhupelia - Managing Director  
Mr. D. B. Engineer  
Mr. C. M. Maniar  
Mr. R. Simkins  
Mr. D. D. Trivedi  
Mr. Milan Dalal  
Mr. Sriram Subramaniam  
(Nominee of Export-Import Bank of India)  
Mr. George Gonszor

## EXECUTIVE COMMITTEE MEMBERS

Mr. B. C. Dalal - Chairman  
Mr. Utsav Dhupelia  
Mr. Milan Dalal

## REGISTERED OFFICE & SHARES DEPARTMENT

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

## ADVOCATES & SOLICITORS

Crawford Bayley and Co.,  
State Bank Building,  
N.G.N. Vaidya Marg,  
Mumbai - 400 023.

## BANKERS

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

## AUDITORS

B. S. Mehta and Co.,  
Chartered Accountants  
11/13, Botawala Building,  
2nd Floor, Horniman circle, Fort,  
Mumbai - 400 001.



## NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF FOODS AND INNS LIMITED WILL BE HELD ON FRIDAY, SEPTEMBER 20, 2013 AT 10.00 A.M. AT "BOARD ROOM" 31<sup>st</sup> Floor, MVIRDC WORLD TRADE CENTRE, CENTRE1, CUFFE PARADE, MUMBAI-400 005 TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March 2013 and the Statement of Profit & Loss for the financial year ended on that date along with the Report of the Directors and Auditors thereon.
2. To declare Dividend
3. To appoint a Director in place of Mr. D.D.Trivedi, who retires by rotation, but being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ray Simkins, who retires by rotation, but being eligible, offers himself for re-appointment.
5. To appoint M/s B.S. Mehta & Co., Chartered Accountants, as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, until the conclusion of next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider, and, if thought, to pass with or without modification(s), if any, the following resolution as a Special Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act 1956, a new article 99B be and is hereby authorised to be inserted in the Articles of Association of the Company after the existing Article 99A under the heading "Participation by Directors in Meetings of the Board or any Committee of the Board through electronic mode", which shall read as under:

99 B Participation by Directors in Meetings of the Board or any Committee of the Board through electronic mode and procedures to be followed for the meetings held through electronic mode would be

- i) The Directors may participate in a meeting of the Board or any Committee of the Board under the provisions of the Act through electronic mode.
- ii) Electronic mode shall mean video conference facility i.e. audio-visual electronic communication facility employed which enables all persons participating in such Meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the Meeting.
- iii) In a financial year, every Director must personally attend at least one Meeting of the Board/ Committee of the Board.
- iv) The Chairman of the Meeting and the Secretary, or such other person as may be authorised to do so, shall assume the following responsibilities:
  - a) To safeguard the integrity of the Meeting via video conferencing
  - b) To ensure proper video conference equipment/facilities.
  - c) To prepare Minutes of the Meeting.
  - d) To ensure that no one other than the concerned Director or other authorised participants are attending the Meeting through electronic mode.
  - e) If a statement of a participant in the Meeting via video conferencing is interrupted or garbled, the Chair-man or Secretary shall repeat what he heard the participant was saying for confirmation or correction.
- v) The notice of the Meeting shall inform the Directors regarding availability of participation through video conference, and provide necessary information to enable the Directors to access the available facility of video conferencing.
- vi) The notice of the Meeting shall also seek confirmation from the Director as to whether he/she will attend the Meeting physically or through electronic mode. It shall also contain the contact number(s)/e-mail addresses of the Secretary or such other authorised person to whom the Director shall confirm in this regard.
- vii) In the absence of any confirmation from the Director, it will be presumed that he/she will physically attend the Meeting
- viii) At the start of the Meeting, a roll call shall be made by the Chairman or the Secretary or such other authorised person. Every Director and authorised participant shall state, for the record, the following:
  - a) Full Name
  - b) Location
  - c) That he/she can completely and clearly see and communicate with each of the other participants.

- d) No one other than the Director himself/ herself is attending the Meeting through the electronic mode.
- ix) On the Directors recording their details in the manner stated in clause (8), the participation of the Directors not physically present shall be confirmed and the existence of a proper quorum shall be confirmed. A Director participating in a meeting through the video conference mode shall be counted for determining the quorum. A roll-call shall also be made at the conclusion of the Meeting or at the re-commencement of the Meeting after every break to ensure presence of quorum throughout the Meeting.
- x) All recordings of the proceedings of the Minutes shall be made at the place where the Chairman or any Director occupying the Chair is conducting the Meeting.
- xi) Statutory Registers required to be placed at a Meeting, shall be placed before the Chairman.
- xii) Where the Statutory Register is required to be signed, a Director participating through the electronic mode shall be deemed to have signed the same where he/she has given his/her consent.
- xiii) If a motion is objected to and there is a need to vote, the Chairman or Secretary or such other authorised person shall call the roll and note the vote of each Director who shall identify himself/herself.
- xiv) At the conclusion of the Meeting, the Chairman shall announce the summary of the decisions taken therein in respect of each item on the agenda and also the name(s) of the consenting/dissenting Director(s).
- xv) Video recording of every Meeting being held in electronic mode shall be preserved for one year from the conclusion of every such Meeting.
- xvi) The Minutes shall indicate the mode of attendance of the Directors during the last 3 (three) Meetings i.e. to say whether personally or through the electronic mode.
- xvii) Draft Minutes of the Meeting shall be circulated in soft copy not later than 7 (seven) days of the Meeting for comments/ confirmation to the Directors who attended the Meeting to dispel all doubts on matters taken up during the Meeting. Thereafter, the Minutes shall be entered in the Minutes Book as prescribed under Section 193 of the Act. The Minutes shall also disclose the particulars of the Directors who attended the Meeting through electronic mode.

By Order of the Board  
For **FOODS AND INNS LIMITED**

Mumbai, August 14, 2013

**Registered Office:**

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

**UTSAV DHUPELIA**  
**MANAGING DIRECTOR**

**Registrar & Transfer Agents:**

**Link Intime India Pvt. Ltd.,**

C-13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup – (W), Mumbai – 400 078.  
Tel.No. (022) 25963838

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. (a) The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time of holding the meeting.  
(b) Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from September 16, 2013 to September 20, 2013 (both days inclusive).
5. The members are requested to notify change of address, if any, to Foods and Inns Limited, Dulwich Mansion, 224, Tardeo Road, Mumbai – 400 007 or to Link Intime India Pvt. Ltd., (Formerly Intime Spectrum Registry Ltd.) C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078, Registrar and Transfer Agents.
6. Members/Proxies are requested to bring their copy of the Annual Report and Attendance/Proxy Slip sent herewith duly filled in for attending the meeting to avoid inconvenience and delay at the time of registration and avoid being accompanied by non-members and children. Copies of Annual Report and Attendance slip will NOT be available for distribution at the venue of the Meeting.
7. The trading in the Company's Shares has been made compulsory in dematerialized form effective 22<sup>nd</sup> February, 2002 for all class of investors. In view of the numerous advantages offered by the Depository System, shareholders are requested to avail the facility of dematerialization of the Company's Shares.
8. Members holding shares in dematerialized form should address all their correspondence including change of address, nominations, ECS mandates, bank details to be incorporated on dividend warrants, power- of attorney, etc. to their Depository Participant.
9. Consequent upon the introduction of section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unpaid/unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund to set up by the Govt. of India and no payment shall be made in respect of any such claims by the fund. Accordingly, the Company has transferred the unclaimed dividends upto the financial year ended 30<sup>th</sup> September, 2005 to Investor Education and Protection Fund.
10. The information required to be provided under the Listing Agreement entered into with the stock exchanges regarding the Directors who are proposed to be re-appointed / Directors seeking appointment at the Annual General Meeting is given hereunder :

(Item Sr.Nos. 3 & 4 of the Notice)

Name	Mr. D.D.Trivedi	Mr. Ray Simkins
Date of Birth & Age	15.03.1932 (80)	03.06.1943 (68)
Appointed on	26.08.1987	09.08.1995
Qualifications	B.A, M.Com	M.E
Expertise/experience	Management Consultant – Corporate Planning, Strategy Formulations, Financial Restructuring, Acquisitions, Disinvestments etc. Conducted training programmes in financial institutions like; GIIC, GSFC, HDFC, Industrial organizations like; NTC, MSTC & CSPC and other Corporate houses.	Commercial, Marketing operations and International business.
Shareholding	400	175820

The Other Directorships / Committee Membership of Mr. D.D.Trivedi are as follows:

Name of the Company	Committee Membership	Board Membership
Wires & Fabriks (SA) Limited	N.A	Director
Asim Exports International Limited	N.A	Director
Cyclic Chemicals Limited	N.A	Director
Dravya Finance Limited	N.A	Director

The Other Directorships / Committee Membership of Mr. Ray Simkins are as follows:

<b>Name of the Company</b>	<b>Committee Membership</b>	<b>Board Membership</b>
Muller & Phipps (India) Limited	N.A	Director
Finns Frozen Foods (I) Limited	N.A	Director
Getz Pharma Private Limited	N.A	Director
Getz Pharma Research Private Limited	N.A	Director

By Order of the Board

For **FOODS AND INNS LIMITED**

Mumbai, August 14,2013

**Registered Office:**

Foods and Inns Building

Sion-Trombay Road

Punjabwadi

Deonar

Mumbai 400 088.

**UTSAV DHUPELIA**

**MANAGING DIRECTOR**

**ANNEXURE TO THE NOTICE**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No.6

The following explanatory statement sets out in detail all material facts relating to the item of Special Business as mentioned in the accompanying Notice convening the Forty First Annual General Meeting of the Company.

In terms of the General Circular No.28/2011 dated May 20, 2011 issued by the Ministry of Corporate Affairs, directors of a company can participate in Meetings of the Board or any Committee of the Board through the electronic mode.

As this requires the approval of the shareholders, appropriate alterations in the Articles of Association are required to be effected.

Hence the Special Resolution.

None of the Directors are deemed to be interested or concerned in the above resolution.

By Order of the Board

For **FOODS AND INNS LIMITED**

Mumbai, August 14,2013

**Registered Office:**

Foods and Inns Building

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Mumbai 400 088.

**UTSAV DHUPELIA**

**MANAGING DIRECTOR**



## DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the 41<sup>st</sup> Annual Report of the Company together with audited accounts for the financial year ended on March 31, 2013.

### 1.1 FINANCIAL RESULTS

	<b>2012 - 2013</b> <b>(1-4-2012 to 31-3-2013)</b> <b>(12 Months)</b> ₹	<b>2010 - 2012</b> <b>(1-10-2010 to 31-3-2012)</b> <b>(18 Months)</b> ₹
Profit/ (Loss) before tax	2,52,68,857	(8,32,38,424)
Provision for Taxation	59,23,847	Nil
Tax Adjustments of Earlier Years	(7,24,893)	(1,32,81,395)
Deferred tax	5,47,523	(39,20,000)
MAT Credit	(56,51,122)	(29,37,447)
<b>Profit after Tax</b>	<b>2,51,73,502</b>	<b>(6,30,99,582)</b>
Prior period adjustments	Nil	NIL
Balance Brought Forward	(2,83,50,089)	3,47,49,493
<b>Profits /(Loss) Available for Appropriation</b>	<b>(31,76,587)</b>	<b>(2,83,50,089)</b>
<b>Appropriations</b>		
Proposed Dividend	(14,51,040)	Nil
Tax on Dividend	(2,46,604)	Nil
General Reserve	16,97,644	Nil
Balance carried to Balance Sheet	<b>(31,76,587)</b>	<b>(2,83,50,089)</b>

### 2. OPERATIONS, MANAGEMENT DISCUSSION AND ANALYSIS:

- (i) During the financial year ended on March 31, 2013, the turnover of the Company is ₹ 257.65 crores as compared to ₹ 394.63 crores for the period of 18 months ended on March 31, 2012. The Company made a profit before tax of ₹ 2.53 crores during the year ended March 31, 2013 against the loss before tax of ₹ 8.32 crores during the 18 months period ended on March 31, 2012. The Company's exports during the year was ₹ 191.48 crores (₹ 246.16 crores) and domestic sale was ₹ 55.86 crores (₹ 134.98 crores). This translates into a ratio of 77.42 % to 22.58 % (64.58% to 35.41%) between exports and domestic sales.

A report on the Management Discussion and Analysis for the year ended under review is annexed and forms part of the report.

### 3. DIVIDEND:

Directors recommend a dividend of 10% on equity shares for the year ended on March 31, 2013 by transferring ₹ 16,97,644/- to surplus for appropriation under the Companies(Declaration of Dividend out of Reserves) Rules, 1975. The payment of dividend would be subject to the approval of the Shareholders at the ensuing Annual General Meeting.

### 4. FUTURE PROSPECTS:

In view of current international scenario the Company is maximizing utilization of its enhanced capacities by aggressive efforts in the domestic and neighboring countries markets.

Company is continuing its efforts of reducing packing cost with innovative bulk packaging options.

Company is expediting its efforts on commissioning of new projects of value added products for improving the profitability.

### 5. AUDITOR'S REMARKS:

The Internal Audit of business operations at all manufacturing units located at Bulsar, Chembur, Chittor and Nashik is being carried out by independent firms of Chartered Accountants. The appointment of Internal Auditors to carry out the internal audit to cover the operations at corporate office is being made.

### 6. FIXED DEPOSITS FROM THE PUBLIC:

As on March 31, 2013, fixed deposits from the public and shareholders stood at ₹ 6.53 crores (Public ₹ 5.12 crores and ₹ 1.41 crores from a shareholder who is a relative of a Director); There are no overdue deposits.

As of March 31, 2013 public deposits amounting to ₹ 8.18 lacs had not been claimed by 39 depositors. Depositors are being intimated to either renew or claim their deposits.

### 7. CORPORATE GOVERNANCE:

The Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance, along with a certificate from the Practising Company Secretary for the compliance is annexed and forms part of this report.

### 8. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standard AS-21, on consolidated financial statements, the audited consolidated financial statements are provided in the annual report.

**9. SUBSIDIARY COMPANIES:**

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statements of Profit and Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective Subsidiary Companies. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies.

The Subsidiary Companies viz. Dravya Finance Limited and Asim Exports International Limited have incurred a losses of ₹ 26,032 & ₹ 43,950 during the year ended March 31, 2013.

**10. DIRECTORS:**

Mr. D.D.Trivedi and Mr. Ray Simkins, retire by rotation in accordance with the provisions of Companies Act and the Articles of Association of the Company and being eligible offer themselves for re-appointment.

**11. DIRECTORS RESPONSIBILITY STATEMENT:**

As required under Section 217 (2AA) of the Companies Act, 1956 your Directors confirm that;

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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 financial year ended March 31, 2013 and of the profit of the Company for that year.
- iii) 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.
- iv) The Directors had prepared the Annual Accounts on a going concern basis.

**12. ENVIRONMENTAL & CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO:**

The particulars prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 are furnished in the Annexure to this report.

**13. PARTICULARS OF EMPLOYEES:**

The information, as is required to be provided in terms of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975 as amended is as under:

- a) Employment throughout the year and in receipt of remuneration in aggregate of not less than ₹ 60,00,000 per annum ----- NIL
- b) Employed for part of the year and were in receipt of remuneration At the rate not less than ₹ 5,00,000 per month ----- NIL

**14. COMPLIANCE CERTIFICATE U/S 383A OF COMPANIES ACT, 1956:**

The Company has obtained the Compliance Certificate from M/s. Sanjay Soman & Associates, Company Secretaries, as per the provisions of Section 383A of Companies Act, 1956 applicable as per amendment made on December 13, 2000.

**15. AUDITORS:**

The members are requested to appoint Auditors for the current year and fix their remuneration. M/s B. S. Mehta & Co., Chartered Accountants, the existing Auditors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**16. COST AUDITORS:**

The Ministry of Corporate Affairs (MCA) has introduced The Companies (Cost Audit Report) Rules, 2011 vide its notification no GSR 430 (E) dated June 3, 2011. These rules make it mandatory for industries to appoint a Cost Auditor within 90 days of the commencement of the financial year.

The Board has approved the appointment of M/s N. Ritesh & Company, Cost Accountants, as the Cost Auditors of the Company for the financial year 2013-14.

**17. ACKNOWLEDGEMENT:**

The Company is grateful to its Bankers for timely financial help in all the Company's activities.

The relations between the employees and the Management have remained cordial during the year, and the Directors wish to place on record their appreciation, co-operation and support from employees at all levels.

By Order of the Board  
For **FOODS AND INNS LIMITED**

Mumbai, August 14,2013

**Registered Office:**

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

**UTSAV DHUPELIA**  
**MANAGING DIRECTOR**

**MILAN DALAL**  
**DIRECTOR**



## ANNEXURE TO THE DIRECTOR'S REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

### A. CONVERSATION OF ENERGY

- (a) Your Company continues to give high priority for conservation of energy on an on – going basis and to ensure optimum power consumption, to the extent possible.
- (b) Total energy consumption and energy consumption per unit of production is as per FORM A annexed.

### B. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are as per FORM B annexed.

### C. FOREIGN EXCHANGE EARNINGS AND OUT GO

- (a) **Activities relating to exports: Initiatives taken to increase exports: development of new export markets for products and services and export plans:**

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

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

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

- a. Total Foreign Exchange earnings : FOB value of exports ₹ 1,83,14,58,701  
(Previous year ₹ 2,45,06,49,815)
- b. Total Foreign Exchange outgo : ₹ 12,71,25,661 (Previous year ₹ 11,94,44,794)



**FORM –A**  
**Form for disclosure of particulars with respect to conservation of energy:**

PARTICULARS		2012-13 (12 Months)	2010-2012 (18 Months)
<b>A.</b>	<b>POWER AND FUEL CONSUMPTION</b>		
1	<b>Electricity</b>		
a.	<b>Purchased</b>		
	Units (Nos)	27,57,101	34,43,393
	Total Amount	₹. 2,15,92,316	₹. 2,53,33,513
	Rate per Unit	7.83	7.36
b.	<b>Own Generation</b>		
i.	<b>Through Diesel Generator</b>		
	Units/Ltr.	4,70,549	4,13,181
	Total Amount	₹.2,20,81,700	₹.1,73,43,827
	Rate per ltr of Diesel oil	46.93	41.98
ii.	<b>Through Steam Tubine/Generator</b>		
	Unit	Nil	Nil
	Unit/Ltr. Of Fuel Gases	Nil	Nil
	Cost/Unit	Nil	Nil
2	<b>Coal</b>		
	Quantity (Tonnes)	Nil	Nil
	Total Cost	Nil	Nil
	Rate/Unit	Nil	Nil
3	<b>Furnace Oil (L.D.O.)</b>		
	Quantity (Ltr)	4,18,356	7,96,149
	Total Cost	₹.1,90,26,983	₹.3,17,55,252
	Rate per Ltr	45.48	39.89
4	<b>Others/Internal Generation</b>		
	Qty (Kgs)	37,39,955	61,73,545
	Total Cost	₹.1,60,27,736	₹.2,25,28,824
	Rate/Kg	4.29	3.65
<b>B.</b>	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>		
	<b>Products (with details)</b>		
	<b>Electricity –</b>		
	Fruit Powder (Unit/Kg)	0.94	0.81
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.0540	0.0064
	<b>Furnace Oil –</b>		
	Fruit Powder (Unit/Kg)	1.02	0.90
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.008	0.016
	<b>Coal-</b>		
	<b>Others –</b>		
	Fruit Powder (Unit/Kg)	13.22	7.94
	Pulp, Paste & Fruit Juice (Unit/Kg)	0.09	0.14



## FORM- B

### Form for disclosure of particulars with respect to Technology Absorption:

#### 1. RESEARCH & DEVELOPMENT (R & D)

The Company has its own Laboratories where Research and Development Activities are continuously carried out for upgradation of the existing products and introduction of new products.

#### 2. EXPENDITURE ON R & D

	2012-2013 (₹)	2010-2012 (₹)
a) Capital	Nil	Nil
b) Recurring	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

#### TECHNOLOGY ABSORPTION ADAPTATION & INNOVATION:

- Efforts in brief made towards technology absorption and innovation.
- Benefits derived as a result of the above efforts Ex. Product improvements, cost reduction, product development, import substitution etc. Development of new range of fruit and vegetable products consumer packs.
- In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial period) following information may be furnished.
  - Technology imported: NIL
  - Year of Import: Not Applicable
  - Has technology been fully absorbed: Not Applicable
  - If not fully absorbed, area where this has not taken place, reasons therefore & further plans of action: Not Applicable

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

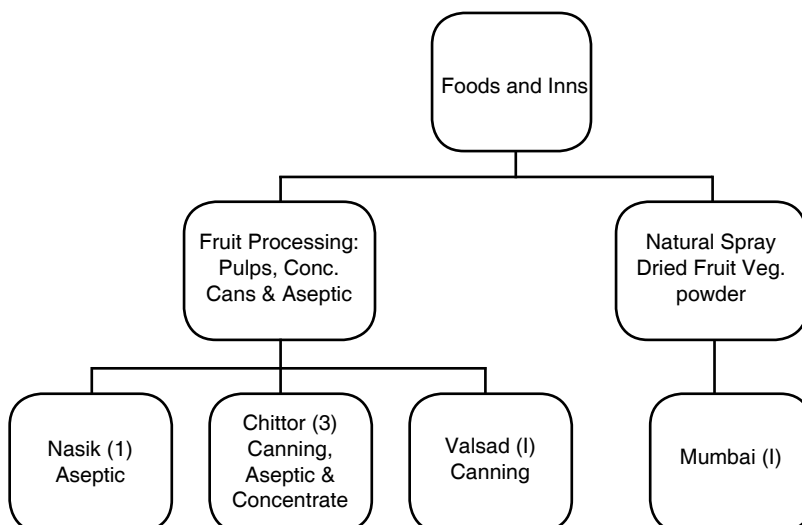
#### 1. Business Overview:

The Company, a public limited company established in 1971 is a multi-locational Trading House. The Company is primarily engaged in the business of processing and marketing fruit pulps, concentrates and spray dried fruit and vegetable powders both into domestic and international markets. The Company exports its products to various geographies such as Europe, Middle East, USA and Japan catering to companies in the foods, beverage and dairy industry. The Company through its various divisions viz. (i) Aseptic, (ii) Canning and (iii) Spray Dried products makes a diverse portfolio of processed food products.

The Company presently operates from seven (7) processing units strategically located near the fruit and vegetable growing areas at Chittoor (Andhra Pradesh), Valsad (Gujarat), Nasik (Maharashtra) and Mumbai. The Company's units at Chittoor and Nasik are FSSC 22000-2010 accredited by DNV Business Assurance for food safety management of the Company. --- Valsad unit of the Company is ISO 22000 certified. In addition to the above, the Company's units are SGF accredited in recognition of the quality practices adopted by the Company over the years. These certifications enable the Company to sell its products in the regulated markets like Europe, USA and Japan.

The Company derives significant portion of its income from sale of range of mango products both in domestic as well as international markets. The domestic business of the Company is driven by its own sales and marketing network. The Company participates in leading international trade fairs and exhibitions such as Anuga (Germany), Sial (France), Gulf Food (Dubai) enabling the Company to procure customer orders.

The present business of the Company can be described as set out below:



**2. The Competitive Strengths:**

The following are the key strengths which the Company believes enables it to be competitive in its business:

**a) Range of processes for meeting customer requirements.**

Due to the availability of the entire process line in-house, the Company's dependence on third parties for providing specific and customized processed products to its customers reduces to a large extent. We believe that this ability to provide customized products to its customers is the key strength for further growth of the Company.

**b) International Quality Management Certifications for both products and processing units.****c) Strong Customer Base.**

The Company exports its products to various geographies such as Europe, Middle East, USA and Japan to various companies in the foods and beverage industry. The Company has a strong customer base in India as well as internationally which includes leading food & beverage companies of the world.

**d) Environment Protection and Clean Energy Measures:**

The Company is committed to provide a safe, clean and healthy environment and conduct its business and services in a manner so as to prevent harm to people and damage to environment or property. The Company endeavours to handle the Environment, Health and Safety (EHS) issues with the same responsibility as issues concerning quality, productivity, profitability and cost-efficiency. The Company actively manages the EHS norms as an integral part of its business, operations and practices. The Company continuously strives to minimize the pollution at source and that can be achieved by adopting cleaner technologies, reducing the use of natural resources and reusing and recycling wastes. Some initiatives taken by the Company include usage of agro boiler which uses biomass briquette as fuel to run the boiler for steam generation, condensate recovery system reducing fuel consumption as an energy conservation measure. Further, the Company is also a part of SEDEX and has been certified green. We believe that we are one of the first in the Indian food industry to have listing on UNFCC website for being eligible to earn carbon credits for usage of biomass briquette for generation of processed steam without usage of fossil fuel and to be accredited for the CSR status for its Chittoor unit.

**3. Strategies of the Company:**

The business strategy of the Company focuses on the following elements:

- a) Operational efficiency by utilizing existing infrastructure.
- b) Enhancing quality standards.
- c) Adapting new technologies to meet customer requirements.
- d) Creating, establishing and enhancing presence in newer markets.
- e) New Product Development.

**4. Processing Operations****Processing Units**

The Company presently operates from seven (7) processing units strategically located near the fruit and vegetable growing areas at Chittoor (Andhra Pradesh), Valsad (Gujarat), Nasik (Maharashtra) and Mumbai.

**5. Financial Review:**

Turnover of the Company for the Year ended March 31, 2013 is ₹ 257.65 crores as compared to ₹ 394.63 crores for the Eighteen Months period ended March 31, 2012. Company has earned profit after tax of ₹ 2.52 crores as against a loss after tax of ₹ (6.31) crores.

**Capital Expenditure:**

During the year the Company made capital investments of ₹5.16 crores at its manufacturing facilities in Chittoor and Nashik for enhancing the capacities to take advantage of growing domestic demand of our products and automation in material handling. This will reduce our operating expense and upgrading our system on farmer's certificate programme to comply with new EU guidelines on food safety and security.

**6. Cautionary Statement:**

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



## Secretarial Compliance Certificate

To,

The Members,

**Foods and Inns Limited,**

We have examined the registers, records, books and papers of Foods and Inns Limited, as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial period:

1. The Company has kept and maintained registers as stated under the Companies Act 1956, as per the provisions and the rules made thereunder and recorded the entries therein. The list is attached as *Annexure A* to this report.
2. The Company has duly filed the forms and returns as stated below, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder. As per *Annexure B* attached to this report.
3. The Company is listed public limited company.
4. The Board of Directors duly met 5 (Five) times on May 22, 2012, June 23, 2012, August 13, 2012, November 09, 2012 and February 06, 2013, in the financial year 2012-13 in respect of which meetings; proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, and/or Debentureholders from 20/06/2012 till 23.06.2012 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial period ended on 31st March 2012 was held on 23rd June 2012 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded purpose. in Minutes Book maintained for the purpose.
7. No extra ordinary meeting was held during the financial period and hence, giving due notice to the members of the Company and the recording of resolutions passed thereat in the Minutes Book maintained for the purpose.
8. The Company has not advanced loans to its directors but other transactions in/with the persons or firms or companies referred in the section 295 of the Act have been booked.  
- the Company has kept record of the transactions in the computerized register.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.  
- the disclosure wherever necessary has been taken and noted by the Board.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.  
- relevant records have been updated and been taken in the electronic form and noted by the Board at every Board meeting.
11. The Company has obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable.  
- not applicable
12. The Board of Directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.  
- Approval has been taken by signatures from time to time on the statements and electronic register sent in by Share transfer agents.
13. The Company, through its Registrar, has:
  - (i) delivered all the certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
  - (ii) Company has deposited the amount of dividend declared for the year 2010- 11 in a separate Bank Account as required, within five days from the date of declaration of such dividend in the AGM on 23/06/2012 and that there all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company, maintained with Axis Bank Ltd A/c Unpaid Dividend Account as of 31/3/2013.
  - (iii) transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.  
(Nil for the period under review)
  - (iv) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.  
(Nil for the period under review)
15. The appointment of Managing Director/ Whole-time Director/Manager has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.  
(Nil for the period under review)

16. There is *no* appointment of sole-selling agent the Act. made in compliance of the provisions of the Act.
17. The Company has obtained all necessary approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.  
*- the disclosures have been received from the Directors u/s 274 and 299 of the Companies Act 1956, recorded in the electronic form and noted by the Board.*
19. The Company issued *No* new shares or warrants debentures/other securities during the financial year 2012-13.
20. The Company *has not* bought back shares during the financial year.
21. The Company has *not* redeemed any preference shares/debentures during the year after complying with the provisions of the Act.
22. The Company *does not* have any transactions / cases, where it is necessary to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The Company has complied with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975, applicable directions issued by the Reserve Bank of India/ any other authority in respect of deposits accepted including unsecured loans taken by the Company during the financial period and the Company has filed the copy of advertisement/statement in lieu of advertisement/ necessary particulars as required with the *Registrar of Companies, Maharashtra.*
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial period *ending 31st March 2013* is/are within the borrowing limits of the Company and that necessary resolutions as per section 293(1)(d) of the Act have been passed in duly convened annual/extraordinary general meeting.
25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and  
*--the company has taken the necessary entries on the record and maintained electronic register for the said purpose.*
26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of the Company's registered office from one State to another during the financial period under scrutiny after complying with the provisions of the Act.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny and complied with provisions of the Act.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the financial period under scrutiny and complied with the provisions of the Act.
29. The Company *has not* altered the provisions of the Memorandum of Association with respect to share capital of the Company during the financial period under scrutiny and complied with the provisions of the Act.
30. The Company has not altered its Articles of Association in the general meeting during the period under review.
31. There were no prosecutions initiated against and no show cause notices were received by the Company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the Company in such cases is attached.
32. The Company has not received any amount of security money from its employees during the financial period under certification and the same has been deposited as per provisions of section 417(1) of the Act.
33. The Company has deposited both employees' and employers' contribution to Provident Fund with prescribed authorities pursuant to section 418 of the Act.

Note: The qualification, reservation or adverse remarks, if any, have been stated at the relevant places *in italics.*

Place: Mumbai

Date : 14/05/2013.

Encl: **Annexures A and B**

**For Sanjay Soman & Associates,**

Sd/-

Sanjay M Soman (C. P. No. : 817)



## Annexure A

Register of Members*	u/s 150
Alpha Index*	u/s 151
Register of Transfers* and Transmission*	u/s 108
Register of Charges	u/s 143
Register of Contracts	u/s 301
Register of Deposits	u/s 58 A
Register of General Interest	u/s 299
Register of Investments & Loans	u/s 372A
Register of Directors and their share holdings*	u/s 303 u/s 307
Minutes Book and Attendance Book	u/s 193
for Board and General Meetings of members.	

\*These registers for material and dematerialized format of Share Capital are maintained by the Registrar and Transfer Agents of the Company in the electronic form.

The Company has confirmed that certain registers are kept in the electronic form and printouts were made available for the reference duly authenticated by the Director. However, Company is advised to keep all the registers up-to-date and advised to maintain the fixed assets register.

## Annexure B

**Forms and Returns as filed by the Company with Registrar Of Companies office, during the financial period ending on 31st March 2013.**

Foods and Inns	Form 8	B41463969	19-06-2012	Andhra Bank -Rs. 5 crores pre cum post shipment
Foods and Inns	Form 62	B42000364	26/06/2012	Advertisement for acceptance of deposits
Foods and Inns	Form 66	P87836417	26/06/2012	Secretarial Compliance Certificate
Foods and Inns	Form 23	B42229401	29/06/2012	Remuneration of MD
Foods and Inns	Form 8	B42604504	4/7/2012	Adhoc limit of Rs.1 crore with Bank of Maharashtra
Foods and Inns	Form 62	B42509406	3/7/2012	Return of Deposits for the F.Y 01/04/2011 to 31/03/2012
Foods and Inns	Form5INV	S11699899	31/7/2012	Unpaid Dividend upload
Foods and Inns	Form 20B	P88322185	9/8/2012	Annual return filing 2010-12
Foods and Inns	Form 8	B45433091	14/08/2012	Andhra Bank -Rs.8305 lacs -(Renewal cum Enhancement of credit facilities)
Foods and Inns	Form 8	B58993403	6/10/2012	9th Suppl. Joint Documentation
Foods and Inns	Form 8	B66036435	16/01/2013	Andhra Bank - Rs. 5 crores Adhoc pre cum post shipment
Foods and Inns	Form 8	B66913716	31/01/2013	Bank of Maharashtra - Rs.1.50 crores Adhoc limit
Foods and Inns	Form 8	B67896712	14/2/2013	Bank of Maharashtra - Enhanced limit of Rs.5.16 crores

\*The XBRL forms 23 AC and 23 ACA could not be filed for year 2012 with MCA due to a Master Data Error in the MCA record.

The company has taken up the issue with concerned MCA authorities and requested them to correct the master data so as to enable the Company to file the said forms on MCA 21 Portal.

## REPORT ON CORPORATE GOVERNANCE FOR THE FINANCIAL YEAR 2012-13

### PHILOSOPHY OF CORPORATE GOVERNANCE

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

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

Pursuant to Clause 49 of the Listing Agreement, your Company has complied with all the mandatory requirements of the Corporate Governance in all material aspects. As required by the Listing Agreement, a report on Corporate Governance is given below:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

#### 2. BOARD OF DIRECTORS:

The Company has a Non – Executive Chairman and the number of Independent Directors is one half of the total number of Directors. The Directors have been contributing their diversified knowledge, experience and expertise in respective areas of their specialization for the growth of the Company. During the Financial Year 2012-13, Five Meetings of the Board of Directors were held on May 22, 2012, June 23, 2012, August 13, 2012, November 09, 2012 and February 06, 2013 respectively.

The particulars of Directors as on March 31, 2013 are as follows:

Sr No	Director	Category of Directorship	No. of BM Attended	Last AGM attended	No. of Other Directorships held	Committee Membership(s)	
						Chairman	Member
1	Mr. Bhupen Dalal	Chairman / Non- Executive Alternate Director	5	Yes	5	-	1
2.	Mr. Utsav Dhupelia	Managing Director/ Non Independent Director	5	Yes	5	-	-
3	Mr. D. B. Engineer	Non-Executive & Independent Director	4	Yes	10	3	3
4.	Mr. C. M. Maniar	Non-Executive & Independent Director	5	Yes	14	-	8
5.	Mr. D. D Trivedi	Non-Executive & Independent Director	4	Yes	4	-	-
6	Mr. Ray Simkins	Non-Executive & Non - Independent Director	1	No	4	-	-
7	Mr. George Gonszor	Non-Executive & Independent Director	0	No	-	-	-
8	Mr. Milan Dalal	Executive and Non – Independent Director	5	Yes	17	-	-
9	Mr. Sriram Subramaniam	Exim Bank Nominee & Independent Director	0	No	-	-	-

None of the Directors hold directorship in more than 15 public limited companies, membership in committees of Board in more than 10 companies and chairmanship of committee of Board of more than 5 committees.

#### Board Procedures

Agenda is circulated well in advance to the Board of Directors. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In additions to the information required under Annexure IA to clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. At the Board meetings, the Board is apprised of the overall performance of the Company.



### 3. AUDIT COMMITTEE

#### (a) Terms of Reference:

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

The terms of reference and powers of the Audit Committee are as per Clause 49 of the Listing Agreement and also as per Section 292A of the Companies Act, 1956. The Audit Committee was constituted on 30<sup>th</sup> January 2010. During the year the Committee met Four times on May 22, 2012, August 13, 2012, November 09, 2012 and February 06, 2013.

#### (b) Composition:

The Audit Committee consists of the following Directors:

Name of Director	Executive/Non-Executive/Independent	No. of meetings attended
Mr. D.B. Engineer	Chairman of the Committee and Independent Director	3
Mr. Bhupen Dalal	Non Executive Director	4
Mr. D. D Trivedi	Independent Director	1

### 4. SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE

#### (a) Terms of Reference:

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

#### (b) Composition:

Pursuant to Clause 49 of the Listing Agreement, the Company is required to have Shareholders / Investor Grievance Committee. Accordingly, the Board of Directors formed a Shareholders / Investor Grievance Committee, consisting of following Directors:

Name of Director	Chairman/Member	No. of meetings attended
Mr. D.D.Trivedi	Chairman	1
Mr. Utsav Dhupelia	Member	4
Mr. Milan Dalal	Member	4

The Shareholders/ Investor Grievance Committee was constituted on 30<sup>th</sup> January 2010. During the year the Committee met Four times on May 22, 2012, August 13, 2012, November 09, 2012 and February 06, 2013.

Number of request/complaints received from the shareholders during the period April 2012 to March 2013.	32
Number of request/ complaints solved to the satisfaction of the Shareholders during the April 2012 to March 2013.	32
Number of pending request/complaints as on March 31, 2013	NIL

### 5. REMUNERATION COMMITTEE MEETING :

#### (a) Terms of Reference:

The roles and functions of the Remuneration Committee are to review of HR policies, remuneration to the senior management positions, evaluation of performance of the employees etc.

#### (b) Composition:

The Remuneration Committee consists of the following Directors:

Name of Director	Executive/Non-Executive/Independent	No. of meetings attended
Mr. C.M. Maniar	Chairman	-
Mr. D.B. Engineer	Independent Director	-
Mr. D. D Trivedi	Independent Director	-

The Remuneration was constituted on August 12, 2011. During the year the committee did not have any meeting.



**6. GENERAL BODY MEETINGS:**

The particulars of Annual General Meetings and Extra Ordinary General Meeting of the Company held in last three years are as under:

Financial Year	AGM / EGM	Location	Date	Time
2009	EGM	Jasmine, 1 <sup>st</sup> Floor, MVIRDC, World Trade Centre, Centre I, Cuffe Parade, Mumbai – 400005	30/10/2009	4.30 P.M.
2008-2009	AGM	“Sunflower II”, 30 <sup>th</sup> Floor, MVIRDC World Trade Centre, Centre I, Cuffe Parade, Mumbai – 400005	31/03/2010	2.30 P.M.
2009-2010	AGM	“SEMINAR HALL 2”, 31 <sup>st</sup> Floor, MVIRDC World Trade Centre I, Cuffe Parade, Mumbai-400005	25/03/2011	3.30 P.M.
2010-12	AGM	“ LOTUS HALL”, 30 <sup>th</sup> Floor, MVIRDC World Trade Centre, Centre I, Cuffe Parade, Mumbai – 400005	23/06/2012	11.30 A.M.

No Special Resolution was put through Postal Ballot last year nor proposed at the ensuing Annual General Meeting.

**7. CODE OF CONDUCT**

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

**8. DISCLOSURES**

Regarding, related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their subsidiaries or relatives, not conflicting with Company's interest, the details of which have been shown in note no. 36 to the Annual Accounts for the year ended March 31, 2013. No penalties, strictures have been imposed on the Company by Stock Exchanges or SEBI, on any matter related to capital market, during the last three years.

**9. MEANS OF COMMUNICATION**

The Company publishes its quarterly, half yearly, financial results in national and regional newspapers. The Company also sends the financial results to the Stock Exchanges immediately after its approval by the Board. The Company has not sent half yearly report to the shareholders. No presentations were made to the Institutional Investor's or analysts during the year under review. The Management Discussions and Analysis (MD&A) Report is annexed and forms part of this Report.

**GENERAL SHAREHOLDER'S INFORMATION****1. Annual General Meeting scheduled to be held:**

**Date** : September 20, 2013

**Time** : 10.00 a.m

**Venue** : “BOARD ROOM”, 31<sup>st</sup> Floor, MVIRDC World Trade Centre, Centre 1, Cuffe Parade, Mumbai - 400 005

**2. Book Closure:**

September 16, 2013 to September 20, 2013 (Both days inclusive).

**3. Financial Calendar (tentative):**

Financial Reporting for the Financial Year 2013-14	Tentative month of reporting
Un-audited Financial Results for the quarter ending 30 <sup>th</sup> June, 2013.	August, 2013
Un-audited Financial Results for the half year ending 30 <sup>th</sup> September, 2013.	November, 2013
Un-audited Financial Results for the quarter ending 31 <sup>st</sup> December 2013.	February, 2014
Audited Financial Results for the year ending 31 <sup>st</sup> March 2014.	May, 2014

**4. Listing of Equity Shares on Stock Exchanges :**

- (i) Equity Shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and Pune Stock Exchange (PSE) Annual listing fees for the year 2012-13 has been paid to the Bombay Stock Exchange Limited, Mumbai and Pune Stock Exchange.

**5. Stock Code:**

- Bombay Stock Exchange Limited, Mumbai (BSE): B – 507552
- Pune Stock Exchange -
- ISIN – INE976E01015



#### 6. Stock Price Data:

Month wise high and low price of the Company's Shares at Bombay Stock Exchange Limited (BSE) from April, 2012 to March, 2013.

Month	Bombay Stock Exchange Limited (BSE)	
	High (₹)	Low (₹)
April,2012	239.95	215.00
May,2012	222.00	190.30
June,2012	227.00	187.05
July,2012	249.90	194.55
August,2012	212.00	183.00
September,2012	240.05	192.00
October,2012	209.00	180.00
November,2012	215.00	175.80
December,2012	205.00	180.00
January,2013	209.00	180.10
February,2013	205.00	140.10
March,2013	162.75	140.20

#### 7. Compliance Officer:

Mr. Moloy Saha -V.P.Finance & Operations

224, Dulwich Mansion, 3rd Floor, Tardeo Road, Tardeo, Mumbai – 400 007.

Ph: 022- 23533103, email:writetous@foodsandinns.com

#### 8. Address For Correspondence:

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

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

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

#### 9. Share Transfer System

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

#### 10. Dematerialization of Shares

Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 29th January 2001 as per notification issued by the Securities & Exchange Board of India (SEBI). As on March 31, 2013, out of total Equity Capital 14,51,040 Equity Shares, 1,090,887 Equity Shares representing 75.18% of the total Equity Shares are held in dematerialized form with NSDL and CDSL. Transfer cum demat facility is available to all Shareholders of the Company, who request for such facility.

#### 11. Distribution of Shareholding as on March 31, 2013

Range in ₹	Number of Shareholders	% of Total Holders
Upto 5000	1842	93.12
5001 to 10000	68	3.44
10001 to 20000	12	0.61
20001 to 30000	11	0.56
30001 to 40000	5	0.26
40001 to 50000	7	0.35
50001 to 100000	9	0.45
100001 and above	24	1.21
<b>TOTAL.....</b>	<b>1978</b>	<b>100.00</b>

12. Shareholding Pattern as on March 31, 2013

Cat. Code	Category of Shareholder	Total No. of Shares held	% Share Holding
A.	Shareholding of Promoter and Promoter Group		
1	Indian		
(a)	Individuals / Hindu Undivided Family	520533	35.87
(b)	Central Govt. / State Govts.	0	0
(c)	Bodies Corporate	145742	10.04
(d)	Financial Institutions / Banks	0	0
(e)	Any other	0	0
	Sub Total – A(1)	666275	45.92
2	Foreign		
(a)	Non Resident Individuals / Foreign Individuals	0	0
(b)	Bodies Corporate	0	0
(c)	Institutions	0	0
(d)	Any other	0	0
	Sub Total A(2)	0	0
	Total Shareholding of Promoter Group	666275	45.92
(B)	Public Shareholding		
1	Institutions		
(a)	Mutual Funds / UTI	0	0
(b)	Financial Institutions / Banks	0	0
(c)	Central Govt. / State Govt.	0	0
(d)	Venture Capital Funds	0	0
(e)	Insurance Companies	150	0.01
(f)	Foreign Institutional Investors	21000	1.45
(g)	Foreign Venture Capital Investors	0	0
(h)	Any other	0	0
(h1)	NRI Banks	0	0
	Sub Total B(1)	21150	1.46
2	Non Institutions		
(a)	Bodies Corporate / Trust	186444	12.85
(b1)	Individuals-shareholders holding normal Share Capital up to Rs. 1 Lac	312835	21.56
(b2)	Individuals-shareholders holding normal Share Capital in excess of Rs. 1 Lac	83673	5.77
(c)	Any other (Overseas Director)	176520	12.17
(c1)	Clearing Member	579	0.04
(c2)	NRI	2839	0.20
(c3)	NRN	725	0.05
(c4)	OCB's	0	0
	Sub Total B(2)	763615	52.63
	Total Public Shareholding B(1) + B(2)	784765	54.08
	Total (A) + (B)	1451040	100.00
C	Shares held by Custodians and against which Depository receipts have been issued	0	0
	Grand Total	1451040	100.00

OTHER INFORMATION

Declaration regarding affirmation and Compliance of Code of Conduct

This is to confirm that the Company has adopted the code of conduct for its Board Members and for the Senior Management Personnel of the Company. The Company has obtained affirmation as to Compliance of the Code of Conduct from all the Board Members and all the Senior Management Personnel of the Company on an Annual basis. This is a declaration as required under clause 49 I(D)(ii) of the Listing Agreement entered with the Stock Exchange.

UTSAV DHUPELIA  
MANAGING DIRECTOR



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

**To**  
**The Members**  
**Foods and Inns Limited**

We have examined the compliance of conditions of Corporate Governance by Foods And Inns Limited ("the company") for the year ended March 31, 2013 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange.

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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

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

We have examined that no investor grievances are pending for a period exceeding one month, as at March 31, 2013, against the Company as per the records maintained by the Company.

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 Prashant Sharma & Associates**  
Company Secretary

**Prashant Sharma**  
C.P.No.7902  
Proprietor

Place : Mumbai.  
Date : May 14, 2013

## INDEPENDENT AUDITOR'S REPORT

**To the Members of  
FOODS AND INNS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of FOODS AND INNS LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- i. in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- ii. in the case of Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of Cash Flow Statement, of the Cash Flow for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraph 4 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as 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 Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
  - e. On the basis of the written representations received from the Directors of the Company as on March 31, 2013, taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For B. S. MEHTA & CO.**

Chartered Accountants

Firm Registration No. 106190W

**PARESH H. CLERK**

Partner

Membership No. 36148

Place: Mumbai

Date: May 14, 2013



## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of FOODS AND INNS LIMITED on the financial statements for the year ended March 31, 2013]

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we report that:

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year for the first time since 2003 and no material discrepancies were noticed on such verification. As informed, the Company has decided to physically verify its fixed assets in a phased manner so as to cover the verification of all the fixed assets at least once in every three years. In our opinion, such programme of verification would be considered at reasonable intervals.
  - c. During the year, the Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- ii. a. Inventories (including stocks with third parties, except stocks lying in overseas godowns) have been physically verified by the management during the year. In case of inventories at the year end lying with third parties and the overseas godowns, certificates confirming the same have been received in respect of a substantial portion thereof. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- iii. a. The Company has granted an unsecured loan to a company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 1,70,00,000 and the year end balance of the loan given to such company was ₹ 1,70,00,000. The Company has not granted any other loans to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
  - b. In our opinion, the rate of interest and other terms and conditions on which such loan has been granted are not, prima facie, prejudicial to the interest of the Company.
  - c. As the terms of repayment of the above loan are not stipulated, we are unable to comment on the regularity of receipt; accordingly, Clause (iii)(d) relating to steps for recovery of overdue amount of more than rupees one lakh is also not commented upon.
  - d. The Company has taken unsecured loans from two individuals covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 4,19,23,649 and the year end balance of loans taken from such parties was ₹ 4,12,21,149. The Company has not taken any other loan from companies, firms or any other parties covered in the register maintained under Section 301 of the Act.
  - e. In our opinion the rate of interest and other terms and conditions on which such loans have been taken are not, prima facie, prejudicial to the interest of the Company.
  - f. As the terms of repayment of above loans are not stipulated, we are unable to comment on the regularity of repayment.
- 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 through personal supervision of management of the Company for the purchase of inventory, fixed assets and for the sale of goods. As informed to us, the Company is not engaged in the sale of any service. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the aforesaid areas of internal control system.
- v. a. According to the information and explanation given to us, we are of the opinion that the particulars of all contracts or arrangements that needed to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred in (v) (a) above and exceeding the value of rupees five lakhs with any party during the year have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time, wherever applicable.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, 58AA and other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposit accepted from public.
- vii. During the year, internal audit was carried out by the Company for all its operations except for those at corporate office. In our opinion the internal audit is commensurate with the size of the Company and the nature of its business except that it requires to cover operations at its corporate office.
- viii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. a. According to the information and explanations given to us and the records examined by us, except in respect of the Tax Deducted

at Source for which there were delays, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service-tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it. However, there were no arrears of any statutory dues as at March 31, 2013 for a period of more than six months from the date they became payable.

- b. According to the information and explanations given to us, as may be applicable, given herein below are the details of dues of Income-tax, Sales-tax and Service-tax which have not been deposited with appropriate authorities on account of any dispute and the forum where the dispute is pending:

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
The Income-tax Act, 1961	Disallowance of expenditure/ deductions and interest	2,28,68,208	2010-2011	Commissioner of Income-tax (Appeals)
The Finance Act, 1994	Service tax and interest thereon	3,96,978	2004-2005 to 2007-2008	Commissioner of Central Excise (Appeals)
Value Added Tax Act	Sales Tax and interest	2,14,61,834	2012-2013	Sales-tax Appellate Tribunal

- x. At the year end, the Company has accumulated losses but they do not exceed more than fifty per cent of its net worth. However, it has not incurred any cash losses during the year ended on that date or in the immediately preceeding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues, if any, to financial institutions, banks or debenture holders as at balance sheet date.
- xii. According to the information and explanations given to us, as also on the basis of the books and records examined by us, as the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, Clause 4(xii) of the Order relating to maintenance of adequate documents and records in this regard is not applicable.
- xiii. As the Company is not a chit fund, Nidhi, mutual benefit fund or a society, Clause 4 (xiii) of the Order is not applicable.
- xiv. According to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, the requirements of Clause 4(xiv) of the Order relating to the maintenance of the proper records of the transactions and contracts and making of timely entries therein are not applicable.
- xv. In our opinion and according to the information and explanations given to us, in the earlier year, the Company had given a Corporate Guarantee for loan taken by one company from a bank, the terms and conditions of which, are not prima facie prejudicial to the interest of the Company.
- xvi. According to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised other than amounts temporarily placed pending utilization of the funds for the intended use.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short-term basis have been utilized for long-term investments to the extent of ₹ 39,63,41,365 (Including ₹ 3,72,80,440 have been utilized during the year).
- xviii. According to the information and explanations given to us, as the Company has not made any preferential allotment of shares during the year, Clause 4(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us, as the Company has not issued any debentures, the question of creating security or charges in respect thereof does not arise.
- xx. As the Company has not raised any money by public issue during the year, Clause 4(xx) of the Order requiring to disclose the end use of money raised and verifying the same is not applicable.
- xxi. Based on the audit procedures performed and the information and explanations given to us by the management, we report that no fraud (i.e. intentional material misstatements resultant from fraudulent financial reporting and misappropriation of assets) on or by the Company has been noticed or reported during the course of our audit.

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

PLACE : MUMBAI  
DATE : MAY 14, 2013

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



## BALANCE SHEET AS AT MARCH 31, 2013

	Note	₹	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	2		1,45,10,400	1,45,10,400
Reserves and Surplus	3		34,39,12,804	32,13,27,350
<b>Non-current liabilities</b>				
Long-term Borrowings	4	13,10,29,881		19,39,55,443
Deferred Tax Liabilities (Net)	5	4,84,16,438		4,78,68,885
Long-term Provisions	6	71,60,666		95,26,834
			18,66,06,985	25,13,51,162
<b>Current liabilities</b>				
Short-term Borrowings	7	1,51,11,89,913		1,27,16,97,594
Trade Payables	8	28,63,22,888		17,91,78,250
Other Current Liabilities	9	28,12,50,887		33,90,83,469
Short-term Provisions	10	58,67,324		25,99,207
			2,08,46,31,012	1,79,25,58,520
	<b>TOTAL</b>		<b>2,62,96,61,201</b>	<b>2,37,97,47,432</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Fixed assets	11			
Tangible assets		83,16,16,208		82,81,54,564
Intangible assets		18,391		25,478
Capital work-in-progress		12,01,38,651		8,35,10,668
Intangible Assets under Development		19,98,579		19,98,579
		95,37,71,829		91,36,89,289
Non-current Investments	12	2,03,88,785		2,03,88,785
Long-term Loans and Advances	13	9,26,82,209		11,29,09,794
Other Non-Current Assets	14	NIL		NIL
			1,06,68,42,823	1,04,69,87,868
<b>Current assets</b>				
Current Investments	15	10,00,000		10,00,000
Inventories	16	81,90,04,280		65,38,97,547
Trade Receivables	17	34,46,08,453		40,96,62,452
Cash and Cash Equivalents	18	9,99,20,810		6,13,62,722
Short-term Loans and Advances	19	23,61,41,614		14,06,71,271
Other Current Assets	20	6,21,43,221		6,61,65,572
			1,56,28,18,378	1,33,27,59,564
	<b>TOTAL</b>		<b>2,62,96,61,201</b>	<b>2,37,97,47,432</b>
<b>Notes (Including Significant Accounting Policies)</b>				
<b>Forming Part of the Financial Statements</b>				
	1-45			

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013**

	Note	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
Revenue from Operations	21	2,60,66,23,175	3,97,05,82,976
Less: Excise Duty on Sales		3,01,68,677	2,42,73,709
Revenue from Operations (Net)		257,64,54,498	3,94,63,09,267
Other Income	22	3,10,98,882	8,53,79,844
<b>Total Revenue</b>		<b>2,60,75,53,380</b>	<b>4,03,16,89,111</b>
<b>Expenses:</b>			
Cost of Materials Consumed	23	1,51,40,41,780	1,38,64,56,463
Purchases of Stock-in-Trade	24	19,78,18,859	18,51,87,838
Changes in Inventories of Finished Goods and Stock-in-Trade	25	(13,31,58,442)	1,26,26,70,521
Employee Benefits Expense	26	12,14,84,166	13,35,88,371
Finance Costs	27	17,66,85,561	28,56,57,376
Depreciation and Amortisation Expense		4,72,93,485	5,87,26,709
Other Expenses	28	65,81,19,114	80,26,40,257
<b>Total Expenses</b>		<b>2,58,22,84,523</b>	<b>4,11,49,27,535</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>		<b>2,52,68,857</b>	<b>(8,32,38,424)</b>
Exceptional Items		NIL	NIL
<b>Profit/(Loss) before Tax</b>		<b>2,52,68,857</b>	<b>(8,32,38,424)</b>
Tax Expense			
Current Tax		59,23,847	NIL
Deferred Tax (Refer Note 5.2)		5,47,523	(39,20,000)
Tax Adjustment of Earlier Years		(7,24,893)	(1,32,81,395)
MAT Credit		(56,51,122)	(29,37,447)
		<b>95,355</b>	<b>(2,01,38,842)</b>
<b>Profit/(Loss) for the Year</b>		<b>2,51,73,502</b>	<b>(6,30,99,582)</b>
Earnings per Equity Share of ₹ 10 each			
Basic and Diluted		17.35	(44.32)
<b>Notes (Including Significant Accounting Policies)</b>			
<b>Forming Part of the Financial Statements</b>	1-45		

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) Before Tax	2,52,68,857	(8,32,38,424)
<b>Adjustments for :</b>		
Add: Loss on Sale of Fixed Assets	2,76,490	7,40,705
Depreciation	4,72,93,485	5,87,26,709
Interest Expense	17,66,85,561	28,56,57,376
Foreign Currency Reinstatement Loss/ (Gain)	7,03,84,742	9,94,15,324
Mark to Market Loss/(Gain) on Outstanding Forward Contract	(1,28,45,446)	3,44,81,603
Loss due to fire	NIL	1,16,12,587
Loss due to accident	NIL	3,98,492
Wealth Tax	30,500	56,021
Provision for Gratuity (Net of Payments)	16,18,414	24,52,495
Provision for Leave Encashment (Net of Payments)	6,66,494	6,16,272
Excise Duty on Uncleared Finished Goods	7,79,358	20,05,929
Less: Dividend Income	(53,808)	(51,499)
Interest Received on Deposits and Others	(2,89,38,357)	(5,80,00,245)
Recovery of Advance Written off	NIL	(1,36,17,878)
Balance / Provision Write Back-(Net )	NIL	(23,163)
Prior period Adujstment	NIL	2,49,05,778
<b>Operating Profit Before Working Capital Changes</b>	<b>28,11,66,290</b>	<b>36,61,38,082</b>
<b>Adjustments for :</b>		
Long-term Loans and Advances and other Non-current Assets	2,50,84,508	(98,59,131)
Inventories	(16,51,06,733)	1,26,06,41,484
Trade Receivables and Short-term Loans and Advances	(4,10,95,734)	(6,22,80,444)
Other Current Assets	40,22,351	(64,63,321)
Long-term Provisions	(46,51,076)	35,38,327
Trade payables, Other Current Liabilities and Short-term Provisions	2,33,67,851	(82,06,14,981)
<b>Cash Generated From Operations</b>	<b>12,27,87,457</b>	<b>73,11,00,016</b>
Income Tax paid(Received )	NIL	41,63,351
<b>Net Cash From Operating Activities</b>	<b>12,27,87,457</b>	<b>72,69,36,665</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,89,17,437)	(17,90,08,780)
Sale of Fixed Assets	2,80,000	16,00,000
Dividend Income	53,808	51,499
Recovery of Advance Written off	NIL	1,36,17,878
Interest on Deposits and Others	2,89,38,357	5,80,00,245
Bank Deposits having Original Maturity of more than 3 months	(1,46,60,677)	10,05,792
<b>Net Cash From Investing Activities</b>	<b>(7,43,05,949)</b>	<b>(10,47,33,366)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

	<b>For the Year ended March 31, 2013 ₹</b>	<b>For the Eighteen Months Period ended March 31, 2012 ₹</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Deferred Sales Tax Payment	5,47,553	NIL
Increase/Decrease in Share Capital	NIL	9,16,650
Increase/Decrease in Security Premium Account	NIL	1,31,99,761
Proceeds from Long-term Borrowings	(6,44,50,562)	(38,82,54,734)
Increase/Decrease in Short-term Borrowings	21,60,04,472	5,01,54,409
Interest Paid	(14,83,65,549)	(25,72,41,973)
Guarantee commission and Financial Charges	(2,83,20,011)	(2,84,15,403)
Interest on Term Loan Capitalised	NIL	(1,14,47,651)
Dividend Paid (Including Dividend Distribution Tax)	NIL	(27,46,484)
<b>Net Cash From Financing Activities</b>	<b>(2,45,84,097)</b>	<b>(62,38,35,425)</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>2,38,97,411</b>	<b>(16,32,126)</b>
<b>Cash and Cash Equivalents at the Beginning Of the Year</b>	<b>64,31,613</b>	<b>80,63,739</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>3,03,29,024</b>	<b>64,31,613</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	3,81,106	7,08,105
Other Bank Balances		
On Current Accounts	2,96,39,172	54,10,052
On Unpaid Dividend Accounts	3,08,746	3,13,456
	<b>3,03,29,024</b>	<b>64,31,613</b>

Notes: "i. Cash and Bank balances include Fixed Deposits with Banks against ECGC Scheme ₹ 4,07,89,185 (Previous Period ₹ 2,92,46,518) and Margin Money placed with Banks against Letter of Credit ₹ 2,88,02,601 (Previous Period ₹ 2,59,61,330).

ii. Purchase of Fixed Assets includes addition to Capital Work in Progress during the year.

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

### 1 SIGNIFICANT ACCOUNTING POLICES

#### A. BASIS OF ACCOUNTING

##### a. Accounting Convention:

- i. The financial statements are prepared on the basis of going concern under historical cost convention on an accrual basis in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, and the relevant provisions of the Companies Act, 1956.
- ii. The financial statements of the Company for the previous financial year for the period of Eighteen Months from October 1, 2010 to March 31, 2012 had been prepared as per then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2013 are prepared as per the Revised Schedule VI. Accordingly, the figures of previous period of Eighteen Months from October 1, 2010 to March 31, 2012 have also been reclassified/regrouped to conform to this year's classification. The figures of the current period are for twelve months ended on March 31, 2013 and hence, are not comparable with those of the previous period of Eighteen Months ended on March 31, 2012. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

##### b. Use of Estimates:

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosure relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts / advances, deferred tax, export incentives, provision for retirement benefits, etc. Actual results could differ from those estimates.

#### B. FIXED ASSETS:

- a. Land (Freehold): At cost except Land at Deonar, Mumbai, which is reflected at revalued amount;
- b. Buildings: At cost less depreciation and grants related to specific assets except buildings at Deonar, Mumbai, which are reflected at revalued amount less depreciation;
- c. Other Fixed Assets: At cost less depreciation.

'Cost' for the aforesaid purpose comprises of its purchase price, including import duties and other non-refundable taxes and levies and any directly attributable cost of bringing the asset to its working condition for its intended use; trade discount and rebate, if any, are deducted in arriving at the purchase price.

#### C. DEPRECIATION:

- a. Depreciation on Fixed Assets is provided on the straight-line method, at the rates prescribed under Schedule XIV to the Companies Act, 1956.
- b. Assets costing below ₹ 5,000 have been depreciated fully in the period of acquisition.
- c. The amount of depreciation on the Revalued Fixed Assets over its Original Cost is withdrawn from Revaluation Reserve Account(to the extent the Reserve is available) and credited to the Statement of Profit and Loss.

#### D. INVENTORIES:

- a. Inventories are valued at the lower of Cost and Net Realisable Value.
- b. Raw Materials and Packing Materials are valued at cost computed on FIFO basis. Cost includes cost of purchases, Excise Duties and Taxes and all other costs incurred in bringing the same to its present location and condition (net of Cenvat / Sales Tax set off, if any).
- c. Cost of Finished Goods consists of direct cost and an appropriate share of related factory overheads. Excise duty is provided on closing stock of finished goods, wherever applicable.

#### E. REVENUE RECOGNITION:

- a. Sales :
  - i. Sale of goods in respect of export sales are recognised as and when the shipment of goods takes place.
  - ii. Sale of goods in respect of export sales from overseas warehouses are recognized as and when the release order for goods is sent to the warehouse.
  - iii. Sale of goods in respect of domestic sales are recognised on despatch of goods to the customer net of VAT and Excise Duty. However, for the purpose of disclosure, Sales are disclosed at gross as reduced by Excise Duty.
  - iv. Sales are net of returns.
- b. Export Incentives are accounted on export of goods, if the entitlement can be estimated with reasonable accuracy and conditions precedent to claims are fulfilled[Refer Note 21.2 of the Statement of Profit and loss]

**SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013**

- c. Excise Duty Refund, Octroi Duty Refund and Sales Tax Set off, if any, is taken on accrual basis. Grants are recognised as accrued on the basis of sanction letter received from the concerned authorities.
- d. Dividend income is recognised when the right to receive payment is established.
- e. Interest income is recognised on a time proportionate basis taking into account the amount outstanding and the rate applicable.
- f. Claims for insurance are accounted at the time of its lodgement with the Insurance Company.

**F. FOREIGN CURRENCY TRANSACTIONS:**

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

**G. GRANTS:**

- a. Grants related to specific fixed assets are shown as deduction from the gross value of the assets.
- b. Revenue grants are deducted from the related expense.

**H. INVESTMENTS:**

Long-term investments are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of Investments. Current Investments are stated at cost.

**I. EMPLOYEE BENEFITS:**

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

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

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

**Defined Benefit Plan:****1. Gratuity**

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



## **SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013**

### **2. Compensated Absences:**

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

### **3. Superannuation fund:**

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

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

Borrowing costs, attributable to the acquisition/construction of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. Other borrowing costs are charged as an expense in the period in which the same are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

### **K. LEASES:**

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

### **L. TAXATION:**

- a. Provision for current tax is made on the estimated taxable income of the period at the rate applicable to the relevant assessment year.
- b. In accordance with the Accounting Standard 22 – "Accounting for Taxes on Income", the deferred tax for the timing differences is measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilised.

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

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

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

- a. A provision is recognised, if as a result of past event, the Company has a present legal obligation that can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.
- b. A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or present obligation where likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent Assets are neither recognised nor disclosed.

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>2. Share Capital</b>		
<b>Authorised</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10 par value	6,00,00,000	6,00,00,000
3,00,000 (3,00,000) Redeemable Preference Shares of ₹ 100 par value	3,00,00,000	3,00,00,000
	<u>9,00,00,000</u>	<u>9,00,00,000</u>
<b>Issued, Subscribed And Paid Up :</b>		
14,51,040 (14,51,040) Equity Shares of ₹ 10 par value fully paid	1,45,10,400	1,45,10,400
	<u>1,45,10,400</u>	<u>1,45,10,400</u>

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

	As At March 31, 2013		As At March 31, 2012	
	No. of shares	₹	No. of shares	₹
Equity Shares of ₹ 10 par value				
At the beginning	14,51,040	1,45,10,400	13,28,820	1,32,88,200
Changes during the year	NIL	NIL	1,22,220	12,22,200
At the end	<u>14,51,040</u>	<u>1,45,10,400</u>	<u>14,51,040</u>	<u>1,45,10,400</u>

## 2.2 Rights, preferences and restrictions :

- The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Board of Directors, in their meeting on May 14, 2013, proposed a final dividend of ₹ 1 per equity share of ₹ 10 each. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹ 16,97,644 including corporate dividend tax of ₹ 2,46,604. For the period ended March 31, 2012, in view of the losses, the Company did not declare any dividend.
- In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

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

Name of the Shareholder	As At March 31, 2013		As At March 31, 2012	
	No. of Shares held	% Held	No. of Shares held	% Held
Mr. Ray Simkins	1,75,820	12.12	1,75,820	12.12
Mrs. Pallavi Dhupelia	1,62,905	11.23	1,62,905	11.23
Mr. Utsav Dhupelia	1,33,010	9.17	1,33,010	9.17
Western Press Pvt Ltd.	1,14,357	7.88	1,14,357	7.88

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>3. Reserves and Surplus</b>		
<b>Capital Reserves</b>		
As per last Balance Sheet	3,13,246	3,13,246
<b>Securities Premium Account</b> [Refer Note 30]		
As per last Balance Sheet	4,12,22,681	2,36,23,000
Add: Premium on Equity Shares allotted against Preferential Convertible Warrants	NIL	1,75,99,681
	<u>4,12,22,681</u>	<u>4,12,22,681</u>
<b>Revaluation Reserve</b> [Refer Note 31]		
As per last Balance Sheet	9,82,20,545	7,46,50,373
Add: Amounts written off adjusted thereagainst transferred to Statement of Profit and Loss	NIL	2,49,05,778
Less: Depreciation on Revalued Assets	8,90,404	13,35,606
	<u>9,73,30,141</u>	<u>9,82,20,545</u>



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>General Reserve</b>		
As per last Balance Sheet	20,99,20,967	20,99,20,967
Less: Transferred to Surplus for Appropriations [Refer Note 3.1]	16,97,644	NIL
	20,82,23,323	20,99,20,967
<b>Surplus/ (Deficit)</b>		
As per last Balance Sheet	(2,83,50,089)	3,47,49,493
Add: Net Profit/(Net Loss) after Tax transferred from Statement of Profit and Loss	2,51,73,502	(6,30,99,582)
	(31,76,587)	(2,83,50,089)
Add: Transferred from General Reserve [Refer Note 3.1]	16,97,644	NIL
Less: Appropriations		
Proposed Dividend on Equity Shares	14,51,040	NIL
Tax on Proposed Dividend	2,46,604	NIL
	NIL	NIL
	(31,76,587)	(2,83,50,089)
	34,39,12,804	32,13,27,350

- 3.1 Pursuant to Section 205A (3) of the Companies Act, 1956 and the Companies (Declaration of Dividend out of Reserves) Rules, 1975, the Company has, out of the balance of ₹ 20,99,20,967 in General Reserve (created by the transfer of profits in earlier years), transferred ₹ 16,97,644 to Surplus and has accordingly proposed dividend out of the accumulated profits of the previous years.

#### 4. Long-term Borrowings

Term Loans [Refer Note 4.1 and 4.2]

Secured

From Banks

8,64,46,785

14,22,30,319

Deposits [Refer Note 4.1 and 4.3]

Unsecured

Fixed Deposits

1,62,94,149

2,48,37,000

Other Loans

Secured

Vehicle Loans [Refer Note 4.1 and 4.4]

From Banks

1,11,452

3,70,784

From Others

10,72,495

9,37,340

11,83,947

13,08,124

Unsecured

From Director

2,71,05,000

2,55,80,000

2,82,88,947

2,68,88,124

13,10,29,881

19,39,55,443

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

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

Nature of Security	Rate of Interest	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>4.2 TERM LOANS</b>			
a. Term Loan availed from Andhra Bank of ₹ 2,00,00,000, repayable in 60 monthly instalments commencing from June 30, 2009	16% p.a.	NIL	22,52,658
<u>Collateral Security:</u> Pari passu second charge on fixed assets under first charge to working capital lenders			
b. Term Loan availed from Corporation Bank for Chittoor expansion Project for ₹ 3,70,00,000, repayable in 60 monthly instalments from December 20, 2009	Ranging from 12% p.a. to 14% p.a.	67,54,538	1,69,22,948



## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

Nature of Security	Rate of Interest	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<u>Primary Security:</u> First charge by way of Equitable mortgage/hypothecation of the entire fixed assets of Gonde Unit consisting of land, building, Plant and Machinery acquired out of this term loan <u>Collateral Security:</u> First charge on pari passu basis with other banks of the consortium on all current assets of the Company consisting of raw Material , Stock in Process, Finished Goods, Stores and Spares, Other Consumables and Book Debts <u>Personal Guarantee:</u>	Ranging from 14% p.a. to 16.5% p.a.	3,84,24,519	7,36,44,245
i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder c. Term Loan availed from State Bank of India for Gonde (Sinnar) Project for ₹ 13,90,00,000 repayable in 48 monthly instalments from April 30, 2009 <u>Primary Security:</u> First charge by way of Equitable mortgage on specific assets acquired out of the term loan <u>Collateral Security:</u> First charge by way of equitable Mortgage on land and building, Plant and Machinery, Furniture and other Fixed assets of the Company <u>Personal Guarantee:</u>	Ranging from 12.25% p.a. to 12.5% p.a.	3,60,00,000	4,80,00,000
i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder d. Term Loan availed from Export Import Bank of India for Chittoor expansion -FFP Plant -II for ₹ 6,00,00,000 repayable in 20 Quarterly Instalment from June 20, 2011 of ₹ 30,00,000 each <u>Primary Security:</u> i Exclusive First charge on immovable and moveable fixed Assets acquired out of this term loan. ii Exclusive First charge on land admeasuring 4.04 acres pertaining to company's FFP plant – II at Chittoor <u>Collateral Security:</u> Second Pari Pasu charge on the entire fixed assets of company excluding specific fixed assets charged exclusively to term lender <u>Personal Guarantee:</u>	Ranging from 14% p.a. to 16.5% p.a.	8,06,32,784	7,32,94,468
i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder e. Term Loan availed from Andhra Bank for Chittoor expansion project for ₹ 9,00,00,000 repayable in 60 monthly instalments from July 11, 2012. <u>Primary Security:</u> Exclusive First Charge on moveable and immovable fixed assets acquired /to be acquired out of this term loan. <u>Collateral Security:</u> i Second residual charge on Current Assets charged to working capital lenders ii Pari Passu second charge on fixed Assets under first charge to working capital lenders <u>Personal Guarantee:</u>		16,18,11,841	21,41,14,319



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

Nature of Security		Rate of Interest	As At March 31, 2013 ₹	As At March 31, 2012 ₹
Less: Current maturities of Long-term debt [Refer Note 9]			7,53,65,056	7,18,84,000
			<b>8,64,46,785</b>	<b>14,22,30,319</b>
4.3	<b>DEPOSITS</b>			
	Public Deposits maturing between 1 to 3 years	Ranging from 10% p.a. to 12.5% p.a.	6,53,38,149	5,71,30,000
			6,53,38,149	5,71,30,000
	Less: Current maturities of Long-term debt [Refer Note 9]		4,90,44,000	32,293,000
			<b>1,62,94,149</b>	<b>2,48,37,000</b>
4.4	<b>VEHICLE LOANS</b>			
a.	From Banks			
	Vehicle Loan availed of ₹ 6,83,000 from HDFC Bank, repayable in 36 monthly instalments commencing from December 17, 2009 is secured against the specified car	11.52% p.a.	NIL	1,71,049
	Vehicle Loan availed from AXIS Bank of ₹6,46,000 , repayable in 36 monthly instalments commencing from November 1, 2011 is secured against the specified car	12.50% p.a.	3,70,784	5,70,023
b.	From Others			
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 6,32,000, repayable in 34 monthly instalments commencing from February 17, 2010 secured against the specified car	10.38% p.a.	NIL	185,034
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 12,79,000, repayable in 35 monthly instalments commencing from November 30, 2010 is secured against the specified car	9.92% p.a.	2,84,675	7,37,886
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 3,15,000, repayable in 35 monthly instalments commencing from April 30, 2011 is secured against the specified car	13.70% p.a.	1,31,921	2,37,568
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 9,18,000, repayable in 35 monthly instalments commencing from October 31, 2011 is secured against the specified car	10.69% p.a.	5,20,744	8,24,522
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 10,44,000, repayable in 35 monthly instalments commencing from October 31, 2012 is secured against the specified car	7% p.a.	9,38,034	NIL
			22,46,158	27,26,082
	Less: Current maturities of Long-term debt [Refer Note 9]		10,62,211	14,17,958
			<b>11,83,947</b>	<b>1,308,124</b>
5.	<b>Deferred Tax Liabilities (Net)</b>			
	Deferred Tax Liabilities			
	Depreciation		8,15,33,899	7,98,00,873
	Deferred Tax Assets			
	Expenses allowable for Tax purpose when paid		47,23,191	49,59,647
	Provision for Doubtful Debts and Advances		16,56,839	2,62,805
	Losses Carried Forward and Unabsorbed Depreciation		2,67,37,431	2,67,09,536
	Net Deferred Tax Liabilities		<b>4,84,16,438</b>	<b>4,78,68,885</b>

5.1 The Company has carried forward business losses and unabsorbed depreciation as at the Balance Sheet date. Based on the confirmed export orders, the Company is virtually certain that there would be sufficient taxable income in future against which the deferred tax asset can be realised.

5.2 Deferred Tax Liabilities (DTL) for the year is arrived at after reversal of DTL of ₹ 5,47,523 relating to prior period.

## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

## 6. Long-term Provisions

	As At March 31, 2013	As At March 31, 2012
	₹	₹
Provision for Employee Benefits		
For Gratuity	24,97,779	48,52,187
For Leave Encashment	46,62,887	46,74,647
	71,60,666	95,26,834
	71,60,666	95,26,834

## 7. Short-term Borrowings

	As At March 31, 2013	As At March 31, 2012
	₹	₹
Loans repayable on demand		
Secured		
From Banks		
Open Cash Credit [Refer to Note 7.1]	9,07,28,707	10,94,26,503
Packing Credit / Foreign Bills purchased [Refer to Note 7.2]	1,28,71,86,978	95,86,71,091
Overdraft Facilities [Refer to Note 7.3]	13,32,74,228	20,00,00,000
	151,11,89,913	126,80,97,594
Other Loans		
Secured		
Loan against Fixed Deposit [Refer to Note 7.4]	NIL	36,00,000
	151,11,89,913	127,16,97,594

- 7.1 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods and Packing Materials. All the above Loans including from the Banks are also secured by a personal Guarantee of one Director, a Shareholder and an individual (by one consortium bank) and charge on all the Fixed Assets and Current Assets including book debts of the Company, both present and future.
- 7.2 Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Cans, etc. meant for export, a charge over the entire current assets of the Company including receivables/ book debts, both present and future, and stores and spares, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover.
- 7.3 For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers.
- 7.4 Secured against pledge of Fixed Deposit of ₹ NIL (Previous Period ₹ 40,00,000) [Refer Note 18.1].

## 8. Trade Payables

	As At March 31, 2013	As At March 31, 2012
	₹	₹
Micro Enterprises & Small Enterprises (Refer Note 8.1)	8,89,048	1,11,908
Others		
For Capital Goods	3,62,19,761	1,69,23,243
For Others	24,92,14,079	16,21,43,099
	28,54,33,840	17,90,66,342
	28,63,22,888	17,91,78,250



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

8.1 Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:

	As At ₹ March 31, 2013	As At March 31, 2012
Principal amount remaining unpaid and interest due thereon	9,99,610	1,13,306
Interest paid in terms of Section 16	NIL	NIL
Interest due and payable for the period of delay in payment	67,656	22,113
Interest accrued and remaining unpaid	2,62,379	2,23,480
Interest due and payable even in succeeding years	NIL	NIL

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

### 9. Other Current Liabilities

Current Maturities of Long-term debt		
Term Loan		
Secured		
From Banks	7,53,65,056	7,18,84,000
Deposits		
Unsecured		
Fixed Deposits	4,90,44,000	3,22,93,000
Other Loans		
Secured		
Vehicle Loans		
From Banks	2,59,332	3,70,288
From Others	8,02,879	10,47,670
	10,62,211	14,17,958
	12,54,71,267	10,55,94,958
Interest accrued but not due on borrowings	16,46,022	30,26,764
Interest accrued and due on borrowings	5,25,141	9,82,989
Unclaimed dividends	3,08,746	3,13,456
Book Overdraft	15,60,181	44,33,415
Advances from customers	13,06,48,800	20,62,74,262
Others *	2,10,90,730	1,84,57,625
	<u>28,12,50,887</u>	<u>33,90,83,469</u>

\* Others include Statutory Dues and other year end liabilities provided.

### 10. Short-term Provisions

Provision for employees benefits		
Gratuity	32,10,818	24,21,428
Leave Encashment	8,56,033	1,77,779
	<u>40,66,851</u>	<u>25,99,207</u>
Others		
Provision for Tax	53,00,000	NIL
Less: Taxes Paid	51,97,171	NIL
	<u>1,02,829</u>	<u>NIL</u>
Proposed Dividend	14,51,040	NIL
Tax on Dividend	2,46,604	NIL
	<u>18,00,473</u>	<u>NIL</u>
	<u>58,67,324</u>	<u>25,99,207</u>

## 11. Fixed Assets

Description	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		Amount in ₹
	As At April 1, 2012	Additions	Deductions and/ or adjustments	As At March 31, 2013	Upto March 31, 2012	For the year	Withdrawal for Sale/Adjustment	Upto March 31, 2013	As At March 31, 2013	
<b>Tangible Assets</b>										
Land	12,70,55,629 (12,54,27,879)	2,41,127 (16,27,750)	NIL (NIL)	12,72,96,756 (12,70,55,629)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	12,72,96,756 (12,70,55,629)	12,70,55,629 (12,54,27,879)
Buildings										
Factory Building	24,37,25,784 (20,33,47,824)	2,32,21,976 (4,03,77,960)	NIL (NIL)	26,69,47,760 (24,37,25,784)	3,26,53,335 (2,16,36,895)	83,91,414 (1,10,16,440)		4,10,44,749 (3,26,53,335)	22,59,03,011 (21,10,72,449)	21,10,72,449 (18,17,10,929)
Administrative Building	4,16,75,694 (3,89,04,994)	1,00,800 (27,70,700)	NIL (NIL)	4,17,76,494 (4,16,75,694)	72,54,816 (62,40,288)	6,87,918 (10,14,528)		79,42,734 (72,54,816)	3,38,33,760 (3,44,20,878)	3,44,20,878 (3,26,64,706)
Plant and Equipments										
Plant and Machinery	60,04,08,066 (49,53,12,956)	2,19,45,543 (10,50,95,110)	NIL (NIL)	62,23,53,609 (60,04,08,066)	17,32,95,294 (12,98,49,019)	3,52,15,225 (4,34,46,275)		20,85,10,519 (17,32,95,294)	413,843,090 (42,71,12,772)	42,71,12,772 (36,54,63,937)
Generators	60,48,005 (60,48,005)	27,28,591 (NIL)	NIL (NIL)	87,76,596 (60,48,005)	15,67,339 (11,35,915)	2,89,153 (4,31,424)		18,56,492 (15,67,339)	69,20,104 (44,80,666)	44,80,666 (49,12,090)
Forklift Accessories	85,20,211 (80,95,715)	5,69,519 (4,24,500)	NIL (NIL)	90,89,730 (85,20,215)	20,62,436 (1,470,425)	4,17,796 (5,92,017)		24,80,232 (20,62,442)	66,09,498 (64,57,773)	64,57,775 (66,25,290)
Furniture and Fixtures	73,16,623 (69,49,388)	2,43,985 (3,67,240)	NIL (NIL)	75,60,608 (73,16,628)	33,81,590 (29,10,657)	3,63,584 (4,70,933)		37,45,174 (33,81,590)	38,15,434 (39,35,038)	39,35,033 (40,38,731)
Vehicles	1,44,08,840 (1,31,78,149)	15,31,376 (44,76,787)	16,38,981 (32,46,106)	1,43,01,235 (1,44,08,830)	54,42,056 (45,92,077)	13,42,459 (17,55,357)	10,81,342 (9,05,388)	57,03,173 (54,42,046)	85,98,062 (89,66,784)	89,66,784 (85,86,072)
Office Equipments	57,21,262 (43,57,405)	4,04,686 (13,63,857)	NIL (NIL)	61,25,948 (57,21,262)	29,64,011 (25,24,627)	2,59,448 (4,39,384)		32,23,459 (29,64,011)	29,02,489 (27,57,251)	27,57,251 (18,32,778)
Others										
Computers	73,62,433 (64,21,770)	5,93,185 (9,40,663)	NIL (NIL)	79,55,618 (73,62,433)	54,67,106 (45,75,402)	6,02,808 (8,91,704)	8,300 (NIL)	60,61,614 (54,67,106)	18,94,004 (18,95,327)	18,95,327 (18,46,368)
Current year	1,06,22,42,547 (90,80,44,084)	5,15,80,788 (15,74,44,567)	16,38,981 (32,46,106)	1,11,21,84,354 (1,06,22,42,545)	23,40,87,983 (17,49,35,305)	4,75,69,805 (6,00,58,062)	10,81,342 (9,05,388)	28,05,68,146 (23,40,87,979)	83,16,16,208 (82,81,54,564)	82,81,54,564 (73,31,08,780)
<b>Intangible Assets</b>										
Patents and Trademarks	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	2,62,500 (2,62,500)	NIL (NIL)		2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)
Computer Software	43,720 (43,720)	6,06,997 (NIL)	NIL (NIL)	6,50,717 (43,720)	18,242 (13,991)	6,14,084 (4,251)		6,32,326 (18,242)	18,391 (25,478)	25,478 (29,729)
Current year	3,06,220 (3,06,220)	6,06,997 (NIL)	NIL (NIL)	9,13,217 (3,06,220)	2,80,742 (2,76,491)	6,14,084 (4,251)		8,94,826 (2,80,742)	18,391 (25,478)	25,478 (29,729)
Previous period										
<b>Capital Work-in-progress</b>										
Plant and Machinery	8,35,10,668 (6,10,60,355)	9,05,15,492 (16,23,77,321)	5,38,87,509 (13,99,27,008)	12,01,38,651 (8,35,10,668)					12,01,38,651 (8,35,10,668)	8,35,10,668 (6,10,60,355)
Current year	8,35,10,668 (61,060,355)	9,05,15,492 (16,23,77,321)	5,38,87,509 (13,99,27,008)	12,01,38,651 (8,35,10,668)					12,01,38,651 (8,35,10,668)	8,35,10,668 (6,10,60,355)
Previous period										
<b>Intangible Assets Under Development</b>										
Computer Software	19,98,579 (19,98,579)	NIL (NIL)	NIL (NIL)	19,98,579 (19,98,579)						
Current year	19,98,579 (19,98,579)	NIL (NIL)	NIL (NIL)	19,98,579 (19,98,579)					19,98,579 (19,98,579)	19,98,579 (19,98,579)
Previous period										

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

- Land ₹ 8,00,20,550 (Previous Period ₹ 8,00,20,550)
  - Factory Building ₹ 1,57,27,907 (Previous Period ₹ 1,57,27,907)
  - Administrative Building ₹ 1,09,30,926 (Previous Period ₹ 1,09,30,926)
  - For other disclosures on revaluation on Fixed Assets - Refer Note 31(a)
- 11.2 Capital work-in-progress includes borrowing cost capitalised during the period ₹ NIL (Previous Period ₹ 1,14,47,651)
- 11.3 Figures given in brackets above are for the previous period.



## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

		As At March 31, 2013	As At March 31, 2012
		₹	₹
<b>12. Non-current Investments</b>			
Long-term Investments - valued at cost less provision for other than temporary diminution			
Other than Trade			
In Equity Instruments of Subsidiaries			
Unquoted			
Fully Paid Equity Shares			
<b>Quantity</b>	<b>Investee Company</b>		
49,994	Asim Exports International Ltd.*	<b>4,99,940</b>	499,940
(49,994)	(₹ 10 par value)		
In Equity Instruments of Associate [Refer Note 32]			
Unquoted			
Fully Paid Equity Shares			
<b>Quantity</b>	<b>Investee Company</b>		
24,00,000	Finns Frozen Foods (I) Ltd.*	<b>2,40,00,000</b>	2,40,00,000
(24,00,000)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		<b>48,00,000</b>	48,00,000
		<b>1,92,00,000</b>	1,92,00,000
In Equity Instruments of Other Companies			
Quoted			
Fully Paid Equity Shares			
<b>Quantity</b>	<b>Investee Company</b>		
66	Hindustan Lever Limited	<b>3,425</b>	3,425
(66)	(₹ 1 par value)		
1,00,000	CIFCO Finance Limited*	<b>10,79,533</b>	10,79,533
(1,00,000)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		<b>10,79,533</b>	10,79,533
		<b>NIL</b>	NIL
100	Western Food Limited*	<b>1,000</b>	1,000
(100)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		<b>1,000</b>	1,000
		<b>NIL</b>	NIL
2,000	FDC Limited	<b>10,000</b>	10,000
(2,000)	(₹ 1 par value)		
9,400	Bank of Maharashtra Limited	<b>2,16,200</b>	2,16,200
(9,400)	(₹ 10 par value)		
5,098	Andhra Bank Limited	<b>4,58,820</b>	4,58,820
(5,098)	(₹ 90 par value)		
In Government or trust securities			
Unquoted			
National Savings Certificate (VIII Issue)*		<b>200</b>	200
Indira Vikas Patra*		<b>200</b>	200
		<b>400</b>	400
		<b>2,03,88,785</b>	2,03,88,785

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

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## SIGNIFICANT ACCOUNTING POLICES & NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>16. Inventories</b>		
Finished Goods	67,64,65,953	54,25,28,153
Raw Materials	99,27,706	1,12,60,802
Packing Materials	13,26,10,621	10,01,08,592
	<u>81,90,04,280</u>	<u>65,38,97,547</u>
<b>16.1 Details of Inventories</b>		
Finished Goods		
Fruit Powder	84,49,914	19,28,649
Fruit Pulp, Concentrate and Frozen Pulp	65,87,56,403	53,49,53,382
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables	18,65,064	28,23,743
Other Powder	10,81,776	10,94,482
Others	63,12,796	17,27,897
	<u>67,64,65,953</u>	<u>54,25,28,153</u>
Raw Materials		
Fruits and Vegetables	10,57,959	21,65,588
Power and Fuel	11,46,824	19,44,112
Other Raw Materials	77,22,923	71,51,102
	<u>99,27,706</u>	<u>112,60,802</u>
Packing Materials		
Aseptic Bags	2,12,81,230	1,89,89,151
Empty Cans	99,11,690	,94,50,955
MS Drums	5,98,08,585	3,61,99,288
Cartons and LDPE Bags	22,98,234	20,13,985
Wooden Pallets and Plywoods	79,60,262	97,19,410
Plastic Crates	3,12,06,930	2,35,85,230
Others	1,43,690	1,50,573
	<u>13,26,10,621</u>	<u>10,01,08,592</u>
<b>17. Trade Receivables</b>		
Unsecured, Considered Good		
Outstanding for a period exceeding Six months from the date they are due for payment	1,30,93,941	12,30,12,738
Others	<u>33,15,14,512</u>	<u>28,66,49,714</u>
	<u>34,46,08,453</u>	<u>40,96,62,452</u>
	<u>34,46,08,453</u>	<u>40,96,62,452</u>
<b>18. Cash and Bank Balances</b>		
Cash and Cash Equivalents		
Cash on hand	3,81,106	7,08,105
Balances with banks		
On Current Accounts	2,96,39,172	54,10,052
On Unclaimed Dividend Accounts	<u>3,08,746</u>	<u>3,13,456</u>
	<u>2,99,47,918</u>	<u>57,23,508</u>
Other Bank Balances		
On Fixed Deposit Accounts [Refer Note 18.1]	4,07,89,185	2,89,69,779
On Margin Money Accounts		
With Maturity within 12 Months from Balance Sheet Date	<u>2,88,02,601</u>	<u>2,59,61,330</u>
	<u>9,99,20,810</u>	<u>6,13,62,722</u>
<b>18.1</b> Of the above Fixed Deposits of ₹ NIL (Previous Period: ₹ 40,00,000) are pledged for a secured loan taken thereagainst [Refer Note 7.4]		



## SIGNIFICANT ACCOUNTING POLICES &amp; NOTES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>19. Short-term Loans and Advances</b>		
Unsecured, Considered Good		
Loans and advances to Related Parties [Refer Note 32]	11,32,85,110	4,36,35,323
Other Loans and Advances		
Intercorporate deposit	NIL	85,000
VAT Receivable	1,01,83,752	NIL
Excise duty Receivable	1,19,30,976	48,56,923
Service Tax Receivable	96,77,958	40,642
Loans to Staff	11,88,718	19,41,331
Advances recoverable in cash or kind for value to be received	8,98,75,100	9,01,12,052
	<b>12,28,56,504</b>	<b>9,70,35,948</b>
	<b>23,61,41,614</b>	<b>14,06,71,271</b>
<b>20. Other Current Assets</b>		
Export Benefits Receivable	5,92,46,328	5,45,91,518
Interest Receivable on Fixed Deposits	28,96,893	2,76,739
Insurance Claim Receivable [Refer Note 25.1]	NIL	1,12,97,315
	<b>6,21,43,221</b>	<b>6,61,65,572</b>



## NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
		₹	₹
<b>21. Revenue from Operations</b>			
Sale of Products			
Manufactured Goods [Refer Note 21.1.1]		233,96,76,105	359,53,48,099
Traded Goods [Refer Note 21.1.2]		16,38,93,588	24,04,19,695
		<b>250,35,69,693</b>	<b>383,57,67,794</b>
Other Operating Revenues			
Export Benefits [Refer Note 21.2]		8,79,25,170	11,98,25,658
Processing Charges		1,56,434	1,51,478
Claims and Rebates		9,85,080	8,50,308
Sale of Scrap		98,25,027	31,43,182
Warehousing Charges		41,61,771	1,08,44,556
		<b>10,30,53,482</b>	<b>13,48,15,182</b>
		<b>260,66,23,175</b>	<b>397,05,82,976</b>
Less: Excise Duty on Sales		3,01,68,677	2,42,73,709
		<b>257,64,54,498</b>	<b>394,63,09,267</b>
<b>21.1 Details of Sale of Products:</b>			
<b>21.1.1 Manufactured Goods</b>			
Fruit Powder		8,95,78,981	11,38,98,796
Fruit Pulp, Concentrate and Frozen Pulp		222,80,17,233	344,63,72,677
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		74,13,552	83,24,769
Other Powder		1,46,66,339	2,67,51,857
		<b>233,96,76,105</b>	<b>359,53,48,099</b>
<b>21.1.2 Traded Goods</b>			
Fruit Pulp, Concentrate and Frozen Pulp		15,30,19,959	24,04,19,695
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		1,02,79,372	NIL
Others		5,94,257	NIL
		<b>16,38,93,588</b>	<b>24,04,19,695</b>
<b>21.2</b>	The Company is entitled to Export Benefits, under Vishesh Krishi Upaj Yojana vide Notification no.15/2004-09 dated January 4, 2005, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 8,75,65,285 (Previous Period ₹ 7,71,42,025) on export of goods.		

## NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

	For the Year ended March 31, 2013		For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
<b>22. Other Income</b>			
Interest Income			
Interest received from Customers	1,62,71,916		4,61,55,393
Interest on Fixed and Other Deposits	1,12,75,692		1,09,24,157
Interest on Others	13,90,749		9,20,695
		2,89,38,357	5,80,00,245
Dividend Income on Long-term Investments		53,808	51,499
Insurance Claims		6,46,346	1,19,32,259
Guarantee Commission Received		7,21,091	8,61,634
Other Non-operating Income			
Advances written off, now recovered	NIL		1,36,17,878
Balances / Provisions written back (Net)	NIL		23,163
Rent Received [Refer Note 36]	1,60,680		1,60,680
Miscellaneous Income	5,78,600		7,32,486
		7,39,280	1,45,34,207
		<b>3,10,98,882</b>	<b>8,53,79,844</b>
<b>23. Cost of Materials Consumed</b>			
Fruits and Vegetables [Refer Note 23.1]			
Opening Stock	21,65,588		6,27,693
Add: Purchases	1,13,57,56,253		96,09,92,722
Less: Closing Stock	10,57,959		21,65,588
		1,13,68,63,882	95,94,54,827
Other Raw Materials Consumed [Refer Note 23.1]			
Opening Stock	71,51,102		74,68,783
Add: Purchases	3,67,89,413		6,65,59,564
Less: Closing Stock	77,22,923		71,51,102
		3,62,17,592	6,68,77,245
Packing Materials			
Opening Stock	10,01,08,592		9,66,61,172
Add: Purchases	37,34,62,335		36,35,71,810
Less: Closing Stock	13,26,10,621		10,01,08,591
		34,09,60,306	36,01,24,391
		<b>1,51,40,41,780</b>	<b>1,38,64,56,463</b>
<b>23.1 Details of Consumption of Raw Materials</b>			
Fruits and Vegetables		1,13,68,63,882	95,94,54,827
Other Raw Materials		3,62,17,592	6,68,77,245
		<b>1,17,30,81,474</b>	<b>1,02,63,32,072</b>



## NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

	For the Year ended March 31, 2013		For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
<b>24. Purchases of Stock-in-Trade</b>			
Fruit Pulps	18,68,76,910		18,51,87,838
Others	1,09,41,949		NIL
		19,78,18,859	18,51,87,838
		19,78,18,859	18,51,87,838
<b>25. Changes in Inventories of Finished Goods</b>			
Finished Goods			
Opening Stock	54,25,28,153		1,80,86,00,645
Less: Closing Stock	67,64,65,953		54,25,28,153
Less: Stock Lost due to Fire [Refer Note 25.1]	NIL		50,09,408
Less: Stock Lost due to Road Accident	NIL		3,98,492
		(13,39,37,800)	1,26,06,64,592
Excise Duty on Uncleared Finished Goods			
Closing Stock	28,15,402		20,36,044
Less: Opening Stock	20,36,044		30,115
		7,79,358	20,05,929
		(13,31,58,442)	1,26,26,70,521
25.1	During the Eighteen months period ended on March 31, 2012, due to fire in the Company's Fruit Processing Plant I and II (FPP I and FPP II) located at Chittoor, stock of raw materials (raw mangoes), packing materials and finished goods were destroyed, the aggregate cost of which is ₹ 1,16,12,587. This being the loss of exceptional nature is shown separately as 'Loss due to Fire' under Note 28 on "Other Expenses" and the claim receivable thereagainst of ₹ 1,12,97,315 is reflected under Note 22 on "Other Income".		
<b>26. Employee Benefits Expense</b>			
Salaries and Wages			
Salaries, Wages and Benefits	9,97,28,767		11,38,72,731
Director's Remuneration	47,31,034		NIL
		10,44,59,801	11,38,72,731
Contributions to Provident Fund and Other Funds		68,84,414	78,38,237
Gratuity		19,34,982	22,66,588
Staff Welfare Expenses		82,04,969	96,10,815
		12,14,84,166	13,35,88,371
<b>27. Finance costs</b>			
Interest expense			
On Cash Facilities /Buyers Credit	9,89,47,194		16,92,37,209
On Term Loans	2,73,75,539		4,20,29,755

## NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
		₹	₹
	On Others	2,20,42,817	4,59,75,009
		14,83,65,550	25,72,41,973
	Other Borrowing Costs		
	Bank Charges	2,22,82,735	2,75,91,878
	Guarantee Commission [Refer Note 27.1]	51,43,000	NIL
	Brokerage on Fund Arrangements	8,94,276	8,23,525
		2,83,20,011	2,84,15,403
		17,66,85,561	28,56,57,376
27.1	Guarantee Commission of ₹ 51,43,000 (Previous Period ₹ NIL) paid/provided as due to a related party [Refer Note 36].		
<b>28.</b>	<b>Other Expenses</b>		
	Fruit Ripening Charges	6,31,18,015	5,20,30,613
	Processing Charges	4,04,22,212	2,82,48,698
	Water Charges	3,14,604	42,82,660
	Testing Fees	59,30,614	50,90,494
	Consumption of stores and spare parts	64,79,367	79,01,114
	Fuel and Power Consumed		
	Opening Stock	19,44,113	11,80,738
	Add: Purchase	6,50,16,327	7,25,98,807
	Less: Closing Stock	11,46,824	19,44,113
		6,58,13,616	7,18,35,432
	Add: Electricity Charges	2,16,42,822	2,53,33,514
	Add: Office Electricity Charges	6,32,893	6,30,709
		8,80,89,331	9,77,99,655
	Rent	1,29,70,784	1,64,02,135
	Repair and Maintenance		
	Repairs to Buildings	21,94,806	16,61,037
	Repairs to Machinery	1,36,40,607	1,72,76,987
	Repairs Others	88,41,747	1,10,31,041
		2,46,77,160	2,99,69,065
	Insurance	1,32,43,868	1,68,43,257
	Rates and Taxes	51,23,948	42,27,888
	Freight and Forwarding (Net)	15,93,83,417	18,18,40,388
	Warehousing Charges [Refer Note 28.1]	6,65,53,711	5,91,22,471
	Foreign Exchange (Gain)/Loss (Net)		
	(Gain) / Loss (Net) on Forward Contracts on settled / realised / cancelled contracts	(66,97,336)	8,51,75,222
	On Mark to market loss on outstanding contracts	7,03,84,742	4,71,04,446
	Premium on Forward Contract	(1,28,45,446)	(1,07,63,796)
		5,08,41,960	12,15,15,872
	Legalisation, Application Documents Charges, etc.	82,15,221	1,19,83,684
	Legal and Professional Charges	1,85,97,252	2,28,95,518
	Commission on Sales	2,62,10,162	3,60,94,926
	Auditor's Remuneration		



## NOTES FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

	For the Year ended March 31, 2013		For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
Audit Fees	7,84,550		13,48,320
Tax Audit Fees	1,53,370		3,89,655
Company Law Matters	84,270		NIL
Certification Work [Refer Note 28.2]	9,70,790		2,15,086
		19,92,980	19,53,061
Advertisement and Sales Promotion		66,54,947	83,19,547
Membership and Subscription		21,35,840	32,60,687
Postage and Telegram		19,61,105	27,23,215
Director's fees		6,46,448	8,45,000
Printing and Stationery		11,34,085	20,44,061
Telephone, Telex and Fax		21,73,518	30,83,683
Loss due to Fire [Refer Note 25.1]		NIL	1,16,12,587
Loss due to Road Accident		NIL	3,98,492
Loss on Sale of Fixed Assets		2,76,490	7,40,705
Security Charges		41,96,536	57,90,618
Hiring Charges		57,56,849	67,15,619
Interest on delayed payment of Government dues		9,80,687	6,68,965
Interest on delayed payment under MSMED Act and Others		67,656	85,796
Claims, Rebates, etc.		89,67,023	74,16,205
Bad Debts written off		48,01,093	NIL
Balances Written off (Net)		16,20,827	NIL
Provision for Doubtful Debts	88,73,215		89,86,788
Less: Provision no Longer required	46,67,278		89,86,788
		42,05,937	NIL
Advances written off	NIL		91,63,822
Less: Provision no Longer required	NIL		91,63,822
		NIL	NIL
Travelling and Motor Car Expenses		1,60,49,636	1,98,51,131
Prior Period Expenses [Refer Note 31]		NIL	2,49,05,778
Miscellaneous Expenses		43,25,831	59,76,669
		65,81,19,114	80,26,40,257

28.1 Overseas warehousing charges of ₹ 6,65,53,711 (Previous Period ₹ 5,91,22,471) as reflected under Note 28 on "Other Expenses" includes duties, local transport charges, contractual charges, miscellaneous charges, rent, insurance and statutory charges, etc. for storage of goods abroad as per agreement with foreign parties.

28.2 Fees for certification includes those in connection with Rights Issue of the Company.

**29. Contingent Liabilities and Commitments****A. Contingent Liabilities****a. Claims against the Company not acknowledged as debt**

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Provision has not been made for Interest for delayed payment of due to a director notified under the Trial of Offences (Relating to Transactions in Securities) Act, 1992, as no demand has yet been raised.	7,14,372	7,14,372

**b. Guarantees**

Corporate Guarantees given to a Bank against the Credit facility extended to an associate company	11,70,00,000	11,70,00,000
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**c. Others**

i.	Income-tax matters under appeal		
	-Assessment Year 2006-2007	NIL	4,29,643
	-Assessment Year 2007-2008	NIL	3,36,000
	-Assessment Year 2008-2009	NIL	6,25,557
	-Assessment Year 2009-2010	NIL	7,66,88,596
	-Assessment Year 2010-2011	2,28,68,208	NIL
ii.	Service Tax matters under appeal (Accounting Years 2004-05 to 2007-08)	3,96,978	3,96,978
iii.	Sales Tax matter under appeal (Accounting Year 2012-2013) paid there against ₹ 60,40,500 (Previous Period ₹ NIL)	2,14,61,834	NIL

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

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Estimated amount remaining to be executed on Capital Account	5,73,59,051	2,68,26,261
Less: Advances Paid	1,68,67,731	1,10,83,181
Net Amount	4,04,91,320	1,57,43,080

**b. Others**

i.	Export Obligations of ₹ 9,26,83,559 (Previous Period ₹ 3,96,95,260) against Advance licences- Duty saved *	2,53,48,876	1,04,85,058
ii.	Export obligation of ₹12,29,78,020 (Previous Period ₹12,77,26,137) against EPCG Licenses utilized for purchase of Fixed Assets but not yet installed - Duty saved **	1,56,59,440	1,70,64,773

\* Export obligations against the advance licence of ₹ 3,79,76,204 (Previous Period ₹ 3,01,23,178) have already been fulfilled by the Company. However, procedural formalities for the closure of the Advance Licences are pending.

\*\* Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 2,37,92,574 (Previous Period ₹ 1,84,44,176) have already been fulfilled by the Company, however, procedural formalities for the closure of the EPCG Licenses are pending.

30. 1,22,220 Warrants were converted into Equity Shares of ₹ 10 each, at a premium of ₹ 144 each on January 31, 2011 resulting in an increase in the paid up Equity Share Capital and Securities Premium to the extent of ₹ NIL (Previous Period ₹ 1,45,10,400) and ₹ NIL (Previous Period ₹ 4,12,22,681) respectively.

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

b. Subsequent thereto, in an earlier year, the Company had written off against the said Revaluation Reserve the sum of ₹ 87,17,880 due from Dravya Finance Limited (including investments of ₹ 20,00,000 therein), a subsidiary company, and ₹ 1,03,07,365 due from another company. Further, the Company had provided for diminution in value of Long-term Investments aggregating to ₹ 58,80,533

(including investments of ₹ 48,00,000 in Finns Frozen Foods (I) Limited, an associate company) and that too was adjusted against Revaluation Reserve. Thus, in earlier years, the aggregate sum of ₹ 2,49,05,778 was adjusted against Revaluation Reserve, which was not in compliance with the Guidance Note on "Treatment of Reserves created on Revaluation of Fixed Assets" issued by the Institute of Chartered Accountants of India ("The Guidance Note").

As a result of such adjustments, Revaluation Reserve in earlier years was lower by ₹ 2,49,05,778 and General Reserve was higher by ₹ 2,29,05,778 and Capital Reserve by ₹ 20,00,000.

During the Eighteen Months period ended on March 31, 2012, to fall in line with the requirements of the Guidance Note, the Company rectified such non-compliance by charging the said aggregate sum of ₹ 2,49,05,778 to the Statement of Profit and Loss and thereby reinstating Revaluation Reserve by ₹ 2,49,05,778. Since such change in the previous period was to set right the non-compliance of the Guidance Note in earlier year/s, the same was considered as a prior period adjustment. Thus, the profit available for appropriation for the period ended on March 31, 2012 were lower by ₹ 2,49,05,778.

Out of the above, a sum of ₹ 87,17,880 due from Dravya Finance Limited (including investments therein), a subsidiary company, the Company received ₹ 3,61,904 which is credited to the Statement of Profit and Loss for the Eighteen Months period ended on March 31, 2012 as 'Advances Written Off, now recovered' under "Other Income" (Note 22).

- c. Depreciation of ₹ 8,90,404 (Previous Period ₹ 13,35,606) provided for the year on the revalued amounts of Fixed Assets over its original cost is withdrawn from the Revaluation Reserve Account and credited to the Statement of Profit and Loss. The aggregate amount so withdrawn from the Revaluation Reserve Account at the year end is ₹ 93,49,246 (Previous Period ₹ 84,58,852).

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

The Company has given advances from time to time for the purchase of Frozen Fruit Pulp, etc. for exports and for certain expenses of Finns, against which the Company has purchased Frozen Fruit Pulp and Packing Materials amounting to ₹ 94,89,850 (Previous Period ₹ 1,24,70,293). During the year, the Company has also sold raw materials and packing materials aggregating to ₹ 2,80,469 (Previous Period ₹ 3,90,759). On account of all such transactions, the net amount due from Finns is ₹ 11,32,85,110 (Previous Period ₹ 4,25,76,811) and the same is reflected as 'Loans and Advances to Related Parties' under Note 19 on "Short-term Loans and Advances".

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

Consequently, having regard to the restructuring proposal, strategic nature of the investment and expected improvements in the future operations of Finns, the Board of Directors of the Company perceived the diminution in the value of investments as a temporary in nature. But, out of abundant caution, the Board of Directors of the Company, had decided to provide 20% of the investment in Finns, as diminution in the value of investments. Further, the Board has reviewed the working of Finns, based therein orders it has on hand and decided that the current provision for diminution in value of shares is sufficient and no further provision is needed as on March 31, 2013.

33. Debtors, Creditors and certain balances in Advances, recoverable in cash or kind are subject to confirmation and subsequent reconciliation, if any.

34. Disclosure as per Accounting Standard 15 on "Employee Benefits":

Particulars	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>	<b>Gratuity (Funded) ₹</b>		<b>Compensated Absences (Unfunded) ₹</b>	
Obligation at period beginning	92,69,714	74,78,595	48,52,426	42,36,154
Current service cost	12,45,400	13,61,243	19,36,895	29,54,079
Interest cost	7,87,926	9,25,476	NIL	NIL
Past Service Cost	NIL	NIL	NIL	NIL
Actuarial (gain) / loss	1,89,360	4,54,880	NIL	NIL
Benefits paid	(6,04,272)	(9,50,480)	(12,70,401)	(23,37,807)
Obligations at the period end	1,08,88,128	92,69,714	55,18,920	48,52,426
<b>Change in plan assets</b>				
Plan assets at period beginning, at fair value	19,96,099	25,32,110	N.A.	N.A.
Expected return on plan assets	1,71,665	3,03,853		
Actuarial gain / (loss)	1,16,039	1,10,616		
Contributions	35,00,000	NIL		
Benefits paid	(6,04,272)	(9,50,480)		



Particulars	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
<b>Plan assets at the period end, at fair value – Category – Insurer managed funds</b>	<b>51,79,531</b>	19,96,099	<b>N.A.</b>	N.A.
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the period	<b>51,79,531</b>	19,96,099	<b>N.A.</b>	N.A.
Present value of the defined benefit obligations at the end of the period.	<b>1,08,88,128</b>	92,69,714		
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>57,08,597</b>	72,73,615	<b>N.A.</b>	N.A.
Cost for the year				
Current Service cost	<b>12,45,400</b>	13,61,243	<b>19,36,895</b>	29,54,079
Interest cost	<b>7,87,926</b>	9,25,476	<b>N.A.</b>	N.A.
Past Service Cost	<b>NIL</b>	NIL	<b>N.A.</b>	N.A.
Expected return on plan assets	<b>(1,71,665)</b>	(3,03,853)	<b>N.A.</b>	N.A.
Actuarial (gain)/loss	<b>73,321</b>	3,44,264	<b>N.A.</b>	N.A.
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>19,34,982</b>	23,27,130	<b>19,36,895</b>	29,54,079
<b>Assumptions used to determine the benefit obligations:</b>				
Discount rate	<b>8.25%</b>	8.50%	<b>8.25%</b>	8.50%
Estimated rate of return on plan assets	<b>8.70%</b>	8.60%	<b>N.A.</b>	N.A.
Expected rate of increase in salary	<b>6.00%</b>	6.00%	<b>N.A.</b>	N.A.
• First five years	<b>6.00%</b>	6.00%		
• Thereafter				
<b>Actual return on plan assets</b>	<b>2,87,704</b>	4,14,469	<b>N.A.</b>	N.A.

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

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

Particulars	For the year ended March 31, 2013	For the Eighteen Month Period Ended March 31, 2012	For the year ended September 30, 2010	For the year ended September 30, 2009	For the year ended September 30, 2008
Experience adjustment					
On Plan liability (gain)/loss (*)	<b>(27,761)</b>	6,46,208	(4,55,507)	NIL	NIL
On plan assets gain/(loss) (*)	<b>1,16,039</b>	1,10,616	(2,428)	NIL	NIL
Present value of benefit obligation	<b>1,08,88,128</b>	92,69,714	74,78,595	86,51,931	63,07,390
Fair value of plan assets	<b>51,79,531</b>	19,96,099	25,32,110	23,37,046	28,50,040
Excess of obligation over plan assets (net)	<b>57,08,597</b>	72,73,615	49,46,485	63,14,885	34,57,350

(\*) To the extent information available from reports of Actuary.

### 35. Disclosure as per Accounting Standard 17 on “Segment Reporting”:

#### 35.1. Primary Segment:

In accordance with Accounting Standard 17, the Company has identified “Food Products” as the only primary reportable business segment.

#### 35.2 Secondary Segment (by Geographical Segment):

(Amount in ₹)

Particulars	In India		Outside India		Total	
	For the Year ended March 31, 2013	For the Eighteen Months Period Ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
<b>Segment Revenue</b>	<b>55,85,83,300</b>	1,34,98,74,157	<b>1,91,48,17,716</b>	2,46,16,19,928	<b>2,47,34,01,016</b>	3,81,14,94,085
<b>Carrying amount of Segment Assets</b>	<b>8,21,20,810</b>	19,57,16,141	<b>26,24,87,643</b>	21,39,46,311	<b>34,46,08,453</b>	40,96,62,452

Notes:

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

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

### 36. Related Party Disclosures:

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

(Amounts in ₹)

Sr. No	Particulars	Subsidiary Company	Associate Company	Key Managerial Personnel (KMP)	Relative of KMP	Enterprises over which KMP exercises significant influence
1	Sales (Net of Sales Returns)		2,80,469 (3,90,759)			15,41,655 (NIL) [b (V)(i)]
2	Purchases of goods (Including Packing Materials)		94,89,850 (1,24,70,293)			
3	Rent - Income					1,08,000 (1,62,000) [b (V)(ii)]
	- Expense	NIL (4,69,745) [b(I)(ii)]				
4	Guarantee Commission - Income		7,21,091 (8,61,634)		51,43,000 [b(iv)(i)] (NIL)	
	- Expense					
5	Brokerage/Commission Paid					8,31,888 (1,08,231) [b (V)(iv)]
6	Directors Sitting Fees			NIL (3,10,000) [b(III)(i)] 2,10,000 (3,20,000) [b(III)(ii)]	2,30,000 (3,45,000) [b(iv)(ii)]	

Sr. No	Particulars	Subsidiary Company	Associate Company	Key Managerial Personnel (KMP)	Relative of KMP	Enterprises over which KMP exercises significant influence
	<b>Finance (including loans and equity contribution in cash or in kind):</b>					
7	Loans taken:				50,89,567 (NIL) [b (IV)(i)]	
	Interest on above Loans:			NIL (1,34,391) [b(III)(i)]	13,39,098 (34,00,880) [b (IV)(i)]	
8	Reimbursement of Expenses:	1,40,450 (44,260) [b(I)(ii)]		12,21,816 (16,47,472) [b(III)(ii)]	NIL (6,200) [b(IV)(ii)]	30,030 (43,269) [b (V)(i)]
9	Inter Corporate Deposits given					NIL (1,85,25,000) [b (V)(i)]
	Interest Income on above					49,89,999 (22,74,960) [b(V)(i)]
10	Deposits Director's Remuneration			47,31,034 (NIL) [b(III)(i)]		
	<b>Outstanding Balance As At March 31, 2013</b>					
11	Trade Payables	3,74,448 (3,74,448) [b(I)(ii)]				59,143 (11,494) [b(V)(iv)]
12	Advances Recoverable in cash or in kind*	5,02,354 (3,61,904) [b(I)(i)]	11,32,85,110 (4,25,76,811)			72,14,749 (2,85,64,422) [b(V)(i)] 8,15,597 (7,07,802) [b(V)(ii)]
13	Loans taken			9,16,285 (17,52,349) [b(III)(i)] 3,78,000 (1,88,924) [b(III)(ii)]	1,45,99,092 (1,49,60,563) [b (iv)(i)] NIL (70,000) [b(iv)(ii)]	
14	Inter Corporate Deposits (given)					1,70,00,000 (1,70,00,000) b(V)(i)]
15	Other Deposit Receivable		3,00,00,000 (3,00,00,000)			
16	Corporate Guarantee Given in earlier years		11,70,00,000 (11,70,00,000))			

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

ii. Figures given in brackets above are for the previous period.

**b. Relationships:**

**I. Subsidiary Company:**

- Dravya Finance Limited
- Asim Export International Limited

**II. Associate Company:**

- Frozen Foods (India) Limited

### III. Key Managerial Personnel:

- i. Mr. Utsav K.Dhupelia
- ii. Mr. Milan B.Dalal

### IV. Relatives of Key Managerial Personnel:

- i. Mrs. Pallavi Dhupelia
- ii. Mr Bhupen C.Dalal

### V. Entities over which Key Managerial Personnel and Relatives of Key Managerial Personnel have control:

- i. Muller & Phipps (India) Limited
- ii. Western Press Private Limited
- iii. Trans Union Courier
- iv. Western Securities-A Division of Western Press Private Limited.
- v. Tropical Securities and Investments Private Limited.

### 37. Disclosure as per Accounting Standard 19 on “Accounting for Leases”:

The Company has entered into Operating Lease Agreements for office premises, factory premise at Bulsar and Chennai, renewable on a periodic basis and cancellable at the Company's option. Rental Expenses for operating leases recognised in the Statement of Profit and Loss for the period is ₹ 1,29,57,749 (Previous Period ₹ 1,63,64,449).

Minimum Lease Rents Payable	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
Within 1 Year	1,05,65,333	1,14,87,088
After 1 year but before 5 years	86,52,850	2,51,82,604
After 5 Years	NIL	NIL
<b>Total</b>	<b>1,92,18,183</b>	<b>3,66,69,692</b>

### 38. “Earnings per Share” as per Accounting Standard 20 :

Sr. No.	Particulars	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
A	Net Profit/(Loss) attributable to Equity Shareholders	2,51,73,502	(6,30,99,582)
B	Weighted average no. of Equity Shares outstanding during the period	14,51,040	14,51,040
C	Weighted average number of equity shares outstanding for calculating dilutive EPS	14,51,040	14,51,040
D	Basic and Diluted Earnings per Share	17.34	(44.32)
E	Nominal value of Shares	10	10

### 39. Disclosure as per Accounting Standard 29 on “Provisions, Contingent Liabilities and Contingent Assets”:

Particulars	Balances as at April 1, 2012 ₹	Additions during the year ₹	Amount used/paid during the year ₹	Balances as at March 31, 2013 ₹
Provision for Leave Encashment	48,52,426 (42,36,154)	19,36,895 (29,54,079)	12,70,401 (23,37,807)	55,18,920 (48,52,426)
Provision for Gratuity	92,69,714 (74,78,595)	22,22,686 (27,41,599)	6,04,272 (9,50,480)	1,08,88,128 (92,69,714)
Agricultural Marketing Cess	4,03,992 (37,97,694)	27,72,114 (14,85,135)	14,08,268 (48,78,837)	17,67,838 (4,03,992)

## 40. Consumption of– Raw Materials and Spares

Particulars		Value ₹	%
<b>1</b>	<b>Raw Materials</b>		
	Indigenous	1,17,30,81,474 (1,02,35,87,152)	100 (99.73)
	Imported	NIL (27,44,919)	0 (0.27)
	<b>Total</b>	1,17,30,81,474 (1,02,63,32,071)	100 (100)
<b>2</b>	<b>Components and Spare Parts</b>		
	Indigenous	1,28,40,802 (1,12,73,581)	94.99 (83.03)
	Imported	6,77,331 (23,03,387)	5.01 (16.97)
	<b>Total</b>	1,35,18,133 (1,35,76,968)	100 (100)

## 41. C.I.F. Value of Imports:

Particulars		For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
<b>1</b>	Packing Materials	3,94,15,279	10,09,30,236
<b>2</b>	Raw Materials	1,58,910	13,60,076
<b>3</b>	Plant and Machinery	18,30,284	2,59,08,838

## 42. Expenditure in Foreign Currency:

Particulars		For the Year Ended March 31, 2013 ₹	For the Eighteen Months Period Ended March 31, 2012 ₹
<b>a.</b>	<b>Interest on</b>		
	Packing Credit in Foreign Currency	2,68,00,416	2,20,34,942
	Term Loan	98,73,922	1,947
<b>b.</b>	<b>Others</b>		
	Travelling Expenses	27,23,122	42,06,034
	Commission on Export Sales	2,50,51,174	3,59,27,926
	Membership and Subscription	2,60,629	2,34,531
	Overseas Warehousing Charges	6,11,24,190	5,67,66,892
	Sales Promotion Expenses	12,92,208	2,72,522

## 43. Earnings in Foreign Currency:

Particulars	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
FOB Value of Exports	183,14,58,701	245,06,49,815

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

Particulars	For the Year Ended March 31, 2013 ₹	For the Eighteen Months Period Ended March 31, 2012 ₹
Number of Non – Resident Shareholders	1	1
Number of Shares held by them	1,75,820	1,75,820
Amount Remitted (net of Income tax)	NIL	3,16,476



45. a. Following Unhedged Foreign Currency exposures as on March 31, 2013, have been restated in the financial statements:

Particulars	US\$	EURO	GBP	JPY	₹
Term Loan in foreign currency	14,87,415	NIL	NIL	NIL	8,06,32,784
	(NIL)	(NIL)	(NIL)	(NIL)	(NIL)
Loan from Directors in foreign currency	5,00,000	NIL	NIL	NIL	2,71,05,000
	(5,00,000)	(NIL)	(NIL)	(NIL)	(2,55,80,000)
PCFC in Foreign Currency	93,46,724	NIL	NIL	NIL	50,66,85,935
	(54,67,714)	(NIL)	(NIL)	(NIL)	(27,97,09,089)
FLC In Foreign Currency	12,07,759	9,568	1,705	NIL	6,62,87,917
	(9,50,206)	(NIL)	(NIL)	(NIL)	(4,86,09,816)
Others:	23,08,002	NIL	NIL	1,32,83,089	13,28,94,058
Customer Advances in foreign currency					
	(38,77,545)	(NIL)	(NIL)	(NIL)	(19,83,75,197)
Export Commission in foreign currency	19,364	1,241	NIL	NIL	11,37,045
	(32,222)	(2,648)	(NIL)	(NIL)	(18,29,434)
Overseas Warehousing Charges	15,550	93,074	3,719	NIL	77,02,540
	(33,065)	(64,490)	(NIL)	(NIL)	(60,98,830)
<b>Total</b>	<b>1,48,84,814</b>	<b>1,03,883</b>	<b>5,424</b>	<b>1,32,83,089</b>	<b>82,24,45,279</b>
	<b>(1,08,60,752)</b>	<b>(67,138)</b>	<b>(NIL)</b>	<b>(NIL)</b>	<b>(56,02,02,366)</b>

- b. Forward Contract of USD 1,98,78,457 (Previous Period USD 1,04,86,095), packing credit in foreign currency of USD 93,46,724 (Previous Period USD 54,67,714), customer advances of USD 23,08,002 (Previous Period USD 38,77,545) are outstanding as on March 31, 2013 which were availed on future export sales of firm commitments against forecast transactions. The notional mark to market loss on those outstanding for the year ended as at March 31, 2013 amounting to ₹ 7,03,84,742 (Previous Period ₹10,09,87,793) has been debited in the Statement of Profit and Loss.

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

For and on behalf of the Board of Directors

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

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place: Mumbai  
Date : May 14, 2013

Place: Mumbai  
Date : May 14, 2013

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**a. REGISTRATION DETAILS**

REGISTRATION NO. 13837 STATE CODE 011  
BALANCE SHEET DATE March 31, 2013

**b. CAPITAL RAISED DURING THE YEAR (AMOUNT RS. IN '000)****PUBLIC ISSUE**

NIL

**BONUS ISSUE**

NIL

**RIGHT ISSUE**

NIL

**PRIVATE PLACEMENT**

NIL

PREFERENTIAL ALLOTMENT OF EQUITY SHARE PURSUAL TO SECTION 81(1A) OF THE COMPANIES ACT, 1956

**c. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT RS. IN '000 )****TOTAL LIABILITIES**

2	6	2	9	6	6	1
---	---	---	---	---	---	---

**TOTAL ASSETS**

2	6	2	9	6	6	1
---	---	---	---	---	---	---

**SOURCES OF FUNDS****PAID UP CAPITAL**

1	4	5	1	0
---	---	---	---	---

**RESERVES AND SURPLUS**

3	4	3	9	1	3
---	---	---	---	---	---

**SECURED LOANS**

1	6	4	2	2	2	0
---	---	---	---	---	---	---

**APPLICATION OF FUNDS****NET FIXED ASSETS**

9	5	3	7	7	2
---	---	---	---	---	---

**NET CURRENT ASSETS**

1	5	6	2	8	1	8
---	---	---	---	---	---	---

**ACCUMULATED LOSSES**

N	I	L
---	---	---

**AMOUNT FOR PREFERENTIAL CONVERTIBLE WARRANTS**

	N	I	L
--	---	---	---

**DEFERRED TAX LIABILITY (NET)**

4	8	4	1	6
---	---	---	---	---

**UNSECURED LOANS**

5	6	7	5	7	8
---	---	---	---	---	---

**INVESTMENTS**

2	0	3	8	9
---	---	---	---	---

**d. PERFORMANCE OF THE COMPANY (AMOUNT RS. IN '000)****TURNOVER**

2	6	0	7	5	5	3
---	---	---	---	---	---	---

**PROFIT BEFORE TAX**

2	5	2	6	9
---	---	---	---	---

**EARNING PER SHARE IN Rs.**

Basic

17.35
-------

Diluted

17.35
-------

**TOTAL EXPENDITURE**

2	5	8	2	2	8	5
---	---	---	---	---	---	---

**PROFIT AFTER TAX**

2	5	1	7	4
---	---	---	---	---

**DIVIDEND %**

10.00
-------

**e. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS OF THE COMPANY (AS PER MONETARY TERMS)****ITEM CODE NO. (ITC CODE)**

081290.02

**PRODUCT DESCRIPTION**

MANGO PULP

**ITEM CODE NO. (ITC CODE)**

071190.02

**PRODUCT DESCRIPTION**

CANNED VEGETABLE

**ITEM CODE NO. (ITC CODE)**

040811.00

**PRODUCT DESCRIPTION**

EGG POWDER

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013



## Statement Pursuant to Section 212 of the Companies Act, 1956 Relating to the Subsidiary Companies

Sr No.	Particulars	SUBSIDIARY COMPANIES	
		Dravya Finance Limited	Asim Export International Limited
1	Financial Year of the Subsidiary Company ended on	<b>March 31, 2013</b>	<b>March 31, 2013</b>
2	Holding Company's Interest on the above dates	2,00,000 Equity Shares of ₹ 10 each	49,994 Equity Shares of ₹ 10 each
3	Extent of Holding	100%	100%
4	Subsidiary Company's Profit / (Losses)		
A)	The Net Aggregate Amount of Subsidiary Companies Profit / (Loss) So far as it is Concerns the Members of Holding Company and not Dealt within the Holding Company's Accounts;		
i)	Profit / (Loss) for Financial period ended March 31, 2013	(₹ 26,032)	(₹ 43,950)
ii)	For the Previous Financial Years since it became company's Subsidiary	(₹ 9,39,069)	(₹ 2,08,218)
B)	The Net Aggregate amount for the Subsidiary Companies Profit / Loss So far as it Concerns the Members of the Holding Company and Dealt within the Holding Company's Accounts;		
i)	Profit / (Loss) for Financial period ended March 31, 2013	0	0
ii)	For the Previous Financial Years since it became company's Subsidiary	0	0

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place: Mumbai  
Date : May 14, 2013

## Financial Information of Subsidiary Companies as on March 31, 2013.

Particulars	Dravya Finance Limited	Asim Exports International Limited
	₹	₹
Capital	20,00,000	5,00,000
Reserves	(9,58,782)	19,915
Total Assets	53,12,937	5,84,469
Total Liabilities	53,12,937	5,84,469
Investments	17,88,980	Nil
Turnover / Total Income	36,913	Nil
Profit Before Taxation	(26,032)	(43,950)
<u>Provision for Taxation</u>		
Current year Tax	Nil	Nil
Previous year Tax payment	Nil	Nil
Profit after Taxation	(26,032)	(43,950)
Proposed Dividend	Nil	Nil



## FINANCIAL HIGHLIGHTS

Particulars	2012-2013	2010-2012 (18 Months)	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004	2002-2003
Sales	24734.01	38114.94	20857.41	18927.64	16478.51	14138.01	10811.16	9004.25	6808.18	6236.86
Stocks and Other Income	1341.52	2201.95	8779.14	5122.46	3019.03	1643.60	893.84	596.16	1135.46	(404.33)
Manufacturing & Other Expenses	23583.05	37705.43	27429.57	21560.04	18030.18	14563.00	10619.47	8893.76	7508.92	5375.39
Gross Profit/(Loss)	2492.48	2611.46	2206.98	2490.06	1467.37	1218.61	1085.53	706.66	434.72	457.14
Interest	1766.86	2856.57	1540.20	1435.62	747.64	506.78	434.32	369.93	289.09	258.32
Depreciation	472.93	587.27	415.69	322.16	224.48	160.53	131.7	103.28	76.05	51.32
Profit/(Loss) Before Foreign Exchange Reinstatement	956.54	177.49	20.68	732.29	495.25	551.29	519.51	233.45	69.58	147.49
Profit/(Loss) Before Tax	252.69	(832.38)	251.09	732.29	495.25	551.29	519.51	233.45	69.58	147.49
Taxation	(4.52)	(162.19)	41.71	104.96	60.33	177.08	150.00	22.54	1.40	27.10
Deferred Tax	5.48	(39.20)	106.60	(1.50)	214.05	66.21	52.41	48.63	29.28	61.40
Fringe Benefits Tax	0.00	0.00	0.00	6.42	7.33	16.91	15.55	4.60	0	0.00
Profit/(Loss) After Tax	251.74	(631.00)	164.84	622.41	213.54	291.09	301.55	157.69	38.90	58.99
Balance in P & L	251.74	(631.00)	310.55	213.95	521.92	244.73	0	(61.97)	(108.49)	(175.23)
Other Adjustments	0.00	0.00	0.00	0.00	0.00	18.31	(25.04)	0.61	7.63	7.75
Profit for Appropriation	251.74	(631.00)	475.39	836.36	735.46	554.13	276.50	96.33	(61.96)	(108.49)
<b>What the Company Owned</b>										
<b>Fixed Assets *</b>										
Gross Block	12352.35	11480.58	9714.09	8778.06	7441.27	4591.01	3927.52	3206.43	3026.28	2361.93
Depreciation	2814.63	2343.69	1752.12	1327.53	1000.65	767.37	602.33	463.96	358.19	279.74
Net Block	9537.72	9136.89	7961.97	7450.53	6440.62	3823.63	3325.194	2742.47	2668.09	2082.20
Investments	213.89	213.89	213.89	213.89	216.71	217.13	207.13	202.54	202.54	195.40
Current Assets, Loans & Advances	16545.01	14446.69	26103.48	16378.28	13036.16	6622.77	5628.71	5443.91	4603.02	3184.60
Deferred Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Expenditure	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.57	4.82	9.09
* includes Capital work in progress										
<b>Total</b>	<b>26296.61</b>	<b>23797.47</b>	<b>34279.34</b>	<b>24042.70</b>	<b>19693.49</b>	<b>10663.53</b>	<b>9161.03</b>	<b>8389.49</b>	<b>7478.47</b>	<b>5471.28</b>
<b>What the Company Owed</b>										
Long Term Funds	1310.30	1939.55	2579.69	2925.67	1894.32	769.55	591.87	577.39	0	0
Short Term Funds	17975.13	14508.76	14916.39	11203.68	10610.33	3967.91	3643.02	3465.23	3608.54	2342.05
Current Liabilities & Provision	2942.79	3512.10	12652.86	6136.56	4084.95	3219.36	2568.93	2292.90	2013.98	1340.18
Deferred Tax	484.164	478.69	517.89	411.29	412.79	198.74	132.53	80.12	31.48	2.20
<b>Total</b>	<b>22712.38</b>	<b>20439.10</b>	<b>30666.83</b>	<b>20677.20</b>	<b>17002.39</b>	<b>8155.56</b>	<b>6936.35</b>	<b>6415.63</b>	<b>5654.00</b>	<b>3684.43</b>
<b>Net Worth of the Company</b>										
Equity Share Capital	145.10	145.10	132.88	122.58	122.58	122.58	122.58	122.58	122.58	122.58
Amount for Preferential Con. Warrents	0.00	0.00	47.05	86.71	0.00	0.00	0.00	0.00	0.00	0.00
Reserves And Surplus	3439.13	3213.27	3432.57	3156.21	2568.52	2385.39	2102.1	1851.28	1701.89	1664.27
<b>Total</b>	<b>3584.23</b>	<b>3358.38</b>	<b>3612.51</b>	<b>3365.50</b>	<b>2691.10</b>	<b>2507.97</b>	<b>2224.68</b>	<b>1973.86</b>	<b>1824.47</b>	<b>1786.85</b>
<b>Total</b>	<b>26296.61</b>	<b>23797.47</b>	<b>34279.34</b>	<b>24042.70</b>	<b>19693.49</b>	<b>10663.53</b>	<b>9161.03</b>	<b>8389.48</b>	<b>7478.47</b>	<b>5471.28</b>



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Foods and Inns Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Foods and Inns Limited ("the Company"), its subsidiaries and an associate (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India including accounting standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### 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 a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the Cash Flow of the Group for the year ended on that date.

### Other Matters

The financial statements of Asim Exports International Limited, a subsidiary, included in the Consolidated Financial Statements have been audited by us. We did not audit the financials statements of Dravya Finance Limited, another subsidiary, which have been audited by other auditors whose report has been furnished to us by the Management. Further, Finns Frozen Foods (I) Limited, the associate, for which we are not the auditors and its financial statements have not yet been audited but the same are certified by the Management and have been furnished to us. Our opinion on the Consolidated Financial Statements, insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on these audited/certified financial statements.

Since the financial statements of the associate, which were compiled by the management and were not audited, any adjustment to its balances, when audited, could have consequential effects on the attached Consolidated Financial Statements. However, the size of the associate in the consolidated position is not significant in relative terms. Further, since the accumulated share of losses in the associate from the date of acquisition till the year of applicability of Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements", i.e. 2002-03, had exceeded the carrying amount of investments, the value of investments was brought down to Nil and thus, the losses of the said associate have not been recognised.

Details of assets and revenues in respect of these subsidiaries and associate to the extent to which the same are reflected in the Consolidated Financial Statements are given below:

Particulars	Total Assets (Net) As at March 31, 2013 ₹	Total Revenue ₹	Net Profit/(Loss) ₹	Net Cash flows ₹
Subsidiaries				
a. Dravya Finance Limited	53,12,937	36,913	(26,032)	(11,384)
b. Asim Exports International Limited	5,84,469	NIL	(43,950)	(43,950)
Associate				
Finns Frozen Foods (I) Limited	18,24,23,724	4,11,81,616	(2,17,85,271)	2,96,131

Our opinion is not qualified in respect of other matters.

For B. S. MEHTA & CO.

Chartered Accountants

Firm Registration No. 106190W

PARESH H. CLERK

Partner

Membership No. 36148

Place: Mumbai

Date: May 14, 2013.

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013**

	Note	₹	As at March 31, 2013 ₹	As at March 31, 2012 ₹
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	2		1,45,10,400	1,45,10,400
Reserves and Surplus	3		32,57,73,934	30,32,58,456
<b>Minority Interest</b>			62	68
<b>Non-current liabilities</b>				
Long-term Borrowings	4	13,38,49,281		19,67,74,843
Deferred Tax Liabilities (Net)	5	4,84,16,438		4,78,68,885
Long-term Provisions	6	71,60,666		95,26,834
			18,94,26,385	25,41,70,562
<b>Current liabilities</b>				
Short-term Borrowings	7	1,51,11,89,913		1,27,16,97,594
Trade Payables	8	28,63,45,245		17,92,00,601
Other Current Liabilities	9	28,13,00,902		33,91,18,836
Short-term Provisions	10	58,67,324		25,99,207
			2,08,47,03,384	1,79,26,16,238
<b>TOTAL</b>			<b>2,61,44,14,165</b>	<b>2,36,45,55,724</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Fixed assets	11			
Tangible assets		83,16,16,208		82,81,54,564
Intangible assets		18,391		25,478
Capital work-in-progress		12,01,38,651		8,35,10,668
Intangible Assets under Development		19,98,579		19,98,579
		95,37,71,829		91,36,89,289
Non-current Investments	12	6,88,845		6,88,845
Long-term Loans and Advances	13	9,46,94,802		11,45,06,682
Other Non-Current Assets	14	NIL		NIL
			1,04,91,55,476	1,02,88,84,816
<b>Current assets</b>				
Current Investments	15	10,00,000		10,00,000
Inventories	16	82,07,93,260		65,56,86,527
Trade Receivables	17	34,46,08,453		40,96,62,452
Cash and Cash Equivalents	18	10,00,71,814		6,15,69,060
Short-term Loans and Advances	19	23,61,94,041		14,11,39,397
Other Current Assets	20	6,25,91,121		6,66,13,472
			1,56,52,58,689	1,33,56,70,908
<b>TOTAL</b>			<b>2,61,44,14,165</b>	<b>2,36,45,55,724</b>
<b>Notes (Including Significant Accounting Policies) Forming Part of the Financial Statements</b>	1-40			

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013



## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2013

	Note		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
		₹	₹	₹
Revenue from Operations	21		2,60,66,23,175	3,97,05,82,976
Less: Excise Duty on Sales			3,01,68,677	2,42,73,709
Revenue from Operations (Net)			2,57,64,54,498	3,94,63,09,267
Other Income	22		3,11,35,795	7,87,97,421
<b>Total Revenue</b>			<b>2,60,75,90,293</b>	<b>4,02,51,06,688</b>
<b>Expenses:</b>				
Cost of Materials Consumed	23		1,51,40,41,780	1,38,64,56,463
Purchases of Stock-in-trade	24		19,78,18,859	18,51,87,838
Changes in Inventories of Finished Goods and Stock-in-Trade	25		(13,31,58,442)	1,26,26,70,521
Employee Benefits Expense	26		12,14,84,166	13,35,88,371
Finance Costs	27		17,66,85,589	28,57,67,951
Depreciation and Amortisation Expense			4,72,93,485	5,87,26,706
Other Expenses	28		65,82,25,981	79,64,04,540
<b>Total Expenses</b>			<b>2,58,23,91,418</b>	<b>4,10,88,02,390</b>
<b>Profit/(Loss) before Exceptional Items and Tax</b>			<b>2,51,98,875</b>	<b>(8,36,95,702)</b>
Exceptional Items			NIL	NIL
<b>Profit/(Loss) before Tax</b>			<b>2,51,98,875</b>	<b>(8,36,95,702)</b>
Tax Expense				
Current Tax		59,23,847		NIL
Deferred Tax (Refer Note 5.2)		5,47,523		(39,20,000)
Tax Adjustment of Earlier Years		(724,893)		(1,32,81,395)
MAT Credit		(56,51,122)		(29,37,447)
			95,355	(2,01,38,842)
<b>Profit/(Loss) for the Year</b>			<b>2,51,03,520</b>	<b>(6,35,56,860)</b>
Add/(Less): Minority Interest in losses/(income)			6	8
			<b>2,51,03,526</b>	<b>(6,35,56,852)</b>
Earnings per Equity Share of ₹ 10 each				
Basic and Diluted			17.30	(44.32)
<b>Notes (Including Significant Accounting Policies)</b>				
<b>Forming Part of the Financial Statements</b>	1-40			

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit/(Loss) Before Tax	2,51,98,875	(8,36,95,702)
<b>Adjustments for :</b>		
Add: Loss on Sale of Fixed Assets	2,76,490	7,40,705
Depreciation	4,72,93,485	5,87,26,709
Interest Expense	17,66,85,590	28,57,68,228
Foreign Currency Reinstatement Loss/ (Gain)	7,03,84,742	9,94,15,324
Mark to Market Loss/(Gain) on Outstanding Forward Contract	(1,28,45,446)	3,44,81,603
Loss due to fire	NIL	1,16,12,587
Loss due to accident	NIL	3,98,492
Wealth Tax	30,500	56,021
Provision for Gratuity (Net of Payments)	16,18,414	24,52,495
Provision for Leave Encashment (Net of Payments)	6,66,494	6,16,272
Excise Duty on Unclear Finished Goods	7,79,358	20,05,929
Less : Dividend Income	(90,721)	(86,064)
Interest Received on Deposits and Others	(2,89,38,357)	(5,80,89,496)
Recovery of Advance Written off	NIL	(68,99,998)
Balance Provision Write Back (Net)	NIL	(34,805)
Prior period Adujstment of Earlier Year	NIL	1,85,49,802
<b>Operating Profit Before Working Capital Changes</b>	<b>28,10,59,424</b>	<b>36,60,18,102</b>
<b>Adjustments for :</b>		
Long-term Loans and Advances and other Non-current Assets	1,98,11,880	(1,14,56,019)
Inventories	(16,51,06,733)	1,26,06,41,484
Trade Receivables and Short-term Loans and Advances	(3,58,23,106)	(5,19,69,705)
Other Current Assets	40,22,351	(69,11,221)
Long-term Provisions	(46,51,076)	35,38,327
Trade payables, Other Current Liabilities and Short-term Provisions	2,33,82,501	(82,20,19,759)
<b>Cash Generated From Operations</b>	<b>12,26,95,241</b>	<b>73,78,41,209</b>
Income Tax paid (Received)	NIL	37,90,833
<b>Net Cash From Operating Activities</b>	<b>12,26,95,241</b>	<b>73,40,50,376</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,89,17,437)	(17,90,08,780)
Sale of Fixed Assets	2,80,000	16,00,000
Investments	NIL	NIL
Dividend Income	90,721	86,064
Recovery of Advance Written off	NIL	68,99,998
Interest on Deposits and Others	2,89,38,357	5,80,89,496
Bank Deposits having Original Maturity of more than Three months	(1,46,60,677)	10,05,792
<b>Net Cash From Investing Activities</b>	<b>(7,42,69,036)</b>	<b>(11,13,27,430)</b>



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Deferred Sales Tax Payment	5,47,552	NIL
Increase/Decrease in Share Capital	NIL	9,16,650
Increase/Decrease in Security Premium Account	NIL	1,31,99,761
Proceeds from Long-term Borrowings	(6,44,50,562)	(38,86,75,491)
Increase/Decrease in Short-term Borrowings	21,60,04,472	5,01,54,409
Interest Paid	(14,83,65,550)	(25,73,52,825)
Guarantee commission and Financial Charges	(2,83,20,039)	(2,84,15,403)
Interest on Term Loan Capitalised	NIL	(1,14,47,651)
Dividend Paid (Including Dividend Distribution Tax)	NIL	(27,46,484)
<b>Net Cash From Financing Activities</b>	<b>(2,45,84,127)</b>	<b>(62,43,67,034)</b>
<b>Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>2,38,42,077</b>	<b>(16,44,088)</b>
<b>Cash and Cash Equivalents at the Beginning Of the Year</b>	<b>66,37,951</b>	<b>82,82,039</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>3,04,80,028</b>	<b>66,37,951</b>
<b>Components of Cash and Cash Equivalents :</b>		
Cash on hand	3,81,106	7,08,105
Other Bank Balances		
On Current Accounts	2,97,90,176	56,16,390
On Unpaid Dividend Accounts	3,08,746	3,13,456
	<b>3,04,80,028</b>	<b>66,37,951</b>

### Notes :

- i. Cash and Bank balances include Fixed Deposits with Banks against ECGC Scheme ₹ 4,07,89,185 (Previous Period ₹ 2,92,46,518) and Margin Money placed with Banks against Letter of Credit ₹ 2,88,02,601 (Previous Period ₹ 2,59,61,330).
- ii. Purchase of Fixed Assets includes addition to Capital Work in Progress during the year.

As per our report of even date attached

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

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

Place : Mumbai  
Date : May 14, 2013

For and on behalf of the Board of Directors

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place : Mumbai  
Date : May 14, 2013

## NOTES ANNEXED TO THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2013

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### A. BASIS OF ACCOUNTING

##### a. Accounting Convention:

- i. The financial statements are prepared on the basis of going concern under historical cost convention on an accrual basis in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, which have been prescribed by the Companies (Accounting Standards) Rules, 2006, and the relevant provisions of the Companies Act, 1956.
- ii. The financial statements of the Company for the previous financial year for the period of Eighteen Months from October 1, 2010 to March 31, 2012 were prepared as per then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2013 are prepared as per the Revised Schedule VI. Accordingly, the figures of previous period of Eighteen Months from October 1, 2010 to March 31, 2012 have also been reclassified/regrouped to conform to this year's classification. The figures of the current period are for twelve months ended on March 31, 2013 and hence, are not comparable with those of the previous period of Eighteen Months ended on March 31, 2012. The adoption of Revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

##### b. Use of Estimates:

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires Management to make estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period, the reported amounts of assets and liabilities and the disclosure relating to the contingent liabilities on the date of the financial statements. Examples of such estimates include useful lives of Fixed Assets, provision for doubtful debts / advances, deferred tax, export incentives, provision for retirement benefits, etc. Actual results could differ from those estimates.

##### c. Principles of Consolidation

The Consolidated financial statements relate to Foods & Inns Limited ("the Company") and its wholly owned Subsidiaries, Asim Exports International Limited, Dravya Finance Limited and its associate, Finns Frozen Foods (I) Limited ("the Group"). The Consolidated Financial Statements have been prepared on the following basis:

##### i. For the previous period ended on March 31, 2012

- In case of the Company, the financial statements for the previous period ended on March 31, 2012 were of eighteen months. The subsidiaries and associate have April to March as their financial year and accordingly, their financial statements were prepared for the said period of Twelve Months ended March 31, 2012. However, for the purpose of consolidation, the financial statements of the subsidiaries and associate were compiled by the management for the said period of eighteen months ended on March 31, 2012.
- ii. The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book value of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions and the unrealized profits/losses as per Accounting Standard-21.
- iii. The Investment in Associate is accounted for in the Consolidated Financial Statements in accordance with the provisions, using Equity Method of accounting, as contained in Accounting Standard-23.
- iv. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, in the same manner as the Company's separate financial statements.

#### B. FIXED ASSETS:

- a. Land (Freehold): At cost except Land at Deonar, Mumbai, which is reflected at revalued amount;
  - b. Buildings: At cost less depreciation and grants related to specific assets except buildings at Deonar, Mumbai, which are reflected at revalued amount less depreciation;
  - c. Other Fixed Assets: At cost less depreciation.
- 'Cost' for the aforesaid purpose comprises of its purchase price, including import duties and other non-refundable taxes and levies and any directly attributable cost of bringing the asset to its working condition for its intended use; trade discount and rebate, if any, are deducted in arriving at the purchase price.

#### C. DEPRECIATION:

- a. Depreciation on Fixed Assets is provided on the straight-line method, at the rates prescribed under Schedule XIV to the Companies Act, 1956.
- b. Assets costing below ₹ 5,000 have been depreciated fully in the period of acquisition.
- c. The amount of depreciation on the Revalued Fixed Assets over its Original Cost is withdrawn from Revaluation Reserve Account (to the extent the Reserve is available) and credited to the Statement of Profit and Loss.

#### D. INVENTORIES:

- a. Inventories are valued at the lower of Cost and Net Realisable Value.

- b. Raw Materials and Packing Materials are valued at cost computed on FIFO basis. Cost includes cost of purchases, Excise Duties and Taxes and all other costs incurred in bringing the same to its present location and condition (net of Cenvat / Sales Tax set off, if any).
- c. Cost of Finished Goods consists of direct cost and an appropriate share of related factory overheads. Excise duty is provided on closing stock of finished goods, wherever applicable.

#### **E. REVENUE RECOGNITION:**

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

#### **F. FOREIGN CURRENCY TRANSACTIONS:**

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

#### **G. GRANTS:**

- a. Grants related to specific fixed assets are shown as deduction from the gross value of the assets.
- b. Revenue grants are deducted from the related expense.

#### **H. INVESTMENTS:**

Long-term investments are stated at cost. A provision for diminution, if any, is made to recognise a decline, other than temporary, in the value of Investments. Current Investments are stated at cost.

#### **I. EMPLOYEE BENEFITS:**

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

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

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

##### **Provident and Family Pension Fund**

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



**Defined Benefit Plan:****1. Gratuity**

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

**2. Compensated Absences:**

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

**3. Superannuation fund:**

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

**J. BORROWING COSTS:**

Borrowing costs, attributable to the acquisition/construction of qualifying assets are capitalised as part of the cost of such assets upto the commencement of commercial operations. Other borrowing costs are charged as an expense in the period in which the same are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

**K. LEASES:**

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

**L. TAXATION:**

- a. Provision for current tax is made on the estimated taxable income of the period at the rate applicable to the relevant assessment year.
- b. In accordance with the Accounting Standard 22 – "Accounting for Taxes on Income", the deferred tax for the timing differences is measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

Deferred tax assets are recognised only if there is a reasonable or virtual certainty, as may be applicable, that sufficient future taxable income will be available, against which they can be realised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilised.

**M. IMPAIRMENT OF ASSETS:**

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

**N. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

- a. A provision is recognised, if as a result of past event, the Company has a present legal obligation that can be measured reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.
- b. A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources. Where there is a possible obligation or present obligation where likelihood of outflow of resources is remote, no provision or disclosure is made.
- c. Contingent Assets are neither recognised nor disclosed.



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>2. Share capital</b>		
<b>Authorised</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10 par value	6,00,00,000	6,00,00,000
3,00,000 (3,00,000) Redeemable Preference Shares of ₹ 100 par value	3,00,00,000	3,00,00,000
	<b>9,00,00,000</b>	<b>9,00,00,000</b>
<b>Issued, Subscribed And Paid Up :</b>		
14,51,040 (14,51,040) Equity Shares of ₹ 10 par value fully paid	1,45,10,400	1,45,10,400
	<b>1,45,10,400</b>	<b>1,45,10,400</b>

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

	As At March 31, 2013	As At March 31, 2012
Equity Shares of ₹ 10 par value	No. of shares ₹	No. of shares ₹
At the beginning	14,51,040      1,45,10,400	13,28,820      1,32,88,200
Changes during the year	NIL      NIL	1,22,220      12,22,200
At the end	14,51,040      1,45,10,400	14,51,040      1,45,10,400

### 2.2 Rights, preferences and restrictions

- i. The Company has only one class of shares referred to as Equity Shares having par value of ₹ 10 Each holder of Equity Shares is entitled to one vote per share.
- ii. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The Board of Directors, in their meeting on May 14, 2013, proposed a final dividend of ₹ 1 per equity share of ₹ 10 each. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹ 16,97,644 including corporate dividend tax of ₹ 2,46,604. For the period ended March 31, 2012, in view of the losses, the company did not declare any dividend.
- iii. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

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

	As At March 31, 2013	As At March 31, 2012
<b>Name of the Shareholder</b>	No. of Shares held      % Held	No. of Shares held      % Held
Mr. Ray Simkins	1,75,820      12.12	1,75,820      12.12
Mrs. Pallavi Dhupelia	1,62,905      11.23	1,62,905      11.23
Mr. Utsav Dhupelia	1,33,010      9.17	1,33,010      9.17
Western Press Pvt Ltd.	1,14,357      7.88	1,14,357      7.88

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<b>3. Reserves and Surplus</b>		
<b>Capital Reserves</b>		
As per last Balance Sheet	23,13,246	23,13,246
<b>Securities Premium Account</b> [Refer Note 30]		
As per last Balance Sheet	4,12,22,681	2,36,23,000
Add: Premium on Equity Shares allotted against Preferential Convertible Warrants	NIL	1,75,99,681
	<b>4,12,22,681</b>	<b>4,12,22,681</b>
<b>Revaluation Reserve</b> [Refer Note 31]		
As per last Balance Sheet	9,82,20,545	7,46,50,373
Add: Amounts written off earlier and adjusted against Revaluation Reserve, now transferred to		

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

	As At March 31, 2013 ₹	As At March 31, 2012 ₹
the Statement of Profit and Loss	NIL	1,81,87,898
General Reserve (As per contra)	NIL	67,17,880
	NIL	2,49,05,778
Less: Depreciation on Revalued Assets	8,90,404	13,35,606
	9,73,30,141	9,82,20,545
<b>General Reserve</b>		
As per last Balance Sheet	19,05,59,112	19,72,76,992
Less: Effect no longer required on payment by Subsidiary Company	NIL	67,17,880
Less: Prior Period Adjustment considered in Revaluation Reserve (As per contra)	NIL	67,17,880
Less: Transferred to Surplus for Appropriations [Refer Note 3.1]	16,97,644	NIL
Add: Recovery from Subsidiary Company	NIL	67,17,880
	18,88,61,468	19,05,59,112
<b>Surplus/ (Deficit)</b>		
As per last Balance Sheet	(2,90,57,128)	3,44,99,724
Add: Net Profit/(Net Loss) after Tax transferred from Statement of Profit and Loss	2,51,03,526	(6,35,56,852)
	(39,53,602)	(290,57,128)
Add: Transferred from General Reserve [Refer Note 3.1]	16,97,644	NIL
Less: Appropriations		
Proposed Dividend on Equity Shares	14,51,040	NIL
Tax on Proposed Dividend	2,46,604	NIL
	NIL	NIL
	(39,53,602)	(2,90,57,128)
	32,57,73,934	30,32,58,456

3.1 Pursuant to Section 205A (3) of the Companies Act, 1956 and the Companies (Declaration of Dividend out of Reserves) Rules, 1975, the Company has, out of the balance in General Reserve (created by the transfer of profits in earlier years), transferred ₹ 16,97,644 to Surplus and has accordingly proposed dividend out of the accumulated profits of the previous years.

#### 4. Long-term Borrowings

Term Loans [Refer Note 4.1 and 4.2]		
Secured		
From Banks	8,64,46,785	14,22,30,319
Deposits [Refer Note 4.1 and 4.3]		
Unsecured		
Fixed Deposits	1,62,94,149	2,48,37,000
Other Loans		
Secured		
Vehicle Loans [Refer Note 4.3]		
From Banks	1,11,452	3,70,784
From Others	10,72,495	9,37,340
	11,83,947	13,08,124
Unsecured		
From Directors	2,71,05,000	2,55,80,000
From Company	28,19,400	28,19,400
	3,11,08,347	2,97,07,524
	13,38,49,281	19,67,74,843



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

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

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

	Nature of Security	Rate of Interest	As At March 31, 2013 ₹	As At March 31, 2012 ₹
4.2	<b>TERM LOANS</b>			
a.	Term Loan availed from Andhra Bank of ₹ 2,00,00,000, repayable in 60 monthly instalments commencing from June 30, 2009 <u>Collateral Security:</u> Pari passu second charge on fixed assets under first charge to working capital lenders	16% p.a.	<b>NIL</b>	22,52,658
b.	Term Loan availed from Corporation Bank for Chittoor expansion Project for ₹ 3,70,00,000, repayable in 60 monthly instalments from December 20, 2009 <u>Primary Security:</u> First charge by way of Equitable mortgage/hypothecation of the entire fixed assets of Gonde Unit consisting of land, building, Plant and Machinery acquired out of this term loan <u>Collateral Security:</u> First charge on pari passu basis with other banks of the consortium on all current assets of the Company consisting of raw Material, Stock in Process, Finished Goods, Stores and Spares, Other Consumables and Book Debts <u>Personal Guarantee:</u> i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder	Ranging from 12% p.a. to 14% p.a.	<b>67,54,538</b>	1,69,22,948
c.	Term Loan availed from State Bank of India for Gonde (Sinnar) Project for ₹ 13,90,00,000 repayable in 48 monthly instalments from April 30, 2009 <u>Primary Security:</u> First charge by way of Equitable mortgage on specific assets acquired out of the term loan <u>Collateral Security:</u> First charge by way of equitable Mortgage on land and building, Plant and Machinery, Furniture and other Fixed assets of the Company <u>Personal Guarantee:</u> i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder	Ranging from 14% p.a. to 16.5% p.a.	<b>3,84,24,519</b>	7,36,44,245
d.	Term Loan availed from Export Import Bank of India for Chittoor expansion -FFP Plant -II for ₹ 6,00,00,000 repayable in 20 Quarterly Instalment from June 20, 2011 of ₹ 30,00,000 each <u>Primary Security:</u> i Exclusive First charge on immoveable and moveable fixed Assets acquired out of this term loan ii Exclusive First charge on land admeasuring 4.04 acres pertaining to company's FFP plant – II at Chittoor <u>Collateral Security:</u> Second Pari Pasu charge on the entire fixed assets of company excluding specific fixed assets charged exclusively to term lender <u>Personal Guarantee:</u> i Mr. Utsav Dhupelia, Director ii Mrs. Pallavi Dhupelia, Shareholder	Ranging from 12.25% p.a. to 12.5% p.a.	<b>3,60,00,000</b>	4,80,00,000
e.	Term Loan availed from Andhra Bank for Chittoor expansion project for ₹ 9,00,00,000 repayable in 60 monthly instalments from July 11, 2012. <u>Primary Security:</u> Exclusive First Charge on moveable and immoveable fixed assets acquired /to be acquired out of this term loan.	Ranging from 14% p.a. to 16.5% p.a.	<b>8,06,32,784</b>	7,32,94,468

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

Nature of Security		Rate of Interest	As At March 31, 2013 ₹	As At March 31, 2012 ₹
<u>Collateral Security:</u>				
i	Second residual charge on Current Assets charged to working capital lenders			
ii	Pari Passu second charge on fixed Assets under first charge to working capital lenders			
<u>Personal Guarantee:</u>				
i	Mr. Utsav Dhupelia, Director			
ii	Mrs. Pallavi Dhupelia, Shareholder			
			<b>16,18,11,841</b>	21,41,14,319
	Less: Current maturities of Long-term debt [Refer Note 9]		<b>7,53,65,056</b>	7,18,84,000
			<b>8,64,46,785</b>	14,22,30,319
<b>4.3 DEPOSITS</b>				
	Public Deposits maturing between 1 to 3 years	Ranging from 10% p.a. to 12.5% p.a.	<b>6,53,38,149</b>	5,71,30,000
	Less: Current maturities of Long-term debt [Refer Note 9]		<b>4,90,44,000</b>	32,293,000
			<b>1,62,94,149</b>	24,837,000
<b>4.4 VEHICLE LOANS</b>				
a.	From Banks			
	Vehicle Loan availed of ₹ 6,83,000 from HDFC Bank, repayable in 36 monthly instalments commencing from December 17, 2009 is secured against the specified car	11.52% p.a.	<b>NIL</b>	1,71,049
	Vehicle Loan availed from AXIS Bank of ₹6,46,000 , repayable in 36 monthly instalments commencing from November 1, 2011 is secured against the specified car	12.50% p.a.	<b>3,70,784</b>	5,70,023
b.	From Others			
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 6,32,000, repayable in 34 monthly instalments commencing from February 17, 2010 secured against the specified car	10.38% p.a.	<b>NIL</b>	1,85,034
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 12,79,000, repayable in 35 monthly instalments commencing from November 30, 2010 is secured against the specified car	9.92% p.a.	<b>2,84,675</b>	7,37,886
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 3,15,000, repayable in 35 monthly instalments commencing from April 30, 2011 is secured against the specified car	13.70% p.a.	<b>1,31,921</b>	2,37,568
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹ 9,18,000, repayable in 35 monthly instalments commencing from October 31, 2011 is secured against the specified car	10.69% p.a.	<b>5,20,744</b>	8,24,522
	Vehicle Loan availed from Kotak Mahindra Prime Ltd. of ₹10,44,000, repayable in 35 monthly instalments commencing from October 31, 2012 is secured against the specified car	7% p.a.	<b>9,38,034</b>	NIL
			<b>22,46,158</b>	27,26,082
	Less: Current maturities of Long-term debt [Refer Note 9]		<b>10,62,211</b>	14,17,958
			<b>11,83,947</b>	13,08,124
<b>5. Deferred Tax Liabilities (Net)</b>				
	Deferred Tax Liabilities			
	Depreciation		<b>8,15,33,899</b>	7,98,00,873
	Deferred Tax Assets			
	Expenses allowable for Tax purpose when paid		<b>47,23,191</b>	49,59,647
	Provision for Doubtful Debts and Advances		<b>16,56,839</b>	2,62,805
	Losses Carried Forward and Unabsorbed Depreciation		<b>2,67,37,431</b>	2,67,09,536
	Net Deferred Tax Liabilities		<b>4,84,16,438</b>	4,78,68,885

5.1 The Company has carried forward business losses and unabsorbed depreciation as at the Balance Sheet date. Based on the confirmed export orders, the Company is virtually certain that there would be sufficient taxable income in future against which the deferred tax asset can be realised.

5.2 Deferred Tax Liabilities (DTL) for the year is arrived at after reversal of DTL of ₹ 5,47,523 relating to prior period.



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

		As At March 31, 2013	As At March 31, 2012
	₹	₹	₹
<b>6. Long-term Provisions</b>			
Provision for Employee Benefits			
For Gratuity	24,97,779		48,52,187
For Leave Encashment	46,62,887		46,74,647
		71,60,666	95,26,834
		71,60,666	95,26,834
<b>7. Short-term Borrowings</b>			
Loans Repayable on demand			
Secured			
From Banks			
Open Cash Credit [Refer to Note 7.1]	9,07,28,707		10,94,26,503
Packing Credit / Foreign Bills purchased [Refer to Note 7.2]	1,28,71,86,978		95,86,71,091
Overdraft Facility [Refer to Note 7.3]	13,32,74,228		20,00,00,000
		1,51,11,89,913	126,80,97,594
Other Loans			
Secured			
Loan against Fixed Deposit [Refer to Note 7.4]		NIL	36,00,000
		1,51,11,89,913	1,27,16,97,594
7.1	Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods and Packing Materials. All the above Loans including from the Banks are also secured by a personal Guarantee of one Director, a Shareholder and an individual (by one consortium bank) and charge on all the Fixed Assets and Current Assets including book debts of the Company, both present and future.		
7.2	Secured by way of hypothecation of stocks of Raw Materials, Stock-in-Process, Finished Goods, Cans, etc. meant for export, a charge over the entire current assets of the Company including receivables/ book debts, both present and future, and stores and spares, lodgement of confirmed contracts and irrevocable letters of credit and ECGC Packing Credit Guarantee cover.		
7.3	For Supplies to customers Secured by way of hypothecation of stocks of Finished Goods for customers.		
7.4	Secured against pledge of Fixed Deposit of ₹ NIL (Previous Period ₹ 40,00,000).[Refer Note 18.1]		
		As At March 31, 2013	As At March 31, 2012
	₹	₹	₹
<b>8. Trade Payables</b>			
Micro Enterprises and Small Enterprises [Refer Note 8.1]		8,89,048	1,11,908
Others			
For Capital Goods	3,62,19,764		1,69,23,239
For Others	24,92,36,433		16,21,65,454
		28,54,56,197	17,90,88,693
		28,63,45,245	17,92,00,601
8.1	Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006:		
Principal amount remaining unpaid and interest due thereon		9,99,610	1,13,306
Interest paid in terms of Section 16		NIL	NIL
Interest due and payable for the period of delay in payment		67,656	22,113
Interest accrued and remaining unpaid		2,62,379	2,23,480
Interest due and payable even in succeeding years		NIL	NIL
This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified by the Company.			

## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

		As At March 31, 2013	As At March 31, 2012
	₹	₹	₹
<b>9. Other Current Liabilities</b>			
Current maturities of long-term debt			
Term Loan			
Secured			
From Banks	7,53,65,056		7,18,84,000
Deposits			
Unsecured			
Fixed Deposits	4,90,44,000		3,22,93,000
Other Loans			
Secured			
Vehicle Loan			
From Banks	2,59,332		3,70,288
From Others	8,02,879		10,47,670
	<b>10,62,211</b>		14,17,958
		<b>12,54,71,267</b>	10,55,94,958
Interest accrued but not due on borrowings		<b>16,46,022</b>	30,26,764
Interest accrued and due on borrowings		<b>5,25,141</b>	9,82,989
Unclaimed dividends		<b>3,08,746</b>	3,13,456
Book Overdraft		<b>15,60,181</b>	44,33,415
Advances from Customers		<b>13,06,48,800</b>	20,62,74,262
Others *		<b>2,11,40,745</b>	1,84,92,992
		<b>28,13,00,902</b>	33,91,18,836
* Others include Statutory Dues and other year end liabilities provided.			
<b>10. Short Term Provisions</b>			
Provision for employee benefits			
Gratuity	32,10,818		24,21,428
Leave Encashment	8,56,033		1,77,779
		<b>40,66,851</b>	25,99,207
Others			
Provision for Tax	53,00,000		NIL
Less: Taxes Paid	51,97,171		NIL
		<b>1,02,829</b>	NIL
Proposed Dividend		<b>14,51,040</b>	NIL
Tax on Dividend		<b>2,46,604</b>	NIL
		<b>58,67,324</b>	25,99,207

# 11. Fixed Assets

Amount in ₹

Description	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As At April 1, 2012	Additions	Deductions and/ or adjustments	As At March 31, 2013	Upto March 31, 2012	For the year	Withdrawal for Sale/Adjustment	Upto March 31, 2013	As At March 31, 2013	As At March 31, 2012
Tangible Assets										
Land	12,70,55,629 (12,54,27,879)	2,41,127 (16,27,750)	NIL (NIL)	12,72,96,756 (12,70,55,629)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	12,72,96,756 (12,70,55,629)	12,70,55,629 (12,54,27,879)
Buildings										
Factory Building	24,37,25,784 (20,33,47,824)	2,32,21,976 (4,03,77,960)	NIL (NIL)	26,69,47,760 (24,37,25,784)	3,26,53,335 (2,16,36,895)	83,91,414 (1,10,16,440)	NIL (NIL)	4,10,44,749 (3,26,53,335)	22,59,03,011 (21,10,72,449)	21,10,72,449 (18,17,10,929)
Administrative Building	4,16,75,694 (3,89,04,994)	1,00,800 (27,70,700)	NIL (NIL)	4,17,76,494 (4,16,75,694)	72,54,816 (62,40,288)	6,87,918 (10,14,528)	NIL (NIL)	79,42,734 (72,54,816)	3,38,33,760 (3,44,20,878)	3,44,20,878 (3,26,64,706)
Plant and Equipments										
Plant and Machinery	60,04,08,066 (49,53,12,956)	2,19,45,543 (10,50,95,110)	NIL (NIL)	62,23,53,609 (60,04,08,066)	17,32,95,294 (12,98,49,019)	3,52,15,225 (4,34,46,275)	NIL (NIL)	20,85,10,519 (17,32,95,294)	413,843,090 (42,71,12,772)	42,71,12,772 (36,54,63,937)
Generators	60,48,005 (60,48,005)	27,28,591 (NIL)	NIL (NIL)	87,76,596 (60,48,005)	15,67,339 (11,35,915)	2,89,153 (4,31,424)	NIL (NIL)	18,56,492 (15,67,339)	69,20,104 (44,80,666)	44,80,666 (49,12,090)
Forklift Accessories	85,20,211 (80,95,715)	5,69,519 (4,24,500)	NIL (NIL)	90,89,730 (85,20,215)	20,62,436 (1,470,425)	4,17,796 (5,92,017)	NIL (NIL)	24,80,232 (20,62,442)	66,09,498 (64,57,773)	64,57,775 (66,25,290)
Furniture and Fixtures	73,16,623 (69,49,388)	2,43,985 (3,67,240)	NIL (NIL)	75,60,608 (73,16,628)	33,81,590 (29,10,657)	3,63,584 (4,70,933)	NIL (NIL)	37,45,174 (33,81,590)	38,15,434 (39,35,038)	39,35,033 (40,38,731)
Vehicles	1,44,08,840 (1,31,78,149)	15,31,376 (44,76,787)	16,38,981 (32,46,106)	1,43,01,235 (1,44,08,830)	54,42,056 (45,92,077)	13,42,459 (17,55,357)	10,81,342 (9,05,388)	57,03,173 (54,42,046)	85,98,062 (89,66,784)	89,66,784 (85,86,072)
Office Equipments	57,21,262 (43,57,405)	4,04,686 (13,63,857)	NIL (NIL)	61,25,948 (57,21,262)	29,64,011 (25,24,627)	2,59,448 (4,39,384)	NIL (NIL)	32,23,459 (29,64,011)	29,02,489 (27,57,251)	27,57,251 (18,32,778)
Others										
Computers	73,62,433 (64,21,770)	5,93,185 (9,40,663)	NIL (NIL)	79,55,618 (73,62,433)	54,67,106 (45,75,402)	6,02,808 (8,91,704)	8,300 (NIL)	60,61,614 (54,67,106)	18,94,004 (18,95,327)	18,95,327 (18,46,368)
Current year	1,06,22,42,547 (90,80,44,084)	5,15,80,788 (15,74,44,567)	16,38,981 (32,46,106)	1,11,21,84,354 (1,06,22,42,545)	23,40,87,983 (17,49,35,305)	4,75,89,805 (6,00,58,062)	10,81,342 (9,05,388)	28,05,68,146 (23,40,87,979)	83,16,16,208 (82,81,54,564)	82,81,54,564 (73,31,08,780)
Intangible Assets										
Patents and Trademarks	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)	2,62,500 (2,62,500)	NIL (NIL)	NIL (NIL)
Computer Software	43,720 (43,720)	6,06,997 (NIL)	NIL (NIL)	6,50,717 (43,720)	18,242 (13,991)	6,14,084 (4,251)	NIL (NIL)	6,32,326 (18,242)	18,391 (25,478)	25,478 (29,729)
Current year	3,06,220 (3,06,220)	6,06,997 (NIL)	NIL (NIL)	9,13,217 (3,06,220)	2,80,742 (2,76,491)	6,14,084 (4,251)	NIL (NIL)	8,94,826 (2,80,742)	18,391 (25,478)	25,478 (29,729)
Previous period										
Capital Work-in-progress										
Plant and Machinery	8,35,10,668 (6,10,60,355)	9,05,15,492 (16,23,77,321)	5,38,87,509 (13,99,27,008)	12,01,38,651 (8,35,10,668)					12,01,38,651 (8,35,10,668)	8,35,10,668 (6,10,60,355)
Current year	8,35,10,668 (61,060,355)	9,05,15,492 (16,23,77,321)	5,38,87,509 (13,99,27,008)	12,01,38,651 (8,35,10,668)					12,01,38,651 (8,35,10,668)	8,35,10,668 (6,10,60,355)
Previous period										
Intangible Assets Under Development										
Computer Software	19,98,579 (19,98,579)	NIL (NIL)	NIL (NIL)	19,98,579 (19,98,579)						
Current year	19,98,579 (19,98,579)	NIL (NIL)	NIL (NIL)	19,98,579 (19,98,579)					19,98,579 (19,98,579)	19,98,579 (19,98,579)
Previous period										

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

- Land ₹ 8,00,20,550 (Previous Period ₹ 8,00,20,550)
- Factory Building ₹ 1,57,27,907 (Previous Period ₹ 1,57,27,907)
- Administrative Building ₹ 1,09,30,928 (Previous Period ₹ 1,09,30,928)
- For other disclosures on revaluation on Fixed Assets - Refer Note 31(a)

11.2 Capital work-in-progress includes borrowing cost capitalised during the period ₹ NIL (Previous Period ₹ 1,14,47,651)

11.3 Figures given in brackets above are for the previous period.



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

		As At March 31, 2013	As At March 31, 2012
		₹	₹
<b>12. Non-current Investments</b>			
Long-term Investments - valued at cost less provision for other than temporary diminution			
Other than Trade			
In Equity Instruments of Associate [Refer Note 32]			
Unquoted			
Fully Paid Equity Shares			
<b>Quantity</b>	<b>Investee Company</b>		
24,00,000	Finns Frozen Foods (I) Ltd.*	2,40,00,000	2,40,00,000
(24,00,000)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		48,00,000	48,00,000
		1,92,00,000	1,92,00,000
Less: The Company's share of losses of the Associate, to the extent of carrying amount of investment adjusted against General Reserve [Refer Note 32]		1,92,00,000	1,92,00,000
		NIL	NIL
In Equity Instruments of Other Companies			
Quoted			
Fully Paid Equity Shares			
<b>Quantity</b>	<b>Investee Company</b>		
66	Hindustan Lever Limited	3,425	3,425
(66)	(₹ 1 par value)		
1,00,000	CIFCO Finance Limited*	10,79,533	10,79,533
(1,00,000)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		10,79,533	10,79,533
		NIL	NIL
100	Western Food Limited*	1,000	1,000
(100)	(₹ 10 par value)		
Less : Provision for Diminution in Value of Investments		1,000	1,000
		NIL	NIL
2,000	FDC Limited	10,000	10,000
(2,000)	(₹ 1 par value)		
9,400	Bank of Maharashtra Limited	2,16,200	2,16,200
(9,400)	(₹ 10 par value)		
5,098	Andhra Bank Limited	4,58,820	4,58,820
(5,098)	(₹ 90 par value)		
In Government or trust securities			
Unquoted			
National Savings Certificate (VIII Issue)*		200	200
Indira Vikas Patra*		200	200
		400	400
		6,88,845	6,88,845

	Cost ₹	Market Value ₹	Cost ₹	Market Value ₹
Aggregate amount of Quoted Investments	6,88,445	11,75,284	6,88,445	13,04,515
Aggregate amount of Unquoted Investments	400	Not Applicable	400	Not Applicable
Aggregate provision made for diminution in value of Investments	10,80,533	Not Applicable	10,80,533	Not Applicable



## NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2013

		As At March 31, 2013	As At March 31, 2012
	₹	₹	₹
<b>16.1 Details of Inventories</b>			
Finished Goods			
Fruit Powder		84,49,914	19,28,649
Fruit Pulp, Concentrate and Frozen Pulp		65,87,56,403	53,49,53,382
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		18,65,064	28,23,743
Other Powder		10,81,776	10,94,482
Others		63,12,796	17,27,897
		<b>67,64,65,953</b>	<b>54,25,28,153</b>
Raw Materials			
Fruits and Vegetables		10,57,959	21,65,588
Power and Fuel		11,46,824	19,44,112
Other Raw Materials		77,22,923	71,51,102
		<b>99,27,706</b>	<b>112,60,802</b>
Packing Materials			
Aseptic Bags		2,12,81,230	1,89,89,151
Empty Cans		99,11,690	,94,50,955
MS Drums		5,98,08,585	3,61,99,288
Cartons and LDPE Bags		22,98,234	20,13,985
Wooden Pallets and Plywoods		79,60,262	97,19,409
Plastic Crates		3,12,06,930	2,35,85,229
Others		1,43,690	1,50,573
		<b>13,26,10,621</b>	<b>10,01,08,590</b>
<b>17. Trade Receivables</b>			
Unsecured, Considered Good			
Outstanding for a period exceeding Six months from the date they are due for payment	1,30,93,941		12,30,12,738
Others	33,15,14,512		28,66,49,714
		<b>34,46,08,453</b>	<b>40,96,62,452</b>
		<b>34,46,08,453</b>	<b>40,96,62,452</b>
<b>18. Cash and Bank Balances</b>			
Cash and Cash Equivalents			
Cash on hand		3,81,106	7,08,105
Balances with banks			
On Current Accounts	2,97,90,176		56,16,390
On Unclaimed Dividend Accounts	3,08,746		3,13,456
		<b>3,00,98,922</b>	<b>59,29,846</b>
Other Bank Balances			
On Fixed Deposit Accounts [Refer Note 18.1]		4,07,89,185	2,89,69,779
On Margin Money Accounts		2,88,02,601	2,59,61,330
With Maturity within 12 Months from Balance Sheet Date			
		<b>10,00,71,814</b>	<b>6,15,69,060</b>
18.1 Of the above Fixed Deposits of ₹ NIL (Previous Period: ₹40,00,000) are pledged for a secured loan taken thereagainst [Refer Note 7.4]			
<b>19. Short-term Loans and Advances</b>			
Unsecured, Considered Good			
Loans and advances to Related Parties [Refer Note 32]		11,32,85,110	4,36,35,323
Other Loans and Advances			
Intercompany deposit	NIL		85,000
VAT Receivable	1,01,83,754		NIL
Excise duty Receivable	1,19,30,976		48,56,923
Service Tax Receivable	96,77,958		40,642
Advances recoverable in cash or kind for value to be received	8,99,27,525		9,05,80,178
Loans to Staff	11,88,718		19,41,331
		<b>12,29,08,931</b>	<b>9,75,04,074</b>
		<b>23,61,94,041</b>	<b>14,11,39,397</b>
<b>20. Other Current Assets</b>			
Export Benefits Receivable		5,92,46,328	5,45,91,518
Interest Receivable on Fixed Deposits		33,44,793	7,24,639
Insurance Claim Receivable [Refer Note 25.1]		NIL	1,12,97,315
		<b>6,25,91,121</b>	<b>6,66,13,472</b>



## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
<b>21. Revenue from Operations</b>			
Sale of Products			
Manufactured Goods [Refer Note 21.1.1]	2,33,96,76,105		3,59,53,48,099
Traded Goods [Refer Note 21.1.2]	16,38,93,588		24,04,19,695
		2,50,35,69,693	3,83,57,67,794
Other Operating Revenues			
Export Benefits [Refer Note 21.2]	8,79,25,170		11,98,25,658
Processing Charges	1,56,434		1,51,478
Claims and Rebates	9,85,080		8,50,308
Sale of Scrap	98,25,027		31,43,182
Warehousing Charges	41,61,771		1,08,44,556
		10,30,53,482	13,48,15,182
		2,60,66,23,175	3,97,05,82,976
Less: Excise Duty on Sales		3,01,68,677	2,42,73,709
		2,57,64,54,498	3,94,63,09,267
<b>21.1 Details of Sale of Products:</b>			
<b>21.1.1 Manufactured Goods</b>			
Fruit Powder		8,95,78,981	11,38,98,796
Fruit Pulp, Concentrate and Frozen Pulp		2,22,80,17,233	3,44,63,72,677
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		74,13,552	83,24,769
Other Powder		1,46,66,339	2,67,51,857
		2,33,96,76,105	3,59,53,48,099
<b>21.1.2 Traded Goods</b>			
Fruit Pulp, Concentrate and Frozen Pulp		15,30,19,959	24,04,19,695
Canned Vegetables, Pickles, Mango Chutney and Frozen Vegetables		1,02,79,372	NIL
Others		5,94,257	NIL
		16,38,93,588	24,04,19,695

21.2 The Company is entitled to Export Benefits, under Vishesh Krishi Upaj Yojana vide Notification no.15/2004-09 dated January 4, 2005, in respect of export of Fruit Pulp, paste, slice, Canned Vegetables and others. The Company recognises such Export Benefits on the basis of export of goods. Accordingly, the Company has recognised Export benefits of ₹ 8,75,65,285 (Previous Period ₹ 7,71,42,025) on export of goods.

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
<b>22. Other Income</b>			
Interest Income			
Interest received from Customers	1,62,71,916		4,61,55,393
Interest on Fixed & Other Deposits	1,12,75,692		1,10,13,407
Interest on Others	13,90,749		9,20,695
		2,89,38,357	5,80,89,495
Dividend Income on Long-term Investments		90,721	86,064
Insurance Claims [Refer Note 25.1]		6,46,346	1,19,32,259
Guarantee Commission Received		7,21,091	8,61,634
Other Non-operating Income			
Advances written off, now recovered	NIL		68,99,998

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
Balances / Provisions written back (Net)	NIL		34,805
Rent Received [Refer Note 36]	1,60,680		1,60,680
Miscellaneous Income	5,78,600		7,32,486
		7,39,280	78,27,969
		3,11,35,795	7,87,97,421
<b>23. Cost of Materials Consumed</b>			
Fruits and Vegetables [Refer Note 23.1]			
Opening Stock	21,65,588		6,27,693
Add : Purchases	1,13,57,56,253		96,09,92,722
Less : Closing Stock	10,57,959		21,65,588
		1,13,68,63,882	95,94,54,827
Other Raw Materials Consumed [Refer Note 23.1]			
Opening Stock	71,51,102		74,68,783
Add : Purchases	3,67,89,413		6,65,59,564
Less : Closing Stock	77,22,923		71,51,102
		3,62,17,592	668,77,245
Packing Materials			
Opening Stock	10,01,08,592		9,66,61,172
Add : Purchases	37,34,62,335		36,35,71,810
Less : Closing Stock	13,26,10,621		10,01,08,591
		34,09,60,306	36,01,24,391
		1,51,40,41,780	1,38,64,56,463
<b>23.1 Details of Consumption of Raw Materials</b>			
Fruits and Vegetables		1,13,68,63,882	95,94,54,827
Other Raw Materials		3,62,17,592	6,68,77,245
		1,17,30,81,474	1,02,63,32,072
<b>24. Purchases of Stock-in Trade</b>			
Fruits Pulp	18,68,76,910		18,51,87,838
Others	1,09,41,949		NIL
		19,78,18,859	18,51,87,838
<b>25. Changes in Inventories of Finished Goods</b>			
Finished Goods			
Opening Stock	54,25,28,153		1,80,86,00,645
Less: Closing Stock	67,64,65,953		54,25,28,153
Less: Stock Lost due to Fire [Refer Note 25.1]	NIL		50,09,408
Less: Stock Lost due to Road Accident	NIL		3,98,492
		(13,39,37,800)	1,26,06,64,592
Excise Duty on Uncleared Finished Goods			
Closing Stock	28,15,402		20,36,044
Less: Opening Stock	20,36,044		30,115
		7,79,358	20,05,929
		(13,31,58,442)	126,26,70,521

25.1 During the Eighteen months period ended on March 31, 2012, due to fire in the Company's Fruit Processing Plant I and II (FPP I and FPP II) located at Chittoor, stock of raw materials (raw mangoes), packing materials and finished goods were destroyed, the aggregate cost of which is ₹ 1,16,12,587. This being the loss of exceptional nature is shown separately as 'Loss due to Fire' under Note 28 on "Other Expenses" and the claim receivable there against of ₹ 1,12,97,315 is reflected under Note 22 on "Other Income".



## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
<b>26. Employee Benefits Expense</b>			
Salaries and Wages			
Salaries, Wages and Benefits	9,97,28,767		11,38,72,731
Director's Remuneration	47,31,034		NIL
		10,44,59,801	11,38,72,731
Contributions to Provident Fund and Other Funds		68,84,414	78,38,237
Gratuity		19,34,982	22,66,588
Staff Welfare Expenses		82,04,969	96,10,815
		12,14,84,166	13,35,88,371
<b>27. Finance costs</b>			
Interest expense			
On Cash Facilities /Buyers Credit	9,89,47,194		16,92,37,209
On Term Loans	2,73,75,539		4,20,29,755
On Others	2,20,42,817		4,60,85,433
		14,83,65,550	25,73,52,397
Other Borrowing Costs			
Bank Charges	2,22,82,763		2,75,92,029
Guarantee Commission [Refer Note 27.1]	51,43,000		NIL
Brokerage on Fund Arrangements	8,94,276		8,23,525
		2,83,20,039	2,84,15,554
		17,66,85,589	28,57,67,951
27.1 Guarantee Commission of ₹ 51,43,000 (Previous Period ₹ NIL) paid/provided as due to a related party [Refer note 36].			
<b>28. Other Expenses</b>			
Fruit Ripening Charges		6,31,18,015	5,20,30,613
Processing Charges		4,04,22,212	2,82,48,698
Water Charges		3,14,604	42,82,660
Testing Fees		59,30,614	50,90,494
Consumption of stores and spare parts		64,79,367	79,01,114
Fuel and Power Consumed			
Opening Stock	19,44,113		11,80,738
Add: Purchase	6,50,16,327		7,25,98,807
Less: Closing Stock	11,46,824		19,44,113
	6,58,13,616		7,18,35,432
Add: Electricity Charges	2,16,42,822		2,53,33,514
Add: Office Electricity Charges	6,32,893		6,30,709
		8,80,89,331	9,77,99,655
Rent		1,29,70,784	1,64,02,135
Repair and Maintenance			
Repairs to Buildings	21,94,806		16,61,037
Repairs to Machinery	1,36,40,607		1,72,76,987
Repairs Others	88,41,747		1,10,31,041
		2,46,77,160	2,99,69,065
Insurance		1,32,43,868	1,68,43,257
Rates and Taxes		51,23,948	42,27,888
Freight and Forwarding (Net)		15,93,83,417	18,18,40,388
Warehousing Charges [Refer Note 28.1]		6,65,53,711	5,91,22,471

## NOTES FORMING PART OF THE STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2013

		For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	₹	₹	₹
Foreign Exchange (Gain)/Loss (Net)			
(Gain) / Loss (Net) on Forward Contracts			
on settled / realised / cancelled contracts	(66,97,336)		8,51,75,222
on Mark to market loss on outstanding contracts	7,03,84,742		4,71,04,446
Premium on Forward Contract	(128,45,446)		(1,07,63,796)
		5,08,41,960	12,15,15,872
Legalisation, Application Documents Charges, etc.		82,15,221	1,19,83,684
Legal and Professional Charges		1,86,59,540	2,29,25,594
Commission on Sales		2,62,10,162	3,60,94,926
Auditor's Remuneration			
Audit Fees	8,21,629		13,78,101
Tax Audit Fees	1,53,370		3,89,655
Company Law Matters	84,270		NIL
Certification Work [Refer Note 28.2]	9,70,790		2,15,086
		20,30,059	19,82,842
Advertisement and Sales Promotion		66,54,947	83,19,547
Membership and Subscription		21,35,840	32,60,687
Postage and Telegram		19,61,105	27,23,215
Director's fees		6,46,448	8,45,000
Printing and Stationery		11,34,085	20,44,061
Telephone, Telex and Fax		21,73,518	30,83,683
Loss due to Fire [Refer Note 25.1]		NIL	1,16,12,587
Loss due to Road Accident		NIL	3,98,492
Loss on sale of Fixed Assets		2,76,490	7,40,705
Security Charges		41,96,536	57,90,618
Hiring Charges		57,56,849	67,15,619
Interest on delayed payment of Government dues		9,80,687	6,68,965
Interest on delayed payment under MSMED Act and Others		67,656	85,796
Claims, Rebates, etc.		89,67,023	74,16,205
Bad Debts written off		48,01,093	NIL
Balances Written off (Net)		16,20,827	NIL
Provision for Doubtful Debts	88,73,215		89,86,788
Less: Provision no Longer required	46,67,278		89,86,788
		42,05,937	NIL
Advances written off	NIL		91,63,822
Less: Provision no Longer required	NIL		91,63,822
		NIL	NIL
Travelling and Motor Car Expenses		1,60,49,636	1,98,51,131
Prior Period Expenses [Refer Note 31]		NIL	1,85,49,802
Miscellaneous expenses		43,33,331	60,37,071
		65,82,25,981	79,64,04,540

28.1 Overseas warehousing charges of ₹ 6,65,53,711 (Previous Period ₹ 5,91,22,471) as reflected under Note 28 on "Other Expenses" includes duties, local transport charges, contractual charges, miscellaneous charges, rent, insurance and statutory charges, etc. for storage of goods abroad as per agreement with foreign parties.

28.2 Fees for certification includes those in connection with Rights Issue of the Company.

## 29. Contingent Liabilities and Commitments

### A Contingent Liabilities

#### a. Claims against the Company not acknowledged as debt

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Provision has not been made for Interest for delayed payment due to a director notified under the Trial of Offences (Relating to Transactions in Securities) Act, 1992, as no demand has yet been raised.	7,14,372	7,14,372
Unsecured loan of Asim Exports International Limited, a Subsidiary of the Company, consists of amount payable to the said Director notified under The Special Court (Trial of offences relating to Transactions in Securities) Act, 1992.	42,200	42,200

#### b. Guarantees

Corporate Guarantees given to a Bank against the Credit facility extended to an associate company	11,70,00,000	11,70,00,000
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#### c. Others

i.	Income-tax matters under appeal		
	-Assessment Year 2006-2007	NIL	4,29,643
	-Assessment Year 2007-2008	NIL	3,36,000
	-Assessment Year 2008-2009	NIL	6,25,557
	-Assessment Year 2009-2010	NIL	7,66,88,596
	-Assessment Year 2010-2011	2,28,68,208	NIL
ii.	Service Tax matters under appeal (Accounting Years 2004-05 to 2007-08)	3,96,978	3,96,978
iii.	Sales Tax matter under appeal (Accounting Year 2012-2013) paid there against ₹60,40,500 (Previous Period ₹ NIL)	2,14,61,834	NIL

### B. Commitments

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

Particulars	As at March 31, 2013 ₹	As at March 31, 2012 ₹
Estimated amount remaining to be executed on Capital Account	5,73,59,051	2,68,26,261
Less: Advances Paid	1,68,67,731	1,10,83,181
Net Amount	4,04,91,320	1,57,43,080

#### b. Others

i.	Export Obligations of ₹ 9,26,83,559 (Previous Period ₹ 3,96,95,260) against Advance licences- Duty saved *	2,53,48,876	1,04,85,058
ii.	Export obligation of ₹ 12,29,78,020 (Previous Period ₹ 12,77,26,137) against EPCG Licenses utilized for purchase of Fixed Assets but not yet installed - Duty saved **	1,56,59,440	1,70,64,773

\* Export obligations against the advance licence of ₹ 3,79,76,204 (Previous Period ₹ 3,01,23,178) have already been fulfilled by the Company, however procedural formalities for the closure of the Advance Licences are pending.

\*\* Export obligations against the purchase of machinery and packing materials under Export Promotion Capital Goods Scheme ("EPCG") of ₹ 2,37,92,574 (Previous Period ₹ 1,84,44,176) have already been fulfilled by the Company, however, procedural formalities for the closure of the EPCG Licenses are pending.

30. 1,22,220 Warrants were converted into Equity Shares of ₹ 10 each, at a premium of ₹ 144 each on January 31, 2011 resulting in an increase in the paid up Equity Share Capital and Securities Premium to the extent of ₹ NIL (Previous Period ₹ 1,45,10,400) and ₹ NIL (Previous Period ₹ 4,12,22,681) respectively.

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

b. Subsequent thereto, in an earlier year, against the said Revaluation Reserve, the Company had written off investment of ₹ 20,00,000 in Dravya Finance Limited, a subsidiary company. On Consolidation, the adjustment related to the Share Capital of the Subsidiary for Investment so written off was carried through Capital Reserve.

Similarly, Loan of ₹ 67,17,880 to the same subsidiary company was also written off and adjusted against Revaluation Reserve.

However, these amounts were not written back by the subsidiary company in its books and accordingly, on consolidation, the adjustment



related to Loans payable in the books of the subsidiary was carried through General Reserve.

Further, in an earlier year, the sum of ₹ 1,03,07,365 due from another company, was also written off and adjusted against Revaluation Reserve. Furthermore, the Company had provided for diminution in value of Long-term Investments aggregating ₹ 58,80,533 (including investments of ₹ 48,00,000 in Finns Frozen Foods (I) Limited, an associate, see Note 32 below) and that too was adjusted against Revaluation Reserve.

The above adjustments against Revaluation Reserve were not in compliance with the Guidance Note on "Treatment of Reserves created on Revaluation of Fixed Assets" issued by the Institute of Chartered Accountants of India ("Guidance Note"). During the Eighteen Months period ended on March 31, 2012, to fall in line with the requirements of the Guidance Note, the Company rectified such non-compliance by charging the said aggregate sum of ₹ 2,49,05,778 to the Statement of Profit and Loss and thereby reinstating Revaluation Reserve by ₹ 2,49,05,778. Since such change in the previous period was to set right the non-compliance of the Guidance Note in earlier year/s, the same was considered as a prior period adjustment for the said period. Thus, the profit available for appropriation for the period ended on March 31, 2012 were lower by ₹ 2,49,05,778.

- c. i. Out of the above referred to sum of ₹ 1,03,07,365 due from other company, the Company received a sum of ₹ 68,99,998 and the same is credited to the Statement of Profit and Loss of the Previous Eighteen Months period ended on March 31, 2012 as 'Advances Written Off, now recovered' under "Other Income" (Note 22).
  - ii. Out of the above referred to Loan of ₹ 67,17,880 due from Dravya Finance Limited, a subsidiary company, the Company has received ₹ 67,17,880 and the same is credited to the Company's Statement of Profit and Loss as 'Advances Written Off, now recovered' under "Other Income". However, such recovery, being an inter-company transaction, is eliminated in the Consolidated Statement of Profit and Loss.
  - d. Further, during the Eighteen Months period ended on March 31, 2012, in respect of the other company for which the Company wrote off ₹ 1,03,07,365, even the Company's subsidiary, Dravya Finance Limited, had also given Loans and Advances of ₹ 54,14,935 (including accrued interest amounting to ₹ 9,87,383). The said amount is not written off in the books of the subsidiary as on March 31, 2013. Had such amount been written off by the subsidiary, its loss would have been higher by ₹ 54,14,935 and consequently, the profit of the Group, the carried forward balance of the Statement of Profit and Loss and the balance in the "Short-term Loans and Advances" under Note 19, in the Consolidated Balance Sheet would have been lower by the like amount.
  - e. Depreciation of ₹ 8,90,404 (Previous Period ₹ 13,35,606) provided for the year on the revalued amounts of Fixed Assets over its original cost is withdrawn from the Revaluation Reserve Account and credited to the Statement of Profit and Loss. The aggregate amount so withdrawn from the Revaluation Reserve Account at the year end is ₹ 93,49,246 (Previous Period ₹ 84,58,852).
32. Investments include a sum of ₹ 2,40,00,000 (Previous Period ₹ 2,40,00,000) invested in Finns Frozen Foods (I) Limited ("Finns"), an associate. The Company has given a deposit of ₹ 3,00,00,000 (Previous Period ₹ 3,00,00,000) to Finns, for getting exclusive export rights of Frozen Fruit Pulp, etc.

The Company has given advances from time to time for the purchase of Frozen Fruit Pulp, etc. for exports and for certain expenses of Finns, against which the Company has purchased Frozen Fruit Pulp and Packing Materials amounting to ₹ 94,89,850 (Previous Period ₹ 1,24,70,293). During the year, the Company has also sold raw materials and packing materials aggregating to ₹ 2,80,469 (Previous Period ₹ 3,90,759). On account of all such transactions, the net amount due from Finns is ₹ 11,32,85,110 (Previous Period ₹ 4,25,76,811) and the same is reflected as 'Loans and Advances to Related Parties' under Note 19 on "Short-term Loans and Advances".

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

Consequently, having regard to the restructuring proposal, strategic nature of the investment and expected improvements in the future operations of Finns, the Board of Directors of the Company perceived the diminution in the value of investments as a temporary in nature. But, out of abundant caution, the Board of Directors of the Company, had decided to provide 20% of the investment in Finns, as diminution in the value of investments. Further, the Board has reviewed the working of Finns, based therein orders it has on hand and decided that the current provision for diminution in value of shares is sufficient and no further provision is needed as on March 31, 2013.

As per Accounting Standard 23 on "Accounting for Investment in Associates", an investment in an associate is to be accounted for in consolidated financial statements under the equity method. As per the equity method, the investment is initially recorded at cost, identifying goodwill/capital reserve arising at the time of acquisition. Accordingly, considering the acquisition in the Associate on the various dates, goodwill was determined at ₹ 1,17,67,345. Thereafter, the carrying amount had to be adjusted to recognise the Company's share of profit or losses of the associate. Accordingly, since the accumulated share of losses in Associate from the date of acquisition till the year of applicability of AS 23, i.e. 2002-03, had exceeded the carrying amount of investments (as reduced by the above mentioned provision for diminution), the value of investments is brought down to NIL and the corresponding adjustment was made in General Reserve. Thereafter, further losses of the said associate have not been recognised.

33. Debtors, Creditors and certain balances in Advances, recoverable in cash or kind are subject to confirmation and subsequent reconciliation, if any.

#### 34. Disclosure as per Accounting Standard 15 on “Employee Benefits”:

Particulars	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
	Gratuity (Funded) ₹		Compensated Absences (Unfunded) ₹	
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation</b>				
Obligation at period beginning	92,69,714	74,78,595	48,52,426	42,36,154
Current service cost	12,45,400	13,61,243	19,36,895	29,54,079
Interest cost	7,87,926	9,25,476	NIL	NIL
Past Service Cost	NIL	NIL	NIL	NIL
Actuarial (gain) / loss	1,89,360	4,54,880	NIL	NIL
Benefits paid	(6,04,272)	(9,50,480)	(12,70,401)	(23,37,807)
<b>Obligations at the period end</b>	<b>1,08,88,128</b>	<b>92,69,714</b>	<b>55,18,920</b>	<b>48,52,426</b>
Change in plan assets				
Plan assets at period beginning, at fair value	19,96,099	25,32,110		
Expected return on plan assets	1,71,665	3,03,853	N.A.	N.A.
Actuarial gain / (loss)	1,16,039	1,10,616		
Contributions	35,00,000	NIL		
Benefits paid	(6,04,272)	(9,50,480)		
<b>Plan assets at the period end, at fair value-Category-Insurer managed funds</b>	<b>51,79,531</b>	<b>19,96,099</b>	<b>N.A.</b>	<b>N.A.</b>
Reconciliations of present value of the obligation and the fair value of plan assets				
Fair value of plan assets at the end of the period	51,79,531	19,96,099	N.A.	N.A.
Present value of the defined benefit obligations at the end of the period.	1,08,88,128	92,69,714		
<b>Liability/(Asset) recognised in the Balance Sheet</b>	<b>57,08,597</b>	<b>72,73,615</b>	<b>N.A.</b>	<b>N.A.</b>
<b>Cost for the year</b>				
Current Service cost	12,45,400	13,61,243	19,36,895	29,54,079
Interest cost	7,87,926	9,25,476	N.A.	N.A.
Past Service Cost	NIL	NIL	N.A.	N.A.
Expected return on plan assets	(1,71,665)	(3,03,853)	N.A.	N.A.
Actuarial (gain)/loss	73,321	3,44,264	N.A.	N.A.
<b>Net Cost recognised in the Statement of Profit and Loss</b>	<b>19,34,982</b>	<b>23,27,130</b>	<b>19,36,895</b>	<b>29,54,079</b>
<b>Assumptions used to determine the benefit obligations:</b>				
Discount rate	8.25%	8.50%	8.25%	8.50%
Estimated rate of return on plan assets	8.70%	8.60%	N.A.	N.A.
Expected rate of increase in salary				
• First five years	6.00%	6.00%		
• Thereafter	6.00%	6.00%	N.A.	N.A.
<b>Actual return on plan assets</b>	<b>2,87,704</b>	<b>4,14,469</b>	<b>N.A.</b>	<b>N.A.</b>

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

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

Particulars	For the year ended March 31, 2013	For the Eighteen Month Period Ended March 31, 2012	For the year ended September 30, 2010	For the year ended September 30, 2009	For the year ended September 30, 2008
Experience adjustment					
On Plan liability (gain)/loss (*)	(27,761)	6,46,208	(4,55,507)	NIL	NIL
On plan assets gain/(loss) (*)	1,16,039	1,10,616	(2,428)	NIL	NIL
Present value of benefit obligation	1,08,88,128	92,69,714	74,78,595	86,51,931	63,07,390
Fair value of plan assets	51,79,531	19,96,099	25,32,110	23,37,046	28,50,040
Excess of obligation over plan assets (net)	57,08,597	72,73,615	49,46,485	63,14,885	34,57,350

(\*) To the extent information available from reports of Actuary.

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

#### 35.1. Primary Segment:

In accordance with Accounting Standard 17, the Company has identified "Food Products" as the only primary reportable business segment.

#### 35.2. Secondary Segment (by Geographical Segment) :

(Amount in ₹)

Particulars	In India		Outside India		Total	
	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012	For the Year ended March 31, 2013	For the Eighteen Months Period ended March 31, 2012
Segment Revenue	55,85,83,300	1,34,98,74,157	1,91,48,17,716	2,46,16,19,928	2,47,34,01,016	3,81,14,94,085
Carrying amount of Segment Assets	8,21,20,810	19,57,16,141	26,24,87,643	21,39,46,311	34,46,08,453	40,96,62,452

#### Notes:

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

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

### 36. Related Party Disclosures:

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

(Amount in ₹)

Sr. No	Particulars	Associate Company	Key Managerial Personnel (KMP)	Relative of KMP	Enterprises over which KMP exercises significant influence
1	Sales (Net of Sales Returns)	2,80,469 (3,90,759)			15,41,655 (NIL) [b (V)(i)]
2	Purchases of goods (Including Packing Materials)	94,89,850 (1,24,70,293)			
3	Rent - Income				1,08,000 (1,62,000) [b (V)(ii)]
	- Expense				
4	Guarantee Commission - Income	7,21,091 (8,61,634)			
	- Expense			51,43,000 (NIL) [b (IV)(i)]	

Sr. No	Particulars	Associate Company	Key Managerial Personnel (KMP)	Relative of KMP	Enterprises over which KMP exercises significant influence
5	Brokerage/Commission Paid				8,31,888 (1,08,231) [b (V)(iv)]
6	Directors Sitting Fees		NIL (3,10,000) [b(III)(i)] 2,10,000 (3,20,000) [b(III)(ii)]	2,30,000 (3,45,000) [b (IV)(ii)]	
	<b>Finance (including loans and equity contribution in cash or in kind):</b>				
7	Loans taken:		NIL (NIL) [b(III)(i)]	50,89,567 (NIL) [b (IV)(i)]	
	Interest on above Loans:		NIL (1,34,391) [b(III)(i)]	13,39,098 (34,00,880) [b (IV)(i)]	
8	Reimbursement of Expenses:		12,21,816 (16,47,472) [b(III)(ii)]	NIL (6,200) [b(IV)(ii)]	30,030 (43,269) [b (V) (i)]
9	Inter Corporate Deposits given				NIL (1,85,25,000) [b (V)(i)]
	Interest Income on above Deposits				49,89,999 (22,74,960) [b(V)(i)]
10	Director's Remuneration		47,31,034 (NIL) [b(III)(i)]		
	<b>Outstanding Balance As At March 31, 2013</b>				
11	Trade Payables				59,143 (11,494) [b(V)(iv)]
12	Advances Recoverable in cash or in kind*	11,32,85,110 (4,25,76,811)			72,14,749 (2,85,64,422) [b(V)(i)] 8,15,597 (7,07,802) [b(V)(ii)]
13	Loans taken		9,16,285 (17,52,349) [b(III)(i)] 3,78,000 (1,88,924) [b(III)(ii)]	1,45,99,092 (1,49,60,563) [b (iv)(i)] NIL (70,000) [b(iv)(ii)]	
14	Inter Corporate Deposits (given)				1,70,00,000 (1,70,00,000) b(V)(i)]
15	Other Deposit Receivable	3,00,00,000 (3,00,00,000)			
16	Corporate Guarantee Given in earlier years.	11,70,00,000 (11,70,00,000)			

- i. \*Outstanding balance is arrived at after considering transactions with the related parties for purchase, sales, services, etc., as also advances and/or payments made/received on their behalf and/or payments made/received on the Company's behalf.
- ii. Figures given in brackets above are for the previous period.

**b. Relationships:**

**I. Subsidiary Company:**

- i. Dravya Finance Limited
- ii. Asim Export International Limited

**II. Associate Company:**

- i. Finns Frozen Foods (India) Limited

**III. Key Managerial Personnel:**

- i. Mr. Utsav K. Dhupelia
- ii. Mr. Milan B. Dalal

**IV. Relatives of Key Managerial Personnel:**

- i. Mrs. Pallavi Dhupelia
- ii. Mr Bhupen C. Dalal

**V. Entities over which Key Managerial Personnel and Relatives of Key Managerial Personnel have control:**

- i. Muller & Phipps (India) Limited
- ii. Western Press Private Limited
- iii. Trans Union Courier
- iv. Western Securities-A Division of Western Press Private Limited.
- v. Tropical Securities and Investments Private Limited.

**37. Disclosure as per Accounting Standard 19 on "Accounting for Leases":**

The Company has entered into Operating Lease Agreements for office premises, factory premise at Bulsar and Chennai, renewable on a periodic basis and cancellable at the Company's option. Rental Expenses for operating leases recognised in the Statement of Profit and Loss for the period is ₹ 1,29,57,749 (Previous Period ₹ 1,63,64,449).

Minimum Lease Rents Payable	For the Year ended March 31, 2013 ₹	For the Eighteen Months Period ended March 31, 2012 ₹
Within 1 Year	1,05,65,333	1,14,87,088
After 1 year but before 5 years	86,52,850	2,51,82,604
After 5 Years	NIL	NIL
<b>Total</b>	<b>1,92,18,183</b>	<b>3,66,69,692</b>

**38. "Earnings per Share" as per Accounting Standard 20 :**

Sr. No.	Particulars	For the Year ended March 31, 2013 ₹	For the Eighteen Month Period ended March 31, 2012 ₹
A	Net Profit/(Loss) attributable to Equity Shareholders	2,51,03,520	(6,35,56,852)
B	Weighted average no. of Equity Shares outstanding during the period	14,51,040	14,23,880
C	Effect of Potential equity shares on issue of warrants	NIL	NIL
D	Weighted average number of equity shares outstanding for calculating dilutive EPS	14,51,040	14,23,880
E	Basic Earnings per Share (A/B)	17.30	(44.64)
F	Diluted Earnings per Share (A/D)	17.30	(44.64)
G	Nominal value of Shares	10	10



**39. Disclosure as per Accounting Standard 29 on “Provisions, Contingent Liabilities and Contingent Assets”:**

Particulars	Balances as at April 1, 2012 ₹	Additions during the year ₹	Amount used/paid during the year ₹	Balances as at March 31, 2013 ₹
Provision for Leave Encashment	48,52,426 (42,36,154)	19,36,895 (29,54,079)	12,70,401 (23,37,807)	55,18,920 (48,52,426)
Provision for Gratuity	92,69,714 (74,78,595)	22,22,686 (27,41,599)	6,04,272 (9,50,480)	1,08,88,128 (92,69,714)
Agricultural Marketing Cess	4,03,992 (37,97,694)	27,72,114 (14,85,135)	14,08,268 (48,78,837)	17,67,838 (4,03,992)

**40. a. Following Unhedged Foreign Currency exposures as on March 31, 2013, have been restated in the financial statements:**

Particulars	US\$	EURO	GBP	JPY	₹
Term Loan in foreign currency	14,87,415 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	8,06,32,784 (NIL)
Loan from Directors in foreign currency	5,00,000 (5,00,000)	NIL (NIL)	NIL (NIL)	NIL (NIL)	2,71,05,000 (2,55,80,000)
PCFC in Foreign Currency	93,46,724 (54,67,714)	NIL (NIL)	NIL (NIL)	NIL (NIL)	50,66,85,935 (27,97,09,089)
FLC In Foreign Currency	12,07,759 (9,50,206)	9,568 (NIL)	1,705 (NIL)	NIL (NIL)	6,62,87,917 (4,86,09,816)
<b>Others:</b>					
Customer Advances in foreign currency	23,08,002 (38,77,545)	NIL (NIL)	NIL (NIL)	1,32,83,089 (NIL)	13,28,94,058 (19,83,75,197)
Export Commission in foreign currency	19,364 (32,222)	1,241 (2,648)	NIL (NIL)	NIL (NIL)	11,37,045 (18,29,434)
Overseas Warehousing Charges	15,550 (33,065)	93,074 (64,490)	3,719 (NIL)	NIL (NIL)	77,02,540 (60,98,830)
<b>Total</b>	<b>1,48,84,814</b> (1,08,60,752)	<b>1,03,883</b> (67,138)	<b>5,424</b> (NIL)	<b>1,32,83,089</b> (NIL)	<b>82,24,45,279</b> (56,02,02,366)

- b. Forward Contract of USD 1,98,78,456.81 (Previous Period USD 1,04,86,095.33), packing credit in foreign currency of USD 93,46,724 (Previous Period USD 54,67,713.57), customer advances of USD 23,08,002 (Previous Period USD 38,77,544.90) are outstanding as on March 31, 2013 which were availed on future export sales against firm commitments against forecast transactions. The notional mark to market loss on those outstanding for the Year ended as at March 31, 2013 amounting to ₹ 7,03,84,742 (Previous Period ₹ 10,09,87,793) has been debited in the Statement of Profit and Loss.

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

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

Place: Mumbai  
Date : May 14, 2013

**For and on behalf of the Board of Directors**

**UTSAV DHUPELIA**  
Managing Director

**M.B.DALAL**  
Director

Place: Mumbai  
Date : May 14, 2013



## FOODS AND INNS LIMITED

Registered Office : Sion-Trombay Road, Deonar, Mumbai - 400 088.

### Attendance Slip

LF No.	:	_____
NAME	:	_____
ADDRESS	:	_____ _____ _____

I hereby record my presence at the FORTY FIRST ANNUAL GENERAL MEETING of the Company on Friday, September 20, 2013 at "Board Room", 31st Floor, MVIRDC World Trade centre, Centre 1, Cuffe Parade, Mumbai - 400 005 at 10.00 a.m.

SIGNATURE OF THE ATTENDING MEMBER/PROXY .....

- NOTES : 1. Shareholder/Proxy holder wishing to attend the meeting must bring the attendance Slip to the meeting and hand over at the entrance duly signed.
2. Shareholder/Proxy holder desirous of attending the meeting should bring his copy of the Annual Report.



## FOODS AND INNS LIMITED

Registered Office : Sion-Trombay Road, Deonar, Mumbai - 400 088.

### Proxy Form

I/We..... of ..... in the district of .....  
being a Member/Members of the above named Company hereby appoint .....  
of..... in the district of.....or failing him .....of  
..... In the district of.....

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, September 20, 2013 at 10.00 a.m. and/or adjournment thereof.

Signed this..... day of..... 2013

Reference Folio

No. of Shares

Affix  
Re. 1  
Revenue  
Stamp

\_\_\_\_\_  
(Signature)

This form is to be used.....the resolution. Unless otherwise instructed, the proxy will act as he thinks fit.  
\*In favour of/against

\*Strike out whichever is not desired

**NOTE** :The Proxy Form must be deposited at the Registered Office of the Company situated at Sion-Trombay Road, Deonar, Mumbai – 400 088 not less than FORTY-EIGHT HOURS before the time for holding the aforesaid Meeting.



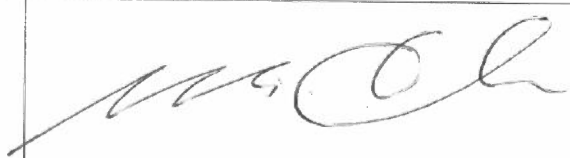

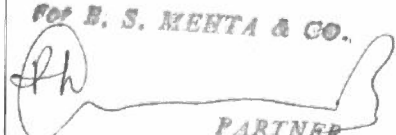
# FOODS AND INNS LIMITED

Corporate Office : Dulwich Mansion, 3<sup>rd</sup> Floor, 224, Tardeo Road, Mumbai-400 007.  
Tel No.: 23533103/04/05 Fax No.: 23533106/07 Email: writetous@foodsandinns.com  
Registered Office : Foods and Inns Building, Sion-Trombay Road, Punjabwadi,  
Deonar, Mumbai - 400 088

October 3, 2013

## FORM A

**Format of covering letter of the annual audit report to be filed with the stock exchanges**

1. Name of the Company	FOODS AND INNS LIMITED
2. Annual financial statements for the year ended	31 <sup>st</sup> March 2013
3. Type of Audit observation	Un Qualified
4. Frequency of Observation	Over Last 3 Years
5. To be signed by-	
• CEO/Managing Director	
• CFO	
• Auditor of the company	 for B. S. MENTA & CO. PARTNER
• Audit Committee Chairman	