

Kohinoor Foods Ltd.

4th September, 2018

The National Stock Exchange of
India Limited (NSE)
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI – 400 051

The Listing Department
BSE Limited (BSE)
P.J. Tower, Dalal Street
MUMBAI – 400 001

Trading Symbol : KOHINOOR
Scrip Code : 512559

Dear Sirs,

Sub: Notice of AGM along with Annual Report for the Financial Year 2017-18

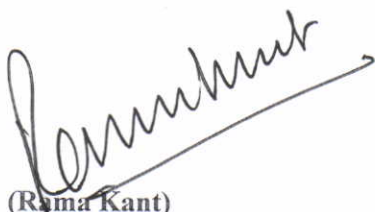
Please find enclosed herewith a copy of Notice convening 29th Annual General Meeting of the Company on Friday, the 28th September, 2018, along with Annual Report of our Company for the Financial Year 2017-18.

The above is for your reference and records, please.

Thanking You

Yours faithfully,

For Kohinoor Foods Limited



(Rama Kant)
Company Secretary & GM (Legal)
FCS: 4818



Encl: As above

Kohinoor Foods Ltd.

Regd. / Corp. Office : Pinnacle Business Tower, 10th Floor,
Shooting Range Road, Surajkund, Faridabad, (Haryana)-121001
CIN : L52110HR1989PLC070351, Tel: +91-129-424 2222, Fax : +91-129-424 2233
Email: info@kohinoorfoods.in, Website: www.kohinoorfoods.in



NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Ninth Annual General Meeting of Kohinoor Foods Limited will be held at 11:00 A.M. on Friday, the 28th day of September, 2018, at Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector 16A, Faridabad, Haryana-121002, to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1

Adoption of Financial Statements

To receive, consider and adopt:

- a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2018, the Reports of the Board of Directors and the Auditors thereon and
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2018 and the report of Auditors thereon.

Item No. 2

Appointment of Director

To Appoint a Director in place of Mr. Jugal Kishore Arora (holding DIN – 00010704) who retires by rotation and being eligible offers himself for re-appointment.

Item No. 3

Appointment of Auditors

To re-appoint M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi (Firm Registration No. 016379N), as Statutory Auditors of the Company for another term of five consecutive years to hold office from the conclusion of this Annual General Meeting, till the conclusion of Fifth Annual General Meeting to be held in the year 2023, on such remuneration plus out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors. In this regard to consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, 142 of the Companies Act, 2013 and the Rules made thereunder, M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi (Firm Registration No. 016379N), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, till the conclusion of Fifth Annual General Meeting to be held in the year 2023, on such remuneration plus out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

Item No. 4

To Ratify the Remuneration of the Cost Auditors for the year ending 31st March, 2019.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to approve the remuneration payable to M/s Cheena & Associates, Cost Accountant Firm, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company, for the financial year 2018-19, at a remuneration amounting to Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) per annum plus tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”



Item No. 5.

To continue appointment of Mr. Vijay Burman (DIN: 00013710), as Non-Executive Independent Director of the company.

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

“RESOLVED THAT pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, as amended from time to time, the Articles of Association of the Company and on the approval of the Nomination and Remuneration Committee and the Board of the Directors of the Company (“Board”) approval of the Members by way of special resolution be and is hereby accorded for continuation of directorship of Mr. Vijay Burman holding DIN: 00013710 as Non-Executive Independent Director, who has attained the age of 75 (Seventy Five) years for remaining tenure. Mr. Vijay Burman was appointed as an Independent Director for a period of five years approved by the members vide the ordinary resolution dated 29th September, 2016, passed at the 27th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all steps necessary to give effect to the aforesaid resolution, if necessary, also delegate all or any of the powers herein conferred, to any Director(s) or Company Secretary or any other Officer(s) /Authorised Representative (s) of the Company to give effect to the aforesaid resolution (s).”

**By Order of the Board
For Kohinoor Foods Limited
Sd/-
Rama Kant
Company Secretary and GM (Legal)**

Place: Faridabad
Date: 14.08.2018

NOTES:

1. The relevant Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of

the Special Businesses specified above is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE ADDRESS NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A proxy form in MGT 11 as required under the Companies Act, 2013 is attached.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting, on their behalf.
4. The Register of Members and Transfer Books of the Company will remain close from 22nd September, 2018 to 28th September, 2018 (both days inclusive) in connection with the Annual General Meeting.
5. Brief resume of Directors including those proposed to be appointed/ reappointed as required under the Companies Act, 2013 and SEBI (LODR), Regulations 2015, are provided in the Corporate Governance Report forming part of the Annual Report and under the notice of the AGM.
6. Members and proxy holders are requested to bring their copies of Annual Report to the Meeting.
7. Entry in the Meeting Hall shall be strictly restricted to Members/Valid Proxies only, carrying the Attendance Slip.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address, change of name and e-mail address, Permanent Account Number (PAN) etc. to their Depository Participant



only and not to the Company's Registrar and Share Transfer Agent, Skyline Financial Services Pvt. Ltd. (RTA). The changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and Registrar and Share Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Skyline Financial Services Pvt. Ltd., having office at D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.

9. As per SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, the shareholders holding securities in Physical form and has not updated PAN No., Bank Details, Email Id and Mobile No / Telephone No. shall furnish self-attested copy of PAN Card and original cancelled "Name printed Cheque" falling which copy of Bank Passbook / Statement attested by the Bank along with all the desired details to the Company's Registrar & Share Transfer Agent (RTA), M/s SKYLINE FINANCIAL SERVICES PRIVATE LIMITED at D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020, without any further delay.
10. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Skyline Financial Services Pvt. Ltd., for assistance in this regard.
11. Members who hold shares in physical form in multiple form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into single folio.
12. Members who wish to obtain any information on the Company or view the accounts for the Financial Year ended 31st March, 2018, may visit the Company's corporate website www.kohinoorfoods.in or may request the Company for sending the Annual Report. The Members are requested to write their query(ies), if any, on the accounts and operations of the Company at least 7 days before the Annual General Meeting of the Company, to the Company Secretary at the Registered Office of the Company to keep the information ready at the meeting.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with depository for receiving all communication including Annual Report, Notices, Circulars, etc. of the Company electronically.
14. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for their appointment/ re-appointment.
15. Pursuant to the provisions of Section 205 A(5) and 205 C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends (remaining unpaid/ unclaimed for a period of 7 (Seven) years from the due date), to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 29, 2014, on the website of the Company (www.kohinoorfoods.in), and also on the website of the Ministry of Corporate Affairs.
16. Pursuant to Section 101 of the Companies Act, 2013, and rules made thereunder, Electronic Copy of Notice of 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent to all members through an electronic mode on their registered email IDs unless any member has requested for a hard copy of the same. For the members who have not registered their email addresses, physical copies of the Notice of the 29th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent in the permitted mode.



17. Members may also note that the Notice of 29th Annual General Meeting of the Company and the Annual Report for 2017-18 will also be available on the Company's website www.kohinoorfoods.in for download. The Physical copies of the aforesaid documents will also be available at the Company's Registered / Corporate Office for inspection between 10:00 am to 1:00 pm from Monday to Friday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any Communication, the shareholder may also send request to the Company's investor email id: investors@kohinoorfoods.in

18. Voting through electronic means: In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The procedure to login to e-Voting website is given below:

1. Open the PDF file "e-Voting.pdf", received by you at your registered e-mail id, giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com> / Click on "Shareholder - Login".
3. Put User ID and password as initial password noted in step (1) above and Click Login.
4. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
5. Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
6. Select "EVEN" of (KOHINOOR FOODS LIMITED).

Members can cast their vote online from September 25th, 2018 (9:00 am) till September 27th, 2018 (5:00 pm) (both days inclusive) Note: e-Voting shall not be allowed beyond said time.

7. Now you are ready for "e-Voting" as "Cast Vote" page opens.
8. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
9. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail (vinod.aggarwalcs@gmail.com) with a copy marked to evoting@nsdl.co.in.

Other Instructions:

- I. The Company is providing to the member facility to cast their vote by electronic means. Shareholders of the company holding shares either in physical form or in dematerialized form, as on date of cut-off-date (Record date), 21st September, 2018. The shareholders not casting their vote electronically shall be allowed to cast their vote at the Annual General Meeting.
- II. In case of any queries you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and Password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. Mr. Vinod Aggarwal Practicing Company Secretary (having CP No.8816 and Membership No.FCS 8007), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.



- VI. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VII. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot (available at the AGM Venue). If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- VIII. The Result shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kohinoorfoods.in and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the Twenty-Ninth AGM of the Company on September 28, 2018 and communicated to both Stock Exchanges, BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
19. A route map of the venue of the meeting is enclosed.

STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 {EXPLANATORY STATEMENT}

Item No. 4

The Board, on the recommendation of the Audit Committee has approved the remuneration of M/s Cheena & Associates, Cost Accountant Firm to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2019, at the remuneration of Rs. 150,000/- (Rupee one lakh Fifty thousand only) per annum plus tax as applicable plus out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Shareholder of the Company.

Accordingly consent of member is sought for passing an Ordinary Resolution as set out in item No. 4 of the notice for

the ratification of the remuneration payable to the Cost Auditor for the financial year ending March 31, 2019.

None of the Director / Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financial or otherwise, in the resolution set out at item no.4 of the notice.

The Board recommends the Ordinary Resolution set out at item no.4 of the Notice for approval by the Shareholders.

Item No. 5

In pursuance to the provisions of the Companies Act, 2013 read with rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 SEBI (LODR), the Board of Directors at its meeting held on 12th August, 2016 appointed Mr. Vijay Burman (DIN No. 00013710) as Non-Executive Independent Director of the Company for a period of five years w.e.f. 1st April, 2016, approved by the members at 27th Annual General Meeting of the Company held on 29th September, 2016, by way of an Ordinary Resolution.

SEBI vide its notification dated 10th May, 2018 has amended the SEBI (LODR) and, inter-alia, has inserted new Regulation 17(1A) which mandates that no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy Five) years unless a Special Resolution is passed to that effect by the members of the Company. This requirement shall be effective from 1st April, 2019.

As Mr. Vijay Burman has attained the age of 75 (Seventy Five) years, accordingly, in view of the above amendment in the SEBI Listing Regulations, it has become imperative for the Company to seek members approval by way of a special resolution on or before 1st April, 2019, to continue his directorship as an Independent Director for remaining terms, in terms of provisions of the Act and the SEBI (LODR).

Keeping in view that Mr Vijay Burman have rich and varied experience in the field of finance and banking and have been associated with the Company over a long period of time and

contributes effectively in the deliberations of the Board and Committee Meetings, it would be in the interest of the Company to continue the directorship of Mr. Vijay Burman as a Non-Executive Independent Director for remaining terms.

Further, while evaluating the performance, the Nomination and Remuneration Committee of the Company and the Board has expressed their satisfaction on the same.

The Nomination and Remuneration Committee at its meeting held on 14th August, 2018 has considered and approved their continuation as an Independent Director till the expiry of their present tenure and has recommended the same for the consideration and approval of the Board of Directors of the Company.

Mr. Vijay Burman fulfills the criteria of appointment as an Independent Directors under section 149(6) of the Companies Act and Regulation 25 of the SEBI Listing Regulations and has provided requisite declarations. Also, the Board may recall that while evaluating their performance, the Nomination and Remuneration Committee of the Company and the Board has expressed the satisfaction on the same.

A brief profile of Mr. Vijay Burman is included as annexure to the Notice. The Board recommends the special resolution set forth in Item No. 5 for the approval of the Members.

None of the Directors, Key Managerial Personnel and relatives of such persons except Mr. Vijay Burman to whom the resolution relates, is in any way, concerned or interested, financial or otherwise, in the resolution.

**By Order of the Board
For Kohinoor Foods Limited
Sd/-**

Place: Faridabad
Date: 14.08.2018

**Rama Kant
Company Secretary and GM (Legal)**

Profile of Directors retiring by rotation / seeking Appointment / Re-appointment in the Annual General Meeting to be held on September 28, 2018, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable requirements:

Name of Director	Mr. Jugal Kishore Arora	Mr. Vijay Burman
DIN No.	00010704	00013710
Date of Birth / Age	11 th October, 1943 / 75 years	09 th April, 1932 / 86 years
Date of First Appointment	26 th July, 1989	15 th March, 2001
Expertise in specific General Functional area	Businessman	Businessman
Qualification	Graduation	Graduation
Shareholding in the Company as on 31 st March, 2018	60,43,484	Nil
No. of Board meetings attended during FY17-18	6	6
List of outside Directorships held (Public Limited and Subsidiary Companies)	1. Sachdeva Brothers Private Limited 2. Kohinoor Foods USA Inc. 3. Indo European Foods Ltd. UK	Nil
Chairman / Member of the Committee of the Board of Directors of the Company	Nil	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Stakeholders Relationship Committee- Chairman
Chairman / Member of the Committee of Directors of other Public Limited Companies in which he / she is a Director		
a) Audit Committee	Nil	Nil
b) Stakeholder Committee	Nil	Nil

Note: Pursuant to Regulation 26 of SEBI (LODR), 2015, only two Committees viz. Audit Committee and Stakeholders Committee have been considered.

**By Order of the Board
For Kohinoor Foods Limited
Sd/-**

Place: Faridabad
Date: 14.08.2018

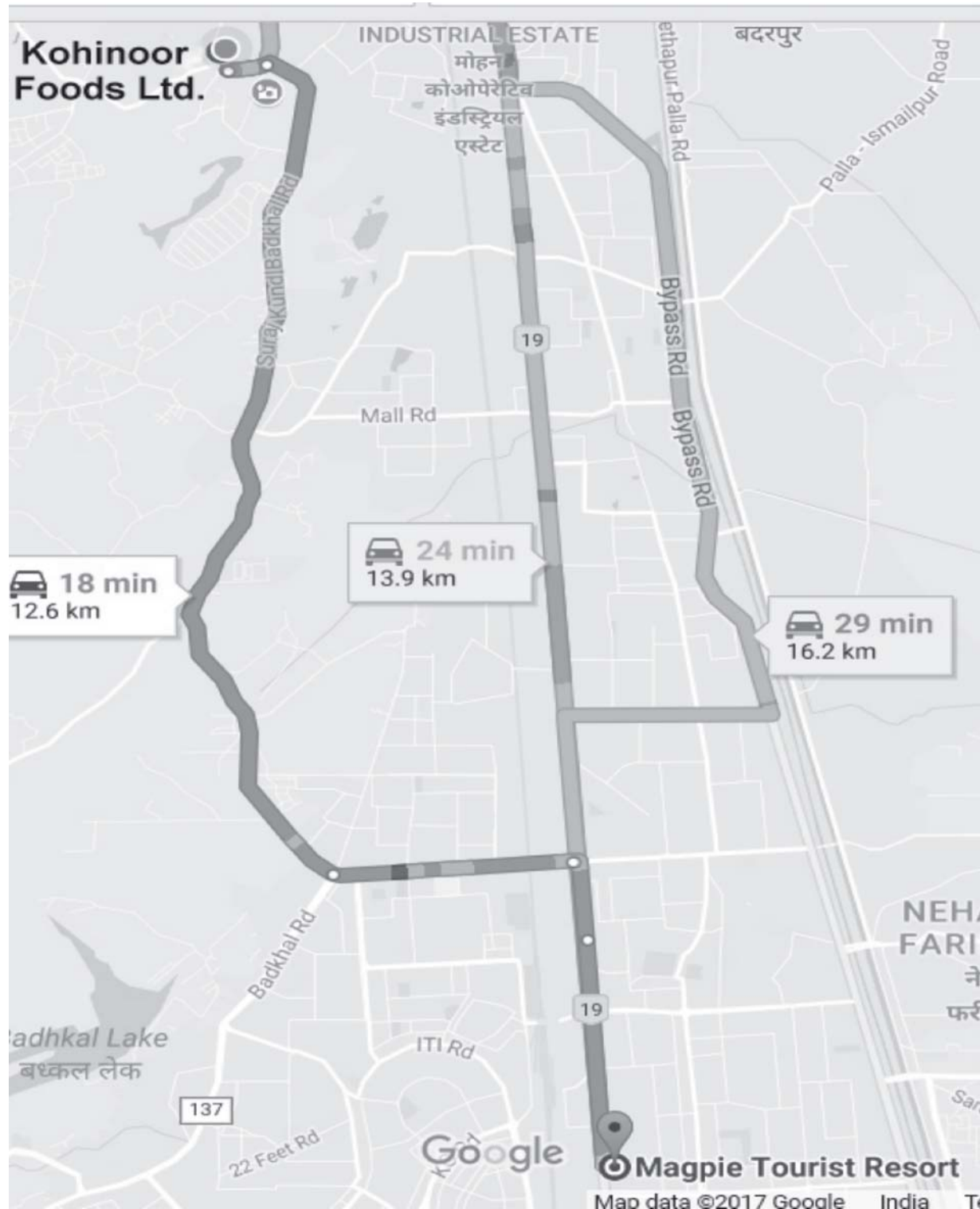
**Rama Kant
Company Secretary and GM (Legal)**

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



📍 Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector 16A, Faridabad, Haryana-121002



Kohinoor Foods Ltd.

Regd. / Corp. Office : Pinnacle Business Tower, 10th Floor,
Shooting Range Road, Surajkund, Faridabad, (Haryana)-121001
CIN : L52110HR1989PLC070351, Tel: +91-129-424 2222, Fax : +91-129-424 2233
Email: info@kohinoorfoods.in, Website: www.kohinoorfoods.in



Dear Member,

Sub: Seeking Copy of PAN Card, Bank Details, Email id & Phone Nos. of Shareholders, in relation to updation of KYC details in Master Data.

In terms of SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/ 2018/73 dated 20-04-2018, the Company is required to obtain copy of PAN Card, Bank details, Email id and Mobile / Telephone No from all the shareholders holding shares in physical form. Accordingly you are requested to kindly furnish self-attested copy of your PAN Card and original cancelled "Name printed Cheque" falling which copy of Bank Passbook / Statement attested by the Bank along with the details mentioned in Annexure "A" below.

Kindly note that this "Annexure – A" is only for the purpose of master data updation of Shareholders holding Shares in Physical form.

In case of Dematerialised Shareholding, the Company takes note of the details furnished only by the Depositories, whenever such information is available. You are therefore requested to provide such information only to your Depository Participant (DP), in case the shares are held in demat form.

You may send the above details to the Company's Registrar & Share Transfer Agent (RTA), M/s SKYLINE FINANCIAL SERVICES PRIVATE LIMITED at D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi – 110 020.

Thanking you,

Yours faithfully,

For Kohinoor Foods Limited

Sd/-

Rama Kant

Company Secretary

Annexure - A

To,

Kohinoor Foods Limited

Dear Sir,

I am furnishing here details as required by you, kindly record the same and send us confirmation

Name of Shareholders	
Folio No	
PAN (Attached Self attested copy of PAN Ist Holders	
Bank A/c No (Kindly attach name printed cancel cheque / attested copy of passbook)	
Bank name	
Branch Address	
IFSC No	
MICR No	
MICR No	
Email Id	
Mobile / Telephone No	

Signature of Shareholders

Kohinoor Foods Ltd.

Regd. / Corp. Office : Pinnacle Business Tower, 10th Floor,
Shooting Range Road, Surajkund, Faridabad, (Haryana)-121001
CIN : L52110HR1989PLC070351, Tel: +91-129-424 2222, Fax : +91-129-424 2233
Email: info@kohinoorfoods.in, Website: www.kohinoorfoods.in



ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I, hereby record my presence at the Twenty Ninth Annual General Meeting of Kohinoor Foods Limited held at 11:00 A.M. on Friday, the 28th day of September, 2018, at Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector 16A, Faridabad, Haryana-121002.

Name of the member(s) :

No. of Shares held :

Folio No/Client ID :

DP ID :

Name of Proxy (if any) :

Signature of the Shareholder/Proxy/Representative*

***Strike out whichever is not applicable**

Notes:

1. Please fill the Folio/DP ID-Client ID, no of Shares, and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report for the financial year ended on 31.03.2018 and Notice of the Annual General Meeting (AGM) alongwith Attendance Slip, Proxy Form and E-Voting Form is being sent to all the members whose e-mail address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial year ended on 31.03.2018 and Notice of Annual General Meeting alongwith Attendance Slip, Proxy Form and E-Voting Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

Kohinoor Foods Ltd.

Regd. / Corp. Office : Pinnacle Business Tower, 10th Floor,
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Email: info@kohinoorfoods.in, Website: www.kohinoorfoods.in



Form No. MGT-11 Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered Address:

E-mail ID:

Folio No/Client ID: DP ID:

I/We, being the member(s) of.....shares of Kohinoor Foods Limited, hereby appoint

1. Name :, E-mail ID :
Address :, Signature :, or failing him
2. Name :, E-mail ID :
Address :, Signature :, or failing him
3. Name :, E-mail ID :
Address :, Signature :

as my /our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of Kohinoor Foods Limited to be held at 11:00 a.m. on Friday, the 28th day of September, 2018, at Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector 16A, Faridabad, Haryana-121002, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Adoption of the Audited Standalone Financial Statements as at March 31, 2018, the Reports of the Directors and the Auditor's thereon together with Audited Consolidated Financial Statements for the year ended March 31, 2018 and report of Auditor's thereon.
2. To Appoint a Director in place of Mr. Jugal Kishore Arora (holding DIN – 00010704) who retires by rotation and being eligible offers himself for re-appointment.
3. Appointment of M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi (Firm Registration No. 016379N), as Statutory Auditors and to fix their remuneration.
4. To Ratify the Remuneration of the Cost Auditors for the year ending 31st March, 2019.
5. To continue appointment of Mr. Vijay Burman (DIN: 00013710), as Non-Executive Independent Director of the Company.

Signed this.....day of.....2018

Signature of Shareholder

Signature of Proxy holder(s).....



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered /Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.

ANNUAL REPORT 2017 - 18



Kohinoor Foods Ltd.



Contents

• Chairman's Message	02
• Directors' Report and Management Discussion & Analysis	03
• Auditors' Report (Standalone)	53
• Financial Statements (Standalone)	59
• Auditors' Report (Consolidated)	89
• Financial Statements (Consolidated)	93

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



Registered Office and Share Department : Pinnacle Business Tower, 10th Floor,
Shooting Range Road, Surajkund,
Faridabad, (Haryana)-121001
CIN: L52110HR1989PLC070351
w.e.f. 16th August, 2017
Tel: +91-129-424 2222 (30 Lines)
Fax: +91-129-424 2233
E-mail: info@kohinoorfoods.in
Web: www.kohinoorfoods.in

Works : 50-51 Milestone, G.T. Karnal Road,
Murthal, Sonapat (Haryana)-131027
: 42-43 Milestone, G.T. Karnal Road,
Village Sultanpur, Bahalgarh,
Sonapat (Haryana)-131021

Wholly Owned Subsidiary Companies : Indo European Foods Limited
Kohinoor Congress House, 6th Floor,
Suite 2, 14 Lyon Road, Harrow, Middlesex,
Post Code: HA2 2 EN, United Kingdom

: Kohinoor Foods USA INC.
285, Durham Ave Ste # 01
South Plainfield, NJ 07080

: Sachdeva Brothers Private Limited
201, Vipps Centre, Masjid Moth, Greater
Kailash II, New Delhi-110 048, India

Joint Venture Company : Rich Rice Raisers Factory L.L.C.
Post Box No. 15542
Al Quoz Industrial Area
3rd Interchange, Sh Zayed Road
Dubai, U.A.E.

Associates Company : Al Dahra Kohinoor LLC
Abu Dhabi, U.A.E.
: Al Dahra Kohinoor Industries LLC
Abu Dhabi, U.A.E.

Listing of Equity Shares : National Stock Exchange of India Ltd. (NSE)
BSE Ltd. (BSE)

Board of Directors

Mr. Jugal Kishore Arora	Chairman
Mr. Satnam Arora	Jt. Managing Director
Mr. Gurnam Arora	Jt. Managing Director
Mr. Vijay Burman	Non-Executive Independent Director
Mr. M.K. Trisal	Non-Executive Independent Director
Mr. S.C. Gupta	Non-Executive Independent Director
Ms. Madhu Vij	Non-Executive Independent Director
Mr. Khedaim Abdulla Saeed Faris Alderei	Non-Executive Investor Director (Resigned w.e.f. 08/03/18)
Mr. Sandeep Kohli	Non-Executive Independent Director (Resigned w.e.f. 22/06/18)
Mr. Nitin Arora	Whole Time Director (Resigned w.e.f. 10/08/18)

Company Secretary & GM (Legal)

CFO : Mr. Rama Kant
Mr. Kamal Deep Chawla
(Appointed w.e.f. 30/03/18)
Mr. Prabhat Kumar
(Resigned w.e.f. 28/02/18)

Auditors : M/s. Rajender Kumar Singal &
Associates LLP
Chartered Accountants

Cost Auditors : M/s. Cheena and Associates
Cost Accountants

Bankers

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

Depositories:

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

Registrar & Transfer Agents

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



Chairman Message



Dear Shareholders,

Greeting

It gives me pleasure to place before you the Annual Report of your Company for the financial year 2017-18. Your Company achieved a total turn-over of INR 8,584 Million (Mn.) as against INR 10,505 Mn. of last year, the lower turnover is on account of erratic global rice market conditions. The rice export value stood at INR 4,609 Mn. as against INR 7,213 Mn. of last year. However, in domestic rice segment your company has registered a growth of 20.45% on YOY basis.

Basmati Rice Export is mainly driven by demand from some of the Middle East Countries like, Iran, Saudi Arabia, Yemen, Iraq, UAE etc. Iran, Yemen, Iraq are facing various problems making it difficult to export and relies sell proceeds from these countries.

As you know we had acquired a new Food Processing Unit in District Sonapat, Haryana in the year 2015-16. On account of growth in demand of our food products in Ready to Eat & Ready to Cook products in the international market, we have increased our in house production capacity to 75,000 ready meals per day from 15,000 ready meals per day during the last year. Our focus would be on product innovation to develop healthy food products from locally available raw material. We will continue to Invest, Innovate and expand our product range offering to add value to our Food Business Operations.

However you will be glad to note that the company has done extremely well in foods exports and registered a Year on Year (YOY) growth of 22.3%.

Our UK operations continue to focus on profitable growth both in Rice and processed food range of products. However Kohinoor Rice exports business grew steadily in markets such as Saudi Arabia, Kuwait, Qatar, Hong Kong & Thailand, in spite of various challenges in the respective countries.

We launched "Monsoon" brand Basmati Rice by creating and developing distributors' network in domestic market and also in international markets, which is well accepted and liked by consumers. In domestic market, introduction of GST Act created some confusion in the marketing network on branded rice in the initial phase. We are focusing to strengthen Monsoon Brand in India in pragmatic manner and we are hopeful that it will become a very powerful and effective brand on the strength of quality product and value for money.

We further inform the members that with an objective to improve the financials of the company, your company is exploring the possibilities such as:

- a. Monetising some of the assets of the company.
- b. Looking for Investor to infuse funds in the company.
- c. Negotiating with the Banks for restructuring of borrowings.

The company is working aggressively on the said lines to improve its financial/business to achieve the seamless working.

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

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

With best wishes,

Sincerely

Sd/-

Jugal Kishore Arora

Chairman



Directors' Report and Management Discussion & Analysis

(Rs. In Million)

The following report should be read in conjunction with the audited financial statements and notes for the year ended March 31, 2018 and the audited financial statements and notes for the year ended March 31, 2017. This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Company – In General

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

Your Directors have pleasure in presenting the 29th Annual Report and the Audited Annual Accounts of the Company for the Financial Year ended 31st March, 2018.

Financial Overview

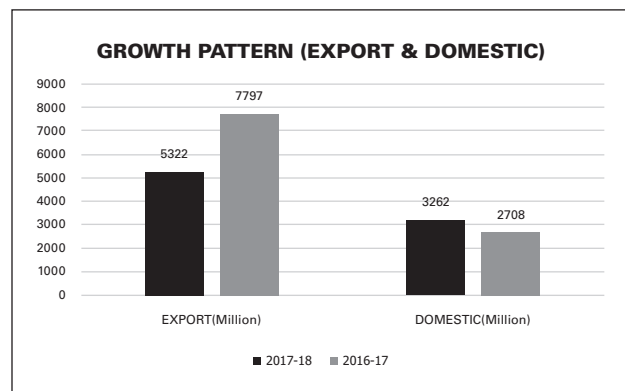
The financial highlights for the year ending 31st March, 2018 are as under:

Particulars	FY'18	FY'17
Total Turnover	8623.96	10533.35
Profit/(Loss) Before Interest, Depreciation and Tax (PBITD)	274.87	(800.90)
Profit/(Loss) Before Tax	(695.80)	(1908.58)
Less: Tax Expense	14.48	(722.35)
Profit/(Loss) After Tax	(710.28)	(1186.24)
Total Comprehensive income for the year	(709.73)	(1086.27)

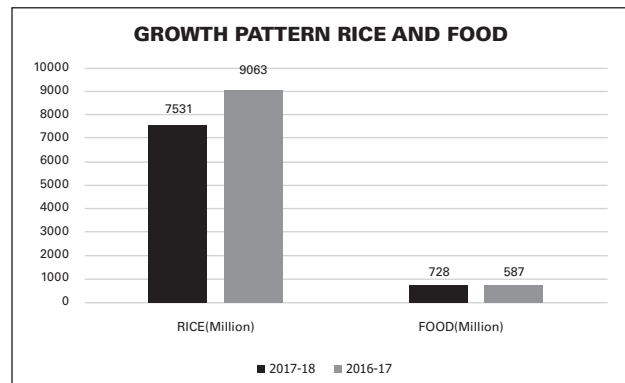
The Board's Report shall be prepared based on the stand alone financial statements of the Company.

Operations:

For the financial year under review 2017-18, the company Export stand at INR 5,322 million as against INR 7,797 million in previous year while as the Domestic Sales stood at INR 3,262 million as against INR 2,708 million in the last financial year.



The contribution made by Rice to the Company's business is INR 7531 million as against INR 9063 million in the last financial year, while the Food Business stood at INR 728 million as against INR 587 million in the previous year.





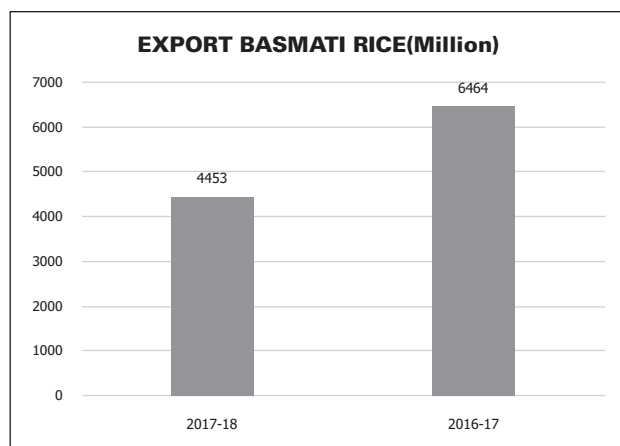
The year saw a decrease of 31.11% in basmati rice exports from India in value terms in comparison to last year sales. Export market was down due to political instability in countries such as Iraq & Syria. During the year under review export realisation price had an upward trend as it is evident from the fact that average sale price was Rs 70987 per MT as compared to Rs 56090 during the last year. These phenomena in the pricing led to the sub-dude sentiment. Focused sales and marketing efforts in all the major basmati rice importing countries of the world viz. UK, Australia, Saudi Arabia, Iran, UAE, Yemen and US were exercised to control the steep debacle in sale of Basmati Rice in international market.

- ★ Launch of new brand of Basmati Rice 'Monsoon' with parallel distribution of 'Monsoon' Brand of basmati Rice that was well accepted in market and distribution was finalized for 6 countries. As on date we are present in 22 countries & hope to increase our presence in rest of the countries by next financial year. We are putting our best efforts to establish our newly launched brand and are also further consolidating our flagship Brand "KOHINOOR" in the international market.
- ★ Acquired business from new countries such as – Australia, Greece, Sweden, USA, New Zealand, Russia, Bangladesh and Togo.
- ★ We have entered domestic market settlement agreement between KSF & KFL. The company is free to sell basmati rice under various brands in the current financial year. In fact we have already launched "MONSOON" brand of Basmati Rice in domestic as well as in the international market.

EXPORT MARKETS

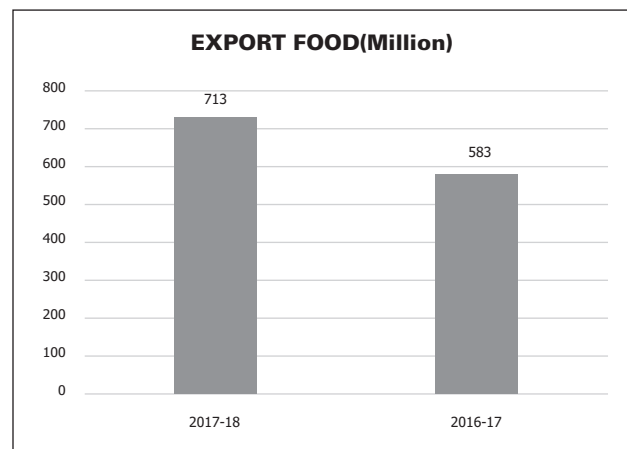
Export- Basmati Rice

This year, in the Export of Basmati Rice, the company did the business of around INR 4,453 million as against INR 6,454 million in the previous financial year.



Export- Food

This year the export of processed & packaged food products has shown an increase in revenues and stood at INR 713 million as against INR 583 million in the previous year. The new food factory has started its operation effectively which improved our production & subsequent revenues.



Subsidiaries / Joint Venture:

U.K Operations

Indo European Foods Limited (IEFL) was incorporated in year 2000 in United Kingdom (UK), as a wholly owned subsidiary of Kohinoor Foods Limited (KFL), India, to cater the markets of UK and Europe.

IEFL Sales show marginal decreases from last year i.e GBP 24.15 Millions in comparison of last year GBP 24.49 Millions. The Profit of this company decreases due to increase in Administration cost and some adjustment in pre period items. This operation continues to focus on profitable growth both in Rice and processed food range of products.

IEFL, has created a wide network of distribution for our Rice & Processed food items in UK market. In Rice market 'Kohinoor' has achieved number "2" position in terms of market share. (Source: The Grocer December-2017.)

IEFL, in recent times has focused more on Kohinoor processed food products and achieved a growth of more than 200%. Kohinoor cooking sauces and ready meals are currently listed and placed with prestigious multiple retail chains like -Tesco, Asda, Sainsburys, Aldi & Bookers etc.

IEFL is poised to move to the next level in business growth as after having established the 'Kohinoor' brand in UK for the last 15 years



and attaining the pivotal position of No. 2 in SKU's of 5 kg. segment. We are expecting quantum jump in coming years in its volumes and market share;

IEFL marketing team is also focused in doubling the 'Kohinoor' processed foods, having re-launched the sauces & RTE lines in fresh packaging & refurbished recipes.

USA Operations:

Kohinoor Foods USA Inc. was incorporated in year 2000 in the state of New Jersey, USA, as a wholly owned subsidiary of Kohinoor Foods Limited (KFL), India, to cater to the markets of US & Canada. The brand 'Kohinoor' is well known in USA for its quality rice and food items.

However during the last year the business model of this company is changed to work on commission basis for undertaking and improving sales in USA. The Company however was making losses on account of huge operational cost, the loss in the current year is mainly on account of huge interest payment for its debts. We expect the company will improve its sales in USA and also improve its commission earnings to make it a profitable venture.

With the launch of 'KOHINOOR' Extra Fine (Silver) Rice in the US leading catering wholesalers viz. 'Restaurant Depot', we are expecting large volume sales; in the recent months the marketing team has prepared an aggressive promotional plan for the forthcoming festival seasons in October and November. A new Distributor has also been appointed in Canada for rice and food products launch in 'Walmart'; with all these activities, the next year sales are looking to increase to the levels of highest ever.

UAE Operations

The Rich Rice Raisers Factory LLC, (RRR) is a Joint Venture Company having 25% equity of KFL. The RRR is not doing any business activity since the inception of Al Dahra Kohinoor Joint Venture. As per the terms of the JV agreement with Al-Dahra; Kohinoor Foods Ltd., have already initiated steps to exit from Rich Rice Raisers Factory LLC, Dubai."

During this financial year, the export sale of Rice from Kohinoor Foods Limited to Al Dahra Kohinoor LLC, stood at 22,486 MTs as against 30,094 in last year.

FOOD BUSINESS:

During the year 2017-18, the export of processed & packaged food products has shown an increase in revenues and stood at

INR 713 million as against INR 583 million in the previous year. The new food factory has started its operation effectively which improved our production & subsequent revenues.

UK, Australia, USA, Canada are major markets for our range processed & packaged food products.

Kohinoor has introduced the new packaging of ready to eat curries and simmer sauces to the World market where UK has got the maximum appreciation from the entire mainstream and got listed with top retails of the country such as TESCO, ASDA, COOP & many more...

It's not just stop here strong Research and Development team has gained appreciation from leading retail giants like as ALDI Australia, ALDI UK, Coles, etc by submitting their new developments to these clients and same would definitely go for the launch once their respective procedure will be completed.

Highlights (2017-18)

- Developed new range of Namkeens with improved packaging & product quality to increase our market share
- New Clients added such as Gourmet Foods to cater the Meal Kits requirement of UK Market with all international flavours like as Japanese Katsu Curry, Caribbean Jerk Chicken, Chinese Kung Pao, Indonesian Nasi Goreng & many more...
- Have developed new categories in Institutional business by importing Retorted jars from UK to develop Indian range of products like as Madras Curry, Tikka Masala, Dal Makhani in 2.2 Kg jars to cater the QSR, Restaurants & hotel market.
- Added new market such as Fiji, Thailand for introductions of entire range Namkeens & Simmer Sauces.

CHALLENGES:

- Intermittent supplies from our major business partner resulted in delayed the shipment.
- Export of ready to eat rice to US with respective allowed MRL's limit.
- Major changes in import procedures in markets like Australia, US & UK.



FINANCIAL YEAR (2019-20)

- Kohinoor has obtained 100% Export Oriented Unit (EOU) status for its food processing unit to fetch new businesses from Australia, UK & USA to import all restricted Grains.
- Focus on mainstream private label of world leading retail giants of their respective local product lines which have bigger chunk in the market.
- Further introductions of new range of Ready to eat Curries & Simmer Sauces under Kohinoor brand in UK market.
- Kohinoor Branded Namkeens will be under much focused category this year.
- New Dairy extensions such as Ras Malai, Khoya Butter under Kohinoor brand will be carried out after the success of Kohinoor Fresh & Frozen Paneer in world market.

Overview - Food Processing Industry

According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around US\$ 7.54 billion worth of Foreign Direct Investment (FDI) during the period April 2000-March 2017. The Confederation of Indian Industry (CII) estimates that the food processing sectors have the potential to attract as much as US\$ 33 billion of investment over the next 10 years and also to generate employment of nine million person-days. The food industry is always looking for the best separation technology to obtain natural compounds of high purity, healthy products of excellent quality with several industrial applications. The Indian market offers a huge potential for the food processing industry - more so because of the fact that it promotes two main growing factors of our Indian Economy - Industry & Agriculture. During the last one decade, India moved from a position of scarcity to surplus in Food. Given the trade in production of food commodities, the Food Processing Industry in India is on an assured track of growth and profitability. It is expected to attract phenomenal investment in capital, human, technological and financial areas. A reason why the Food Processing Industry sector in India has been accorded high priority by the Government of India, with a number of fiscal relief and incentives, to encourage commercialization and value addition. As per a study conducted by McKinsey and Confederation of Indian Industry (CII), the turnover of the total food market is approximately Rs.2,50,000 Crores, out of which

value-added food products comprise Rs.80,000 Crores.

Basmati Rice

In the last couple of decades, there has been considerable rise in disposable income, masses are rushing to the cities, the average age of a worker in India is the lowest in the world i.e. 35 years & the employment opportunities are also improving; all this has resulted in general improvement of life style, including eating habits, which has also brought BASMATI RICE into focus. Rice in past was perceived as low engagement category but with sustained growth in Indian economy and consumer's gradual shift towards branded rice coupled with growth in modern retail have been major contributors. Though still majorly unorganized, but year on year this category is experiencing good number of conversions from unbranded to branded packaged Basmati Rice in terms of consumptions in India. This is mainly due to introduction of branded and package basmati rice in many retail outlets; pertinent to say here in the Indian market context the introduction of GST has helped in improving the sales of branded basmati rice. India's growing middle class has augmented the domestic demand of branded rice. Moreover, introduction of modern food retail formats has also propelled the packaged food market, facilitating the availability, visibility and accessibility of branded products. The domestic branded market in India is expected to grow in double digits as compared to single digit growth for unbranded rice. Eating rice is common habit in most of the Indian households and it is usually a part of one of the 3 meals cooked every day. Geographically, the consumption of Basmati is higher in the Northern & Western part of the country while culturally, its consumption is quite high in the Punjabi & Gujarati families. With the view of serving the best to their customers & employees, Basmati consumption is also higher in well recognized hotels & large institutions. The consumption of branded packaged Basmati Rice is also being driven by the modern retail that allows every consumer to select what they want. Hence, basmati rice requirements shall keep increasing in volumes in India for many years to come.

Ambient Food - Ready Meals

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



important aspect of it.

Frozen Food - Ready Meals

Though Frozen Food as a category constitutes many products, majority of it being the frozen unprocessed non-vegetarian food, but within this segment vegetarian Frozen Ready Meals, snacks too is growing at significant rate. Frozen Meals considered very close to Fresh Meals after re-constitution and hence preferred a lot by consumers. With various types of value added frozen products that are now being offered by food processors, this food category is growing a higher rate.

Risks & Concerns

The Banks have classified the Company's Accounts as Non Performing Asset and served Notice under section 13(2) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, in the month of July 2018. The Company is in the process of preparing reply of said notices and negotiating with different workable options.

The observations of the Auditor with regard to the management assessment of the company's ability to continue as going concern in view of the liquidity problems/decrease in business. The management of the company believes that they can continue to retain as going concern, based on the Resolution plan submitted to the Banks by company and the interest shown by prospective investors in the company.

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

Procurement risk:

In a country like India, where more than 60 per cent of the area under cultivation is not irrigated, farm production is highly vulnerable to fluctuations in rainfall. Beside production risk, Indian farmers also face high market risk. Farm harvest prices in the country show high inter and intra year volatility. Price variation is quite pronounced in the regions and commodities where price support mechanism is not operative. Further adequate availability of key raw materials at the right prices is crucial for the Company. Being a generic natural product with low yield concentrated in a small region of the World, production of Basmati depends on the vagaries of nature. Therefore, any disruption in the supply due to a

natural or other calamity or violent changes in the cost structure could adversely affect the Company's ability to reach its consumers with the right value proposition. However, we are ready with plans that might help us at such times. However, the Company's long term relationship with farmers built on trust ensures constant supply and thus over the years it has not faced any procurement problems. Also, adequacy of irrigation facilities in the Basmati producing regions mitigates these uncertainties.

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

Intense competition from unorganized sector: Another characteristic of this industry is the presence of unorganized sector offering basmati in loose unbranded form which intensifies competition. The Company is moving towards branded products and has invested significantly in building a strong brand which helps in differentiating their product.

Dividend

Your Directors do not recommend any dividend for the financial year 2017-18.

Re-Appointment / Resignation of Directors

In accordance with the provisions of the Companies Act, 2013, Mr. Jugal Kishore Arora (holding DIN – 00010704), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Your Directors recommend this resolution for approval of the members.

The Re-Appointment and Remunerations of Mr. Jugal Kishore Arora (DIN 00010704), Mr. Satnam Arora (DIN 00010667) and Mr. Gurnam Arora (DIN - 00010731) had been approved by the Shareholders in the 28th Annual General Meeting of the Company held on 25th September, 2017 for the period of three years subject to the approval of the Central Government. Further the Company had already made application to the Central Government for approval in this regard.

During the year the company has received resignation of Mr. Khedaim Abdulla Saeed Faris Al Darei (Investor Director) of the Company from Board and Committees of Kohinoor Foods Limited w.e.f. 8th March, 2018. The Board has accepted the resignation and necessary form has been filed with Registrar of Companies,



NCT of Delhi and Haryana.

Further in compliance of the provisions of Stock Exchanges Circular having Ref No. NSE/CML/2018/24 dated 20th June, 2018, Mr. Sandeep Kohli, Independent Director of the Company has voluntarily resigned from the Directorship of Kohinoor Foods Limited, effective from 22nd June, 2018 and necessary form has been filed in this regard.

This is to further inform that Mr. Nitin Arora, Executive Director of the company has resigned from the Board effective from 10th August, 2018 and necessary form has been filed in this regard.

Appointment / Resignation of Chief Financial Officer

This is to inform that Mr. Kamal Deep Chawla, has been appointed/designated as CFO of the Company w.e.f. 30th March, 2018. This is to further inform that earlier Mr. Kamal Deep Chawla was designated as General Manager, Finance of the Company and was handling all Finance functions of the Company since October, 2009.

This is to further inform that Mr. Prabhat Kumar (Ex-CFO) of the Company has attained retirement age and consequently offered to retire from full time service as CFO of the Company and hence resigned from the Company with effect from 28th February, 2018.

Re-Valuation of Property, Plant and Equipment

The Company has adopted revaluation model for Land & Building. All the assets belonging to these classes of assets are carried at revalued amount being its fair value at the date of revaluation less subsequent depreciation. The company shall carry out the revaluation of these assets periodically after every 3 to 5 years.

Property, Plant & Equipment under all other classes are stated at cost of acquisition/installation inclusive of freight, duties, and taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital

work-in-progress" and stated at the amount spent up to the date of balance sheet.

Intangible assets are stated at their cost of acquisition.

Subsidiary, Joint Ventures and Associate Companies

The Company has no material subsidiary in accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. The statement provides the details of performance, financial positions of each of the subsidiaries.

Further these Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended March 31, 2018 are prepared under Ind AS for the first time. For all periods up to and including the year ended March 31, 2017, the financial statements were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information.

The Financial Statements have been prepared on the historical cost convention on going concern basis and on accruals basis unless otherwise stated.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'.

The financial statements of Kohinoor Foods Limited ("Holding Company of KFL") together with its subsidiaries (hereinafter collectively referred to as "Group") are consolidated to form Consolidated Financial Statements (CFS). Consolidated Financial Statements consolidate the financial statements of KFL



and its Wholly Owned Subsidiaries.

The parent company has not received audited financial statement from its Joint venture Company, Rich Rice Raisers LLC and Associate companies Al Dahra Kohinoor LLC and Al Dahra Kohinoor Industries LLC. The Management considers that the parent company is not in position to exercise control over these entities. Hence the results of Joint Venture Company and associate companies have not been considered in the Consolidated Financial Statements.

Rich Rice Raisers LLC, in which, KFL hold 25% shareholding, has closed its operation. KFL holds 20% share in each of its associates companies. Al-Dahra Kohinoor LLC has exercised the call option, which KFL has accepted. Upon completion of the formalities the shareholding of the parent company in both of these associates will reduce to NIL.

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

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

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

Internal Control System

The Company has in place adequate internal control systems that facilitates the accurate and timely compilation of financial statements and management reports, ensures regulatory and statutory compliance, and safeguards investor interest by ensuring the highest level of governance. The control system ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. A CEO and CFO Certificate provided by Jt. Managing Director and CFO, included in the Corporate Governance Report confirms the existence of effective internal control systems and procedures in the Company Internal audit function evaluates the adequacy of,

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

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

Internal Financial Controls

The Company has in place well defined and adequate Internal Financial Controls which are tested from time to time for necessary improvement, if any required.

Listing at Stock Exchange

The Equity Shares of the Company are listed with BSE Limited and National Stock Exchange of India Ltd. The annual listing fee for the Financial Year 2018-2019 has been paid by the Company to BSE and invoice of listing fees of NSE is yet to be revised by NSE.

Registered Office

The Registered Office of the Company is situated at Pinnacle Business Tower, 10th Floor, Surajkund, Shooting Range Road, Faridabad, Haryana 121001, w.e.f. 16th August, 2017 and in this regard a fresh certificate for change of registered office has been issued by the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.

Corporate Governance

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as stipulated by the Stock Exchanges. Pursuant to SEBI (LODR), Regulation, 2015, a report on the Corporate Governance, Certificate regarding Compliance, Secretarial Audit Report and Jt. Managing Director (CEO) and CFO certification along with the Auditors Certificate has been made part of the Annual Report.

Auditors

M/s Rajender Kumar Singal & Associates LLP, Chartered



Accountants, New Delhi, Statutory Auditors of the Company was initially appointed as auditors of the Company for the first term valid till 31st March, 2018.

This is to further note that M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi, Statutory Auditors of the Company, holds office from the conclusion of ensuing Annual General Meeting to the conclusion of Fifth Annual General Meeting to be held till the year 2023. The Board of Directors has received their consent and they have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits and they are not disqualified for re-appointment.

The Board pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and on the recommendation of the Audit Committee has considered the appointment of M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi (Firm Registration No. 016379N), as Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting till the conclusion of Fifth Annual General Meeting to be held in the year 2023. The Board of Directors accordingly recommends their re-appointment as Statutory Auditors.

Auditors Report

The Company has received the Auditors Report duly signed by M/s Rajender Kumar Singal & Associates LLP, Chartered Accountants, New Delhi, and took note on the same. Further as mentioned in the Auditors Report, attention is drawn (Emphasis of Matters) to notes to the Financial Statements, the same has not been reproduced for the sake of brevity, however the Board Discussed the same in details and the remarks given by the Directors is mentioned herein below:

As stated in Note 4 to the standalone financial statements, the company has adjusted the value of inventories by Rs 24445.09 Lacs as at the date of transition i.e. April 1, 2016, by reducing the amount of borrowing cost included in the value of inventories, due to applicability of IndAS.

As stated in Note 6 (C) to the standalone financial statements, regarding company's investment in its wholly owned subsidiary, Kohinoor Foods USA Inc., amounting to Rs 3978.45 Lacs. This subsidiary company has been incurring continuous losses and its net worth is fully eroded. However, based on factors regarding future business plan, growth prospects of subsidiary as described in the said note, Management believes that the realizable value is higher than the carrying value of the investment due to which

Investments are recognised at carrying value.

As stated in Note 41 to the standalone financial statements and further as per advice received from legal experts and on the basis of merit of the case, there is a high probability that the income tax order will be set aside and the demand will be quashed. Accordingly, management is of the view that no provision in respect of the above demand is required to be made in the books of accounts.

As stated in Note 44 of standalone financial statement, as per information and explanation given to us, the company has not paid interest to banks and its outstanding balance in loan accounts has exceeded its drawing power since February, 2018.

Further Amount of interest paid to the banks over previous years needs to be recalculated based on actual entitlement of interest by the Banks and are to be verified and these figures may get reduced. Disputes with the banks over the rate of interest charged and calculated are pending, as such these cannot be treated as an admission of any fact qua the Banks.

As stated in Note No. 5 of standalone financial statement, the management has upwardly revalued the carrying amount of fixed assets by Rs 15885.18 Lakhs as at the date of transition i.e. April 1, 2016, which consequently resulted in increase of revaluation reserve.

Further your attention to clause (ii) of Annexure-A to the auditor's report, that the auditors did not have occasion to overview the physical stock taking done by the management during the financial year 2017-18 and have relied on the information and explanations provided to them by the management.

Cost Auditors

The Cost Auditor M/s Cheena and Associates appointed as Cost Accountants of the Company for the year 2017-18 and has completed the audit of the cost record of the Company. The Cost Audit Report does not contain any qualification, reservation or adverse remark.

The Board pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), on the recommendation of the Audit Committee has approved the appointment of M/s Cheena & Associates, Cost Accountant Firm to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2019 and



remuneration to be paid subject to rectification by shareholders.

Secretarial Audit

The Board of Directors pursuant to the Provision of Section 204 of the Companies Act, 2013, has appointed M/s Vinod Aggarwal and Associates, Company Secretary Firm, (having FCS No. 8007 and CP No. 8816) to conduct Secretarial Audit of the Company for the Financial Year 2018-2019.

Secretarial Audit Report

The Secretarial Auditor M/s Vinod Aggarwal and Associates, Company Secretaries, appointed for the year 2017-18 and has completed the secretarial audit of the Company. The Secretarial Audit Report as received from the Practicing Company Secretary is annexed to the Annual Report as Form No.-MR-3. As per the Secretarial Audit Report the Company has complied with all the applicable acts, laws, rules and regulations and does not contain any qualification, reservation or adverse remark.

Internal Auditor

The terms of M/s SPMG & Co., Chartered Accountants, New Delhi, who was reappointed as Internal Auditor of the Company for the Financial Year 2017-18 expired on 31st March, 2018.

Your Directors have approved their reappointment in the Board Meeting dated 30th May, 2018, for the financial year 2018-19.

Deposits

During the year under review, the Company has not accepted any deposit under Chapter V of the Companies Act, 2013.

Share Capital of the Company

During the year under review, the Company did not issue equity shares. The paid up Share Capital of the Company is amounting to Rs. 35,24,15,300/- comprising of 3,52,41,530 equity shares of Rs. 10/- each.

Board Meetings

The Board is headed by an executive Chairman. As on 31st March 2018, the Board of Directors consisted of Nine Directors, including Chairman, Joint Managing Directors, Woman Director, Independent Director and others.

Six (6) Board Meetings were held during the year 2017-18, i.e. on 13th April, 2017, 30th May, 2017, 10th August, 2017, 14th November, 2017, 14th February, 2018 and 31st March, 2018, and the gap

between two meetings did not exceed 120 days.

Audit Committee Meetings

During the year under review, the Audit Committee met Five (5) times i.e. on 30th May, 2017, 10th August, 2017, 14th November, 2017, 14th February, 2018 and 31st March, 2018 and the maximum time gap between any two consecutive meetings did not exceed 120 Days. The minutes of the meetings of the Audit Committee are noted by the Board.

Nomination and Remuneration Committee

During the year under review, the Nomination and Remuneration Committee met Two (2) times i.e. on 10th August, 2017 and 31st March, 2018. The committee in the meeting held on 10th August, 2017 has discussed/considered and approve the re-appointment and remuneration of Mr. Jugal Kishore Arora as Chairman, Mr. Satnam Arora and Mr. Gurnam Arora as Joint Managing Directors of the Company, and in the meeting of 31st March, 2018 the committee has considered appointment/designate Mr. Kamal Deep Chawla as Chief Financial Officer (CFO) of the Company.

Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has formulated Remuneration Policy for appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.

The Remuneration Policy of the Company forms part of this Report and may be accessed on the Company's website on the link www.kohinoorfoods.in/investor

Whistle Blower Policy/Vigil mechanism

The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy or any other grievances, the details of which are given in the Corporate Governance Report. The Whistle Blower Policy may be accessed on the Company's website on the link www.kohinoorfoods.in/investor.

Risk Management

The Company has constituted a Risk Management Committee comprising executives headed by the Managing Director.

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. The Company has adopted



several strategies for Risk Management to mitigate risks and uncertainties. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The Company has adopted a Risk Management Policy which establishes various levels of accountability and overview within the Company. In addition, all the key risks get continuously deliberated and discussed at the Group Executive Committee level as well as the Business Unit level. The said Policy is placed on the Company's website www.kohinoorfoods.in/investor.

Particulars of Loan Given, Investment made, Guarantees given and Securities Provided

Particulars of loans given, investments made, guarantees and securities provided under section 186 of the Companies Act, 2013 are provided in the notes of standalone Financials statement and well within the limit approved by the Shareholders of the company.

Capacity enhancement of Food Factory

During the year the company has increased the Production capacity of its food factory acquired in the year 2015-16, by 75,000 ready meals per day from 15,000 ready meals per day in the last year. Our focus would be on product innovation to develop healthy food products from locally available raw material. We will continue to Invest & Innovate and expand our product offering to add value to our Food business operations.

The increase in capacity of new food facility would not only reduce the dependence on our existing out-sourced facilities but also help us to focus on business by acquiring new customers.

Present Status of litigations

As informed in the Annual Report for the financial year 2016-17, that in terms of the confidential Mutual Settlement Agreement dated 13th April, 2017, the Company M/s Kohinoor Foods Limited (KFL) has settled all disputes with Kohinoor Speciality Foods India Pvt. Ltd. (KSF) and McCormick Switzerland GMBH, which resulted all proceedings in London Arbitration (LCIA) and in the Indian Court (NCLT) and have consequently withdrawn the case filed in the respective Courts/Tribunal and the concerned apex court has issued the required order in this regard.

This is to further inform you that in terms of the Settlement Agreement, KFL transferred its 15% shareholding of KSF to McCormick, Singapore after receiving 75% of the total consideration after obtaining approval of RBI. Further as agreed in the agreement the company will receive the second tranche

being 25% of the agreed consideration on September 28, 2018, amounting to Rs. 2,50,00,000/- (Rupees Two Crores Fifty Lakhs Only).

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

An appeal is lying pending before the Dy. Excise & Taxation Commissioner-Appeal, Punjab against the Order received from Excise and Taxation Deptt., Punjab in respect of Year 2009-10 and 2010-11 demanding a sum of Rs. 4,50,41,414/- towards the cess imposed by the State Govt. on exports. The Company has challenged the validity of imposition of cess on export in its appeal as the same is not permissible under article 286 of the Constitution of India. Further demand has been raised for Rs. 5,41,073/- after completing the Sales Tax assessment for AY 2011-12 against which appeal has been filed.

An appeal before the Customs, Excise & Service Tax Appellate Tribunal, New Delhi is lying pending against the order of Commissioner of Central Excise (Appeals), Delhi -III in respect of additional excise duty of Rs. 42,90,580/- demanded by the Excise department in connection of dispute over classification of goods - food product produced at Bahalgarh Factory- as per the Central Tariff Act. As the matter is still pending before the Tribunal, no provision in the books of accounts have been made*

During the financial year 2016-17, the Company has received a order from Hon'ble Central Excise and Service Tax Appellate Tribunal, New Delh (CETSTAT) against the order passed by Commissioner of Service Tax (Adjudication), New Delhi demanding a service tax of Rs. 2,59,25,214/-. The Hon'ble CETSTAT vide its order dated 16/02/2017 has granted major relief of Rs. 2,50,12,963/- against the aforesaid demand.

All other litigations are mentioned under the Contingent note of the Balance Sheet for the financial year 2017-18.

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

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



Particulars of Employees and Related Disclosure

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are given as under:

- i) There are no Employee, employed throughout the year and in receipt of remuneration of Rs. 1,02,00,000/- or more per annum.
- ii) There are no Employee, employed part of the year and in receipt of remuneration of Rs. 8,50,000/- or more per month during any part of the year.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in the annexure-D to this report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Board's Report is being sent to the members without some annexures. The said annexures are available for inspection at the Registered/Corporate Office of the Company during working hours and any member interested in obtaining such annexures may write to the Company Secretary and the same will be furnished free of cost.

Extract of Annual Return

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

Management's Discussion and Analysis Report

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report and a Report on Corporate Governance is attached in a separate section forming part of the Annual Report.

A Certificate from the Statutory Auditors of the Company regarding the Compliance by the Company of the conditions stipulated in Regulations Part C of Schedule V of the Listing Regulations is also attached with this report.

A declaration by the Managing Director pursuant to Regulations Part C of Schedule V of the Listing Regulations stating that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2018, is also attached with this report.

Directors' Responsibility Statement

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

- a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit of the Company for the year ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a 'going concern' basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Awards & Recognitions

Since its inception, the Company has been earning awards and recognition like consumer validated Super Brand Award (thrice in series), Reader's Digest Most Trusted Brand award (4 times in a row), Power Brand Award, Guinness Book of World Record (for making World's Largest Biryani), National award for Export Excellence, Brand Equity Award & many APEDA awards.



Corporate Social Responsibility

As per provisions under Section 135 of the Companies Act, 2013, all companies having net worth of Rs. 500 crores or more, or turnover of Rs. 1,000 crores or more or a net profit of Rs. 5 crores or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of Board of Directors comprising three or more directors, at least one of whom should be an Independent Director and such Company shall spend 2% of the average net profits of the Company made during the three immediately preceding financial years.

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

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

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

The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board with the following members:

1. Mr. Satish Chand Gupta
2. Mr. M K Trisal
3. Mr. Satnam Arora
4. Mr. Gurnam Arora
5. Mr. Sandeep Kohli (Resigned w.e.f. 22nd June, 2018)

As the Average net Profit/(Loss) of the Company for last three financial years prior to 2017-18 comes to average net loss and therefore the Company is not statutorily required to spend amount as prescribed for CSR expenditure.

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

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

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

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

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

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

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

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

Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and



Disclosure Requirements), Regulation, 2015.

Board Evaluation

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is mandatory that the Board shall monitor and review the Board Evaluation Framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors. Schedule IV of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria and framework adopted by the Board. In addition, the performance of Board as a whole and committees were evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The evaluation process has been explained in the Corporate Governance Report section of the Annual Report.

Training of Independent Directors

The Company Secretary of the Company conducted a detailed training programme to provide/update the changes in the SEBI (LODR), Regulation, 2015/Companies Act, 2013 and other relevant act to the Independent Directors.

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

General

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

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

2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employee of the Company under any scheme.
4. Issue of Employees Stock Option to employee of the Company under any scheme.
5. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. Business Responsibility Report as per Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, describing the initiatives taken by them from an environmental, social and governance perspective is not applicable to the Company, for the financial year 2017-2018 as per the SEBI Circular SEBI/LAD-NRO/GN/2015-16/27 dated 22nd December, 2015 and Frequently Asked Questions issued by SEBI on SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dated 29th January, 2016.

Acknowledgment

Your Directors would like to express their appreciation for the assistance and co-operation received from the Banks, Government Authorities, Customers, Vendors, JV Partners and Members during the year under review. Your Directors acknowledge with gratitude, the commitment and dedication of the employees at all levels that has contributed to the growth and success of the Company.

For and on Behalf of the Board

Sd/-

Jugal Kishore Arora

Place : Faridabad

Chairman

Date : August 14th, 2018



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

1. Corporate Governance Philosophy

The Company has always maintained an integrated way of thinking, which is reflected in the functioning of the Board and corporate governance framework. A Company's relationship with its investors is an important component of corporate governance. The Board of Directors believes in upholding the highest standards of accountability and actively participates in overseeing risks and strategic management. The board fully supports and endorses corporate governance practices in accordance with the provisions of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The primary objective of corporate governance is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness, to develop capabilities and identify opportunities that best serve the goal of value creation. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company. Over the years, we have strengthened governance practices. These practices define the way business is conducted and value is generated.

Our corporate governance framework has helped us to be aligned with the new guidelines of the Companies Act, 2013 as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We believe that an active, well informed and independent board is necessary to ensure the highest standards of corporate governance.

2. Board of Directors

As on 31st March, 2018, the Company is managed and controlled by Board of Directors which has an optimal combination of Executive, Non-Executive and Independent Directors. The Board is headed by an Executive Chairman, the Board of Directors consisted of Nine Directors, including Chairman, Joint Managing Directors, Woman Director, Independent Directors, Whole-time Director.

As on 31st March, 2018, none of the Directors on the Company's Board was a Director in more than 20 Companies, neither a Chairman of more than five Committees nor a member of more than 10 Committees in accordance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, all the Directors have made necessary disclosures regarding their Directorship and Chairmanship/Committee Membership in other Companies as per the requirement of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board members possess the requisite skills, experience and expertise to guide the Company.

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

Six (6) Board meetings were held during the Financial Year 2017-18 and the gap between two meetings did not exceed 120 days. The dates, on which the Board meetings were held, are 13th April, 2017, 30th May, 2017, 10th August, 2017, 14th November, 2017, 14th February, 2018 and 31st March, 2018.

Further the following Directors has also given their resignation from the directorship of the Company after the end of the financial year 2017-2018.

In compliance of the provisions of Stock Exchanges Circular having Ref No. NSE/CML/2018/24 dated 20th June, 2018, Mr. Sandeep Kohli, Independent Director of the Company has voluntarily resigned from the Directorship of Kohinoor Foods Limited, effective from 22nd June, 2018 and necessary form has been filed in this regard.

Mr. Nitin Arora, Executive Director of the Company has resigned from the Board effective from 10th August, 2018 and necessary form has been filed in this regard.

Dates for the Board Meetings are decided well in advance and the Agenda, along with the supporting documents, explanatory notes and information, as enumerated under SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, are made available to the Board along with the notice of respective meetings or soon after the notice. The Board periodically reviews compliance reports of all laws applicable to the Company. The Company undertakes steps to rectify instances of non-compliance, if any.

The names and categories of the Directors on the Board, along with their attendance at the Board Meetings held during the year ended 31st March, 2018, and at the last Annual General Meeting, and the number of other Directorship and Chairmanship/Membership of Committees held by them, are given below:



Name of the Director	No. of Board Meetings attended during tenure	Whether attended the last AGM	No. of other Directorships*	Committee position of other Companies**		No. of Equity Shares held
				Chairman	Member	
Executive (Promoter)						
Mr. Jugal Kishore Arora (Whole-time Director, designated as Chairman)	6	No	1	Nil	Nil	60,43,484
Mr. Satnam Arora (Joint Managing Director)	6	No	2	Nil	2	53,78,923
Mr. Gurnam Arora (Joint Managing Director)	6	Yes	2	Nil	Nil	60,98,889
Mr. Nitin Arora (Whole-time Director) (Resigned w.e.f. 10 th August, 2018)	6	No	1	Nil	Nil	21,000
Non - Executive and Non - Independent						
Mr. Khedaim Abdulla Saeed Faris Alderei (Investor Director) (Resigned w.e.f 8 th March, 2018)	1	No	Nil	Nil	Nil	Nil
Non - Executive and Independent						
Mr. Vijay Burman	6	Yes	Nil	Nil	Nil	Nil
Mr. Sandeep Kohli (Resigned w.e.f. 22 nd June, 2018)	4	No	Nil	Nil	Nil	Nil
Mr. Maharaj Kishan Trisal	5	No	1	Nil	1	Nil
Mr. Satish Chandra Gupta	6	No	5	1	5	Nil
Ms. Madhu Vij	5	No	4	Nil	Nil	Nil

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

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



INFORMATION AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015, RELATING TO DIRECTORS AS ON DATE OF APPROVAL OF DIRECTOR'S REPORT

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

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

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

He holds 60,43,484 (17.15%) Equity Shares of the Company in his own name as on 31st March, 2018.

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

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

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

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

He holds 53,78,923 (15.26%) Equity Shares of the Company in his own name as on 31st March, 2018.

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

He is having vast experience and skills and has been instrumental in providing a new strategic focus to the rice industry from a commodity driven business to a branded category. After completion of Graduation degree, he joined the family business of rice trading. Over the years, Mr. Gurnam Arora learnt the intricacies of the business and demonstrated his strategic approach & acumen by successfully marketing & promoting Company's products in national & international markets. Amongst other career milestones, he has played a key role in introducing convenient packaging options and many more value additions for the consumers. He has over thirty three years of experience in rice industry. Mr. Gurnam Arora has been looking after Domestic Marketing, Purchase, Administration, HR, Quality Control and day to day Corporate Affairs of the Company. Mr. Gurnam Arora's



broad vision helped the Company to increase its value. He was the President of All India Rice Exporters Association and a member of the Basmati Development Fund, APEDA and Ministry of Commerce and also associated with various industry associations like FICCI, ASSOCHAM etc.

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

He holds 60,98,889 (17.31%) Equity Shares of the Company in his own name as on 31st March, 2018.

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

He is a Science Graduate with over 42 years' experience in Textile Industry and also having sufficient expertise in Finance. Because of his vast Financial Exposure, he has been appointed as an Independent Director of the Company. His wide exposure helps the Company to improve its Financials.

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

He does not hold any share of the Company in his name as on 31st March, 2018.

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

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

He is Director of Ansal Housing and Construction Limited.

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

He does not hold any share of the Company in his name as on 31st March, 2018.

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

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



Bank. In the course of his earlier assignments, deployment of funds to SME and Large Corporates alike was the core area of his operations. In IOB and PNB, he dabbled with Treasury Operations as well apart from Corporate Planning and Manpower Management. He is B.Com and LL.B besides being a fellow member of the Institute of Chartered Accountants of India. Mr. Gupta is a Commerce Graduate from Agra University, Master of Commerce from Meerut University and also a Certified Associate of Indian Institute of Bankers.

He is a Director of ISMT Ltd., Gujarat Foils Ltd., SMC Investments And Advisors Ltd., Brahmaputra Infraproject Ltd., SMC Global Securities Ltd., and some of the Pvt. Ltd. Companies.

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

He does not hold any share of the Company in his name as on 31st March, 2018.

Ms. Madhu Vij (DIN – 00025006) Independent Director of the Company.

Ms. Madhu Vij is a Professor of Finance at the Faculty of Management Studies, University of Delhi where she has been teaching for over three decades. Her professional and teaching interests include the areas of International Finance, Risk Management, Banking and Financial Services, Corporate Finance and Accounting. She has received the Alumni Excellence award from Shri Ram College of Commerce, University of Delhi. Prof. Vij has participated and attended the Global Colloquium on 'Participant Centered Learning' at Harvard Business School, Boston, USA. Prof. Vij was on the Panel of Judges for award of PM's trophy for selecting the best steel plant for 2 years (2011-2013) and has also been a member of Ad-Hoc Task Force, Results Framework Document (2011-2013).

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

She has published several research papers in International and national Journals of repute and has presented papers globally in the field of banking and finance. She has authored four books namely Multinational Financial Management, Management Accounting, Management of Financial Institutions and a book on Corporate Finance for NIIT for MBA participants for ITT, USA. She has also co-authored two books – one on 'Merchant Banking and Financial Services' and the second one on 'Women's Studies in India: A Journey of 25 Years.

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

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

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

She does not hold any share of the Company in her name as on 31st March, 2018.



3. BOARD COMMITTEES

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

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

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

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

i) Audit Committee

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

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 25th September, 2017 to answer member queries.

The Committee's existing composition meets with requirements of Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

During the year under review, the Audit Committee met Five (5) times i.e. on 30th May, 2017, 10th August, 2017, 14th November, 2017, 14th February, 2018 and 31st March, 2018, and the maximum time gap between any two consecutive meetings did not exceed 120 Days. The minutes of the meetings of the Audit Committee are noted by the Board. The details of the composition of the Committee, meetings held, attendance at the meetings along, are given below.

Name	Position	Meetings Attended
Mr. Vijay Burman	Chairman	5
Mr. Maharaj Kishan Trisal	Member	4
Mr. Satnam Arora	Member	5
Mr. Satish Chandra Gupta	Member	5
Ms. Madhu Vij	Member	4
Mr. Khedaim Abdulla Saeed Faris Alderei (Resigned w.e.f. 8 th March, 2018)	Member	1
Mr. Sandeep Kholi (Resigned w.e.f. 22 nd June, 2018)	Member	3

Scope of the Audit Committee



The Audit Committee, inter alia, supports the Board to ensure an effective internal control environment. The Committee discharges such duties and functions with powers generally indicated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

The scope of the Audit Committee is as follows:

Powers of Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, adequate and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fee;
- Approving payment to Statutory Auditors for any other services rendered by them;
- Reviewing, with the management, the Annual Financial Statements and auditor's report thereon before submission to the Board for approval, with particular reference to, (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013 (b) Changes, if any, in accounting policies and practices and reasons for the same (c) Major accounting entries involving estimates based on the exercise of judgment by management (d) Significant adjustments made in the financial statements arising out of audit findings (e) Compliance with listing and other legal requirements relating to financial statements (f) Disclosure of any related party transactions (g) Qualifications in the draft audit report, if any.
- Reviewing, with the management, the Quarterly Financial Statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or rights issue, if any, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Reviewing, with the management, the performance of Statutory and Internal Auditors and adequacy of the internal control system;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Reviewing reports of internal audit and discussing with Internal Auditors on any significant findings of any internal investigations by the Internal Auditors and the executive management's response on matters and follow-up thereon;
- Reviewing reports of Cost Audit, if any, and discussion with Cost Auditors on any significant findings by them;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- To review the functioning of the Vigil (Whistle Blower) mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Recommending to the Board, the appointment and fixation of remuneration of Cost Auditors, if applicable;
- Evaluating Internal Financial Controls and Risk Management Systems and reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the Management Discussion and Analysis of financial condition and results of operation;
- Reviewing the statement of significant related-party transactions;
- Reviewing the Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- To review the appointment, removal and terms of remuneration of the Chief Internal Auditor.
- To review the Internal Audit report relating to internal control weaknesses.

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

- The Company Secretary, being the Compliance Officer is entrusted with the responsibility to specifically look into the Redressal of shareholders and investors complaints and report the same to Stakeholder Relationship Committee.
- The Functioning and terms of reference of Stakeholder Relationship Committee includes:
- To specifically look into the Redressal of investors' grievances pertaining to transfer/ transmission of shares, dividends, de-materialization/ re-materialization, replacement of lost/ stolen/ mutilated share certificates;
- To consider the matters relating to transfer, transmission and transposition of shares, sub-division and consolidation of shares, replacement of lost/ stolen and mutilated share certificates and review of requests for de-materialization/ re-materialization of share.
- Other related issues and to strengthen investors' relations.

In accordance with Section 178(5) of the Companies Act, 2013 and as per the requirements of SEBI (LODR), 2015, the Board of Directors of the Company, have approved the change in nomenclature of the Shareholders Grievances Committee to Stakeholders Relationship Committee and enhanced their role. The Board of Directors of the Company currently has a Stakeholders Relationship Committee to specifically look into and resolve grievances of security-holders on various matters. Routine queries/complaints received from shareholders are promptly attended to and replied by way of resolution by circulation. Queries/complaints received during the period under review related to non-receipt of annual report, change of company name, non-receipt of transferred shares and change of address and/or bank particulars. There were no pending



issues to be addressed or resolved

The Company received a total of 2 complaints from investors during the year 01.04.2017 to 31.03.2018, all of which were resolved within the stipulated time to the satisfaction of the complainants. No requests for share transfers are pending except those that are disputed or sub-judice.

Constitution of Stakeholders Relationship Committee is as under:

Name	Position
Mr. Vijay Burman	Chairman
Mr. Satish Chand Gupta	Member
Mr. Satnam Arora	Member
Mr. Sandeep Kohli	Ex-Chairman

(Resigned w.e.f. 22nd June, 2018)

iii) Nomination and Remuneration Committee

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI (LODR) Regulation 2015, the Board of Directors of the Company has constituted the Nomination and Remuneration Committee.

During the year under review, the Nomination and Remuneration Committee met two (2) times i.e. on 10th August, 2017 and 31st March, 2018.

Presently the Committee comprises of four members, all of them being Non-executive Independent Directors. The Company Secretary acts as Secretary to the Committee.

Constitution of Nomination and Remuneration Committee

Name	Position
Mr. Vijay Burman	Chairman
Mr. Maharaj Kishan Trisal	Member
Mr. Satish Chandra Gupta	Member
Ms. Madhu Vij	Member
Mr. Khedaim Abdulla Saeed Faris Alderei	Member

(Resigned w.e.f. 08th March, 2018)

Mr. Sandeep Kohli	Member
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(Resigned w.e.f. 22nd June, 2018)

Term of reference

The Nomination and Remuneration Committee is empowered to review and recommend to the Board of Directors, Remuneration and Sitting Fees of the Company's Independent Directors with the guidelines laid down under the statute. The scope of the Nomination and Remuneration Committee is as follows:

- formulating criteria for determining qualifications, positive attributes and independence of Directors and recommending to



the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

- formulating criteria for evaluation of performance of independent Directors and the Board;
- devising a policy on diversity of the Board;
- identifying and recommending individuals who are qualified to become Directors, and who may be appointed as Senior Management in accordance with the criteria laid down;
- recommending appropriate training program for new Directors, Key Managerial Personnel and Senior Management and periodically reviewing the same;
- evaluating the performance of the Directors based on the evaluation criteria and furnishing the Board with the necessary report for further evaluation;
- recommending to the Board a Policy, relating to the remuneration of the Directors, Key Managerial Personnel and Senior Management, and while formulating such Policy ensuring that:
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, of the quality required to run the Company successfully;
 - (ii) the relationship of remuneration to performance is clear and meets the appropriate performance benchmarks; and
 - (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between the fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- assisting the Board, as and when required, in relation to matters relating to remuneration and incentives payable to Directors, Key Managerial Personnel and Senior Management, including increments to the compensation structure;
- preparing a policy on diversity of the Board;
- recommending to the Board the re-appointment and removal of any individuals holding the office of a Director, Key Managerial Personnel or Senior Management, subject to the provision of the law and their service contract;
- reviewing remuneration of the Directors, Key Managerial Personnel and Senior Management based on performance criteria and recommending any changes thereto to the Board;
- determining whether the relevant Director has the requisite qualifications for practice of a profession in terms of section 197 of the Companies Act in relation to payment of remuneration for services rendered by such Director;
- undertaking such other functions as may be determined by the Board or required under the provisions of the Companies Act or the SEBI (LODR) Regulation, 2015; and
- undertaking such other actions as may be necessary or appropriate for performance of the aforementioned functions.

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



Detail of Remuneration of Directors

The table below provides the details of the remuneration paid to the Directors during the financial year 2017-18:

Name of Directors	Salary	Perquisites	Sitting Fee	Total
Executive Director-Promoters				
Mr. Jugal Kishore Arora (Whole time Director, designated as Chairman)	96,00,000	Nil	–	96,00,000
Mr. Satnam Arora (Joint Managing Director)	90,00,000	Nil	–	90,00,000
Mr. Gurnam Arora (Joint Managing Director)	90,00,000	Nil	–	90,00,000
Mr. Nitin Arora (Whole-time Director) (Resigned w.e.f. 10 th August, 2018)	72,00,000	Nil	–	72,00,000
Non-executive and Non- Independent				
Mr. Khedaim Abdulla Saeed Faris Alderei (Investor Director) (Resigned w.e.f. 8 th March, 2018)	–	–	–	–
Non-executive and Independent				
Mr. Vijay Burman	–	–	3,50,000	3,50,000
Mr. Sandeep Kohli (Resigned w.e.f. 22 nd June, 2018)	–	–	2,50,000	2,50,000
Mr. Maharaj Kishan Trisal	–	–	3,00,000	3,00,000
Mr. Satish Chandra Gupta	–	–	3,50,000	3,50,000
Ms. Madhu Vij	–	–	2,50,000	2,50,000
TOTAL	3,48,00,000	Nil	15,00,000	3,63,00,000

Remuneration to Executive Directors for 2017-2018

The Company has obtained the approval of the Central Government for payment of remuneration for the period of two years vide approval dated 3rd August, 2016 for the period 1/10/2015 to 30/09/2017.

Further the Re-Appointment and Remunerations of Mr. Jugal Kishore Arora (DIN 00010704), Mr. Satnam Arora (DIN 00010667) and Mr. Gurnam Arora (DIN - 00010731) had been approved by the Shareholders in the 28th Annual General Meeting of the Company held on 25th September, 2017 for the period of three years subject to the approval of the Central Government. In this regard the Company had already made application to the Central Government for approval.

Non-Executive Directors' Compensation

The Board of Directors at its meeting held on 13th November, 2014, revised sitting fee payable to Non-Executive Independent Directors amounting to Rs. 25,000/- per meeting for every meeting of the Board or Committees of the Board attended by them as member. The Company currently does not have a stock option programme for any of its Directors.

Maximum tenure of Independent Directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and Regulation 25(2) of SEBI (LODR), 2015.

Formal letter of appointment to Independent Directors

The Company issues a formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and Regulation 25 of SEBI (LODR), 2015. The terms and conditions of appointment of Independent Directors are placed on the Company's website www.kohinoorfoods.in/investor.



Pecuniary transactions with Non-Executive Directors

During the year under review, there were no pecuniary transactions with any Non-Executive Director of the Company.

Criteria of making payments to Non-Executive Directors

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

iv) Corporate Social Responsibility Committee

As per provisions under Section 135 of the Companies Act, 2013, all Companies having Net Worth of Rs. 500 crores or more, or Turnover of Rs. 1,000 crores or more or a Net Profit of Rs. 5 crores or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of Board of Directors comprising three or more Directors, at least one of whom should be an Independent Director and such Company shall spend 2% of the average net profits of the Company made during the three immediately preceding Financial Years.

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

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

The composition of the CSR Committee

A Committee of the directors, titled 'Corporate Social Responsibility Committee', was constituted by the Board with the following members:

1. Mr. Satish Chand Gupta
2. Mr. M K Trisal
3. Mr. Satnam Arora
4. Mr. Gurnam Arora
5. Mr. Sandeep Kohli

As the Average net Profit/(Loss) of the Company for last three financial years prior to 2017-18 comes to average net loss and therefore the company is not statutorily required to spend amount as prescribed for CSR expenditure.

Although the Company is not statutorily required to expend 2% of the average net profit (INR) of the last three financial years, being average net loss. The CSR Policy may be accessed on the Company's website at the link: www.kohinoorfoods.in/investor

Independent Directors' Meeting

In compliance with Schedule IV to the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR), 2015, a separate meeting of Independent Directors was held on 31st March 2018, without the attendance of Non-Independent Directors and Members of management, inter alia, to discuss the following:

- i) review the performance of Non-Independent Directors and the Board as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All Independent Directors were present at the meeting, deliberated on the above and expressed their satisfaction.

All the Independent Directors were present at the meeting.



Board Diversity Policy

In compliance with provisions of SEBI (LODR) Regulations, 2015, the Board through its Nomination and Remuneration Committee has devised a Policy on Board Diversity. The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. It may be noted that, the Board composition as at present broadly meets with the above objective.

Orderly succession to Board and Senior Management

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

Code of Conduct for Board Members & Senior Management Team:

The Company's Board of Directors laid down and adopted a Code of Conduct under Corporate Governance for all the Directors and the Senior Management Personnel of your Company. The said Code of Conduct has also been posted on the Company's website. The Board members and Senior Management Personnel have affirmed their compliance with the Code of Conduct for 2017-18.

A declaration signed by the Company's Chairman and Managing Director to this effect is enclosed at the end of this report.

Compliances regarding Insider Trading

The Company implemented a Code of Conduct for the Prevention of Insider Trading, in accordance with the guidelines specified under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended till date.

The Code of Conduct for Prevention of Insider Trading, inter alia, prohibits purchase/sale of Company's shares, while in possession of Company's unpublished and price-sensitive information and accordingly necessary procedures have been laid down for the Promoters, Directors, designated employees, Key Managerial Personnel, connected persons and others as prescribed under the said code for trading in the Company's securities.

The code of practices and procedures for fair disclosures is available on the Company's website www.kohinoorfoods.in

Compliance Report as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Compliance Report of Kohinoor Foods Limited as on March 31st, 2018 with the applicable mandatory requirements is as under:

Review of legal compliance reports

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

Whistle Blower Policy/Vigil mechanism

The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy or any other grievances, the details of which are given in the Corporate Governance Report.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy may be accessed on the Company's website on the link www.kohinoorfoods.in/investor

Subsidiary, Joint Ventures and Associate Companies

The Company has two Wholly Owned foreign Subsidiaries, namely M/s Kohinoor Foods USA, Inc. (USA) and Indo European Foods Limited (UK), situated outside India and one Indian Wholly Owned Subsidiary in the name of Sachdeva Brothers Pvt. Ltd.

The company has no material subsidiary in accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. The statement provides the details of performance, financial positions of each of the subsidiaries.

Further these Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended March 31, 2018 are prepared under Ind AS for the first time. For all periods up to and including the year ended March 31, 2017, the financial statements were prepared in accordance with the accounting



standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information.

The Financial Statements have been prepared on the historical cost convention on going concern basis and on accruals basis unless otherwise stated.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'.

The financial statements of Kohinoor Foods Limited ("Holding Company or KFL") together with its subsidiaries (hereinafter collectively referred to as "Group") are consolidated to form Consolidated Financial Statements (CFS). Consolidated Financial Statements consolidate the financial statements of KFL and its Wholly Owned Subsidiaries.

The parent Company has not received audited financial statement from its Joint venture Company, Rich Rice Raisers LLC and Associate companies, Al Dahra Kohinoor LLC and Al Dahra Kohinoor Industries LLC. The Management considers that the parent company is not in position to exercise control over these entities. Hence the results of Joint Venture Company and associate companies have not been considered in the Consolidated Financial Statements.

Rich Rice Raisers LLC, in which, KFL hold 25% shareholding, has closed its operation. KFL holds 20% share in each of its associates companies. Al Dahra Kohinoor LLC has exercised the call option, which KFL has accepted. Upon completion of the formalities the shareholding of the parent company in both of these associates will reduce to NIL.

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

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

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

Related Party Transactions

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and did not attract provisions of Section 188 of Companies Act, 2013 and were also not material Related Party Transactions (RPTs) under Regulation 23 of SEBI (LODR), 2015. A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board during the year under review and the same is placed on the Company's website www.kohinoorfoods.in

Disclosure of Material Transactions

Under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company. The same was nil.

Disclosures

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

Investors' Complaints Attended/resolved during 2017-18

Pending at the beginning of the year	Nil
Received during the year	2
Disposed of during the year	2
Remaining unresolved at the end of the year	Nil



Financial calendar

Audited annual results for year ending 31st March by May
 Mailing of Annual Reports by August/September
 Annual General Meeting by September
 Un-audited first quarter Financial Results by August
 Un-audited second quarter Financial Results by November
 Un-audited third quarter Financial Results by February

Share Transfer Agent

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

Share Transfer System

Share transfers received by the Share Transfer Agent/Company are registered within 15 days from the date of receipt, provided the documents are complete in all respects. Total number of shares transferred from physical category to dematerialized form during 2017-18 was 5796 shares versus 7794 shares during 2016-17.

Voting through electronic means

Pursuant to section 108 of the Companies Act, 2013 and the Rules made thereunder, every Listed Company is required to provide its Members facility to exercise their right to vote at General Meetings by electronic means. The Company has entered into an arrangement with M/s Skyline Financial Services Pvt. Ltd., the authorized agency for this purpose, to facilitate such e-voting for its members. The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of Annual General Meeting, through such e-voting method. Further, in accordance with the Companies (Management and Administration) Rules, 2014 as amended, the Company shall also be making arrangements to provide voting facility through ballot at the venue of the Annual General Meeting. Shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting. Voting period, as per the amended Rules for e-voting shall be from 25th September, 2018 (9.00 a.m.) till 27th September, 2018 (5.00 p.m.). The Board has appointed Mr. Vinod Aggarwal, Practicing Company Secretary as scrutinizer for the e-voting process. Detailed procedure is given in the Notice of the Twenty-Ninth Annual General Meeting and is also placed on the website of the Company. Shareholders may get in touch with the Company Secretary for further assistance.

4. General Body Meetings

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

Year Ended	Date of AGM	Time	Venue	Special Resolutions Passed
2015	29-09-2015	04.00 P.M.	Pearey Lal Bhawan Association, 2 Bahadur Shah Zafar Marg, New Delhi 110002	3
2016	29-09-2016	11:00 A.M.	Pearey Lal Bhawan Association, 2 Bahadur Shah Zafar Marg, New Delhi 110002	0
2017	25-09-2017	11:00 A.M.	Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector-16A, Faridabad, Haryana – 121002.	6



5. Disclosures

a) Related Party Transactions

There were no related party transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of Companies Act, 2013. There being no 'material' related party transactions as defined under Regulation 23 of SEBI (LODR), 2015, there are no details to be disclosed in Form AOC-2 in that regard. The Policy on RPTs as approved by Board is uploaded on the Company's website www.kohinoorfoods.in

b) Compliances made by the Company

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

c) The Company has complied with the applicable mandatory requirements of SEBI (LODR) Regulations, 2015. There are certain Non-mandatory requirements which have also been unilaterally adopted by the Company.

d) Reconciliation of Share Capital Audit

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

6. Means of Communication

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

a) Financial Results:

The Quarterly, Half yearly and Annual Results are submitted to the Stock Exchange(s) in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Quarterly, Half yearly and Annual Results in the prescribed format were generally published in English Newspaper Financial Express and regional language newspaper (Hindi) in Jansatta. The same were sent to Stock Exchanges and were also displayed on the website of the Company, www.kohinoorfoods.in.

b) Website:

The Company's website www.kohinoorfoods.in contains a separate dedicated section 'Investor' where shareholders information is available. The Company's Annual Report and all other relevant information are also available in a user-friendly and downloadable form.

c) Annual Report

The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report with relevant annexure, Auditors' Report and other important information is circulated to members and others entitled thereto. The Annual Report is displayed on the Company's website (www.kohinoorfoods.in).

d) NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Results and other requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, media releases, among others are filed electronically on NEAPS, by the Company.

e) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Results, media releases, among others are also filed electronically on the Listing Centre by the Company.

f) SEBI Complaints Redress System (SCORES)

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



g) Designated Exclusive email-id

The Company has designated the email-id "Investors@kohinoorfoods.in" exclusively for investor servicing.

7. Shareholders Information

Annual General Meeting

Date	:	28 th September, 2018
Time	:	11:00 A.M.
Venue	:	Magpie Tourist Complex (a unit of Haryana Tourism Corporation Limited), Main Mathura Road, Sector 16A, Faridabad, Haryana-121002
Financial Calendar	:	1 st April to 31 st March
Date of Book Closure	:	22.09.2018 to 28.09.2018 (both days inclusive)
CIN	:	L52110HR1989PLC070351 (w.e.f. 16 th August, 2017)

8. Listing on Stock Exchanges

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

9. Payment of Listing Fees

The annual listing fee for the Financial Year 2018-2019 has been paid by the Company to BSE and invoice of listing fees of NSE is yet to be revised by NSE.

10. Payment of Depository Fees

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

11. Trading Symbol / Stock Code

1. National Stock Exchange of India Ltd. Mumbai (NSE)	:	KOHINOOR
2. The BSE Ltd., Mumbai (BSE)	:	512559
3. ISIN Number for NSDL & CDSL	:	INE080B01012

STOCK MARKET DATA

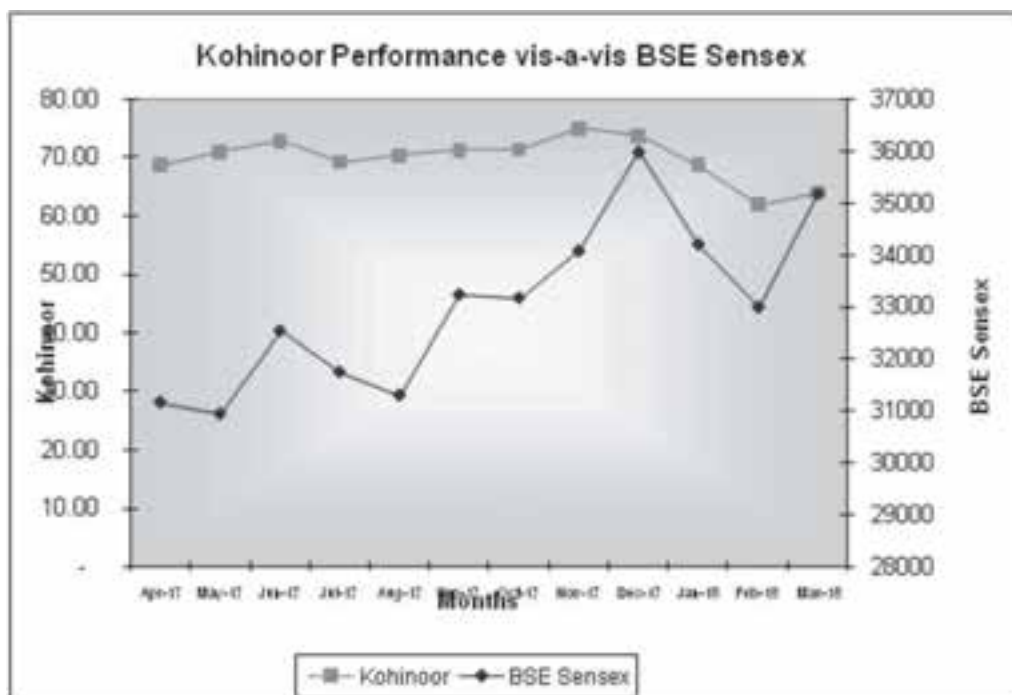
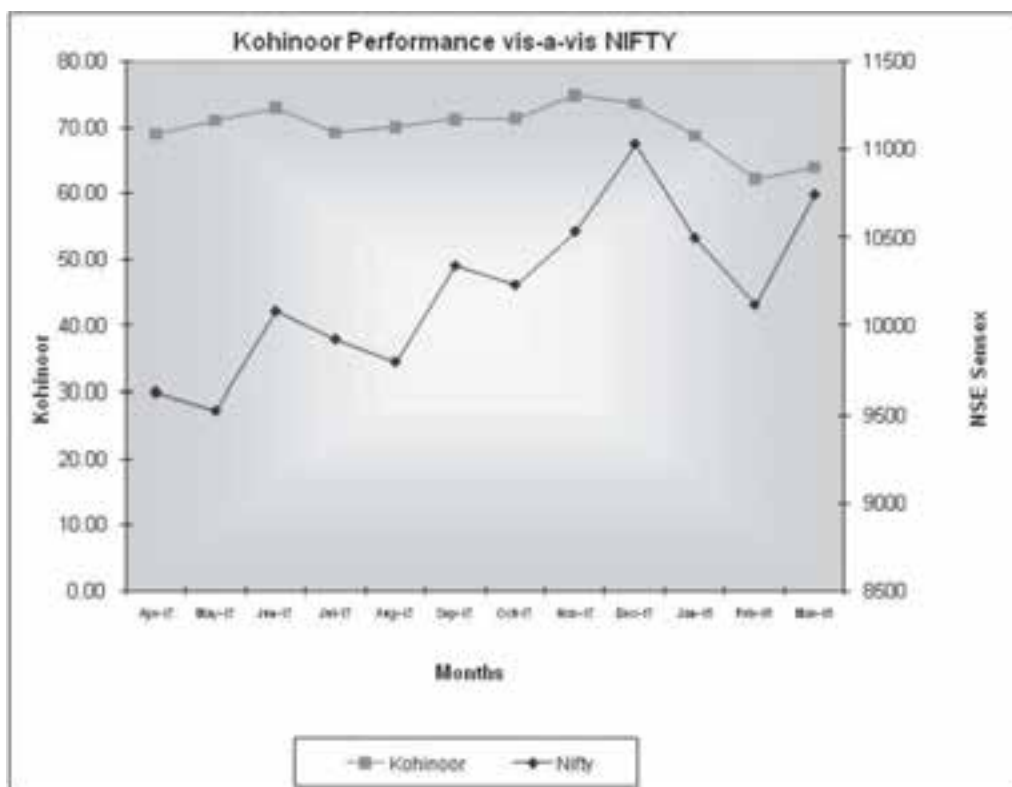
Monthly High and Low quotations of Shares traded at The National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE).

Month/Year	N.S.E		B.S.E	
	High(Rs.)	Low(Rs.)	High(Rs.)	Low(Rs.)
April 2017	85.45	78.00	85.55	77.40
May 2017	89.30	65.10	89.40	62.85
June 2017	78.00	68.75	78.00	67.25
July 2017	78.30	71.00	78.40	70.95
August 2017	73.85	58.55	73.90	59.60
September 2017	80.50	66.90	80.50	67.00
October 2017	76.45	69.50	76.55	69.30
November 2017	75.65	65.10	75.65	65.00
December 2017	82.50	69.00	82.70	69.20
January 2018	95.75	72.60	95.65	72.80
February 2018	79.70	61.10	79.85	61.50
March 2018	70.20	61.50	70.05	61.40



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

Relative Price Movements April 2017 – March 2018 (Base price as on 1st April 2017)





12. Registrar and Share Transfer Agent

M/s. Skyline Financial Services Pvt. Ltd.
D-153-A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi 110 020

Share Transfer System

All the Transfers received are processed and approved by the share transfer committee and sent to the shareholders within a period of 15 days. The Company obtains from a practicing Company Secretary half yearly certificate of compliance as required under Regulation 40(9) of SEBI (LODR) Regulation, 2015 and files the same with Stock Exchanges.

13. Distribution of Shareholding and Shareholding Pattern as on 31st March, 2018.

Distribution of Shareholding as on 31st March, 2018, as per SEBI (LODR) Regulations, 2015. (As per PAN Basis)

NO. OF SHARES		SHARE HOLDERS		TOTAL SHARES	
		No.	% age	Total	% of Total
01	500	30171	91.84	3029570	8.60
501	1,000	1452	4.42	1210168	3.43
1,001	2,000	628	1.91	966541	2.74
2,001	3,000	224	0.68	568276	1.61
3,001	4,000	82	0.25	297731	0.84
4,001	5,000	86	0.26	408056	1.16
5,001	10,000	103	0.31	788645	2.24
10,001	Above	104	0.32	27972543	79.37
Total		32850	100.00	35241530	100.00

Note: Total No. of Shareholders on the basis of PAN are 31,412.

Category of Shareholders as on 31st March 2018

Category	No. of Shares of Rs. 10 each	Percentage (%) of Total
Promoter, Directors and Relatives	18395240	52.20
Mutual Funds / UTI	0	0.00
Alternative Investment Funds	0	0.00
Foreign Portfolio Investors	60000	0.17
Financial Institutions/Banks	161075	0.46
Insurance Companies	0	0.00
Foreign Institutional Investors	0	0.00
Foreign Companies	7048306	20.00
Domestic Companies/Bodies Corporate	787924	2.24



Category	No. of Shares of Rs. 10 each	Percentage (%) of Total
Non-resident Individual	233200	0.66
Others	610	0.00
Individual Shareholders	7757229	22.01
HUF	360088	1.02
Clearing Member/House	437858	1.24
Total	35241530	100.00

Status of Dematerialization/Physical form of Shares

The detail of shares dematerialized and those held in physical form, as on 31 st March 2018. (As per Shareholding basis)				
Particulars of Shares	Shares of Rs. 10 each		Shareholders	
	Number	% of Total	Number	% of Total
De-materialised Form				
National Securities Depository Ltd. (NSDL)	31700600	89.96	13938	42.43
Central Depository Services (India) Ltd. (CDSL)	3078404	8.73	9079	27.64
Physical Form	462526	1.31	9833	29.93
Total	3,52,41,530	100.00	32,850	100.00

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

14. CEO and CFO Certification

The Joint Managing Directors of the Company give quarterly certification on Financial Results while placing Financial Results before the Board in terms of SEBI (LODR) Regulation, 2015. The Joint Managing Director and CFO of the Company have also given certificate on CEO and CFO Certification for the year ended 31st March, 2018 and the same is attached with the Annual Report.

15. Compliance Certificate

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

16. Dematerialisation of Shares

The Shares of the Company are in Compulsory Demat segment and are available for trading in the depository systems of both the National Securities Depository Ltd. (NSDL) and the Central Depository Services (India) Ltd. (CDSL). At the end of Financial Year, 2017-2018, the total dematerialized equity shares of the Company is 3,47,79,004 Equity Shares forming 98.69% of the total share capital of the Company.

17. Promoters Shareholding

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



18. Un-Paid Dividend of Shareholders

As per MCA Circular no. G.S.R.352 (E) dated 20th May, 2012 the List of Un-paid dividend, transferred to Investor Education and Protection Fund (the IEPF) established by the Central Government and is available on MCA Portal as well as on the Company's website www.kohinoorfoods.in/investor.

19. Green Initiatives

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

20. Plant Locations

-50-51 Milestone, G.T.Karnal Road, Murthal, Dist. Sonapat (Haryana)-131027

-42-43 Milestone, G. T. Karnal Road, Village Sultanpur, Bahalgarh, Sonapat, Haryana-131021

21. Address for Correspondence

Shareholders Correspondence may be addressed to:

M/s. Skyline Financial Services Pvt. Ltd.

D-153-A, 1st Floor,

Okhla Industrial Area,

Phase-I, New Delhi 110 020

Or

The Company Secretary

Kohinoor Foods Limited

Pinnacle Business Tower, 10th Floor, Shooting Range Road,

Surajkund, Faridabad, Haryana- 121001

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

Declaration—Compliance with the Code of Conduct

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Jugal Kishore Arora, Chairman of the Company, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended 31st March 2018.

FOR AND ON BEHALF OF THE BOARD

Sd/-

Jugal Kishore Arora

Chairman

Date : 14th August, 2018

Place : Faridabad



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Member,
Kohinoor Foods Limited,

We have reviewed the implementation of the Corporate Governance procedures by Kohinoor Foods Ltd. (the Company), for the year ended on 31st March, 2018, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.

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 statements of the Company.

We state that no investor grievance is pending for a period exceeding one month against the Company from the date of receipt of the grievance by the Company as per the records and other documents maintained by the Shareholders/Investor Grievance Committee.

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

On the basis of our review and according to the best of our information and according to the explanations given to us, the Company has been complying with the conditions of Corporate Governance, as stipulated in the Listing Agreements with the Stock Exchange(s), as in force.

For **Rajender Kumar Singal & Associates LLP**

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-

Pankaj Gupta

Partner

Membership No. 094909

Place: New Delhi

Date: 14.08.2018

CEO AND CFO CERTIFICATION

The Board of Directors,
Kohinoor Foods Limited

Dear Members of the Board,

As stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Satnam Arora, Jt. Managing Director and Kamal Deep Chawla, Chief Financial Officer, of the Company, to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:

There have been no significant changes in the internal control over financial reporting during this year.

There have been no significant changes in the accounting policies this year and that the same have been disclosed in the notes to the financial statements.

There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Sd/-

Satnam Arora
Jt. Managing Director

Sd/-

Kamal Deep Chawla
(CFO)

Place : Faridabad
Date : 14.08.2018



FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kohinoor Foods Limited
Pinnacle Business Tower, 10th Floor
Shooting Range Road, Surajkund
Faridabad – 121001 Haryana

We were appointed by the Board of Directors of M/s Kohinoor Foods Limited to conduct the Secretarial Audit of the Company for the financial year ended on 31st March, 2018.

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

Based on our verification of Kohinoor Foods Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place, to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Kohinoor Foods Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not Applicable as the Company did not issue any security during the financial year under review.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable as the Company has not granted any options to its employees during the financial year under review.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as the Company has not issued any debt security during the financial year under review.**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable as the Company has not bought back any of its securities during the financial year under review.**



- (vi) Other laws as specifically applicable to the Company based on its sector/industry,
 - (a) The Food Safety and Standards Act including packaging and Labelling Laws.
 - (b) Prevention of Food Adulteration Act, 1954.
 - (c) Legal Metrology Act, 2009 and rules and regulations made thereunder.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (b) The applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (c) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (b) Adequate notice of at least seven days is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least three days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Wherever shorter notice(s) are sent, there is a system in place to seek the consent of Director(s) for the same.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

We further report that during the audit period the application made by the Company, seeking approval of the Central Government for appointment and payment of remuneration to Mr. Nitin Arora has been disposed off by the Central Government (Ministry of Corporate Affairs) vide email/letter dated 26th December, 2017.

We further report that during the audit period the Company has obtained approval of the members under section 196, 197 and 203 of the Companies Act, 2013 by way of Special Resolution, passed in Annual General Meeting of the Company held on 25th September, 2017, for appointment and payment of remuneration to Mr. Jugal Kishore Arora (Whole-time Director designated as Chairman), Mr. Satnam Arora (Jt. Managing Director) and Mr. Gurnam Arora (Jt. Managing Director), subject however to the approval of the Central Government in this regard. The Company has made the respective applications to the Central Government (Ministry of Corporate Affairs) which is pending.

Place: New Delhi

Date: 14.08.2018

For Vinod Aggarwal & Associates

Company Secretaries

Sd/-

Vinod Aggarwal, Prop.

FCS No: 8007

CP No: 8816

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



Annexure A

To,
The Members
Kohinoor Foods Limited
Pinnacle Business Tower, 10th Floor
Shooting Range Range, Surajkund Faridabad – 121001, Haryana

Our report of even date is to be read along with this letter.

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

Place: New Delhi
Date: 14.08.2018

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

ANNEXURE – 'B' TO THE DIRECTORS' REPORT

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming Part of the Directors' Report for the year ended 31st March, 2018.

A. Conservation of Energy

Improvement of methods of Energy Conservation and optimal utilization of Energy in all operations, continued to receive close attention. Company is always conscious to conserve energy through improved methods of operations and design. In this regard the Company has introduced energy saving features in the systems and monitors by which the user saves the power consumption to a considerable extent. The company's efforts towards energy conservation resulted in reduction in power and fuel expenses by 45% from Rs. 7.48 crores last year to Rs. 5.12 crores during the current year.

B. Research & Development (R & D)

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

Research & Development has always been a focus area at Kohinoor Foods Ltd. during the year the Company has put special efforts in research and development. As the company had also started production in its new food factory at Sonapat, which has state of art R & D facility The R&D team of the Company has worked on a number of areas, more specifically in the areas of frozen foods. This has resulted in the Company being able to launch a range of products in the Kohinoor 'Ghee' and introduction of new range product variants e.g. Rice Bran Oil, Dry Fruits, Healthy grain, in both Ready to Eat & Ready to Cook segments. We expect to notch up good numbers in the next financial year through some exciting product launches and expanding & streamlining the distribution network. The company is also perusing R & D activities in the organic food product. During the year there is an decrease of 51.20% in R & D expenditure by the company, amounting to Rs. 28.21 lakhs against the last year amount of Rs. 57.81 lakhs.



ii) **Future plan of action**

Steps are continuously being taken to promote the branded sales in overseas market. During the year the company launched Monsoon brand basmati rice in domestic as well as in International Market. The Company is continuously making efforts to provide best of quality products to its customers.

iii) **Expenditure on R&D**

a) Capital	:	Nil
b) Recurring	:	Rs. 2,821,930/-
c) Total	:	Rs. 2,821,930/-

Total R&D expenditure is 0.05% of Turnover.

C) **Technology Absorption, Adaptation and Innovation**

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

D) **Foreign Exchange Earnings and Outgo**

a) **Total Foreign Exchange earned and used.**

Foreign Exchange Earnings of the Company amounted to Rs. 52904.72 Lacs as against Foreign Exchange Outgo of Rs. 1912.83 Lacs during the year under review.

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

During the year, Kohinoor Foods has put in a lot of emphasis to increase exports of value added food products, in International Market, from the country, namely, the following:

- Ready to Eat-Pasta/Salad
- Frozen Butter
- Indian Sweets
- Paneer
- Rice Bran Oil
- Healthy grain
- Organic Food Products
- Namkeen
- Processed Foods (value added culinary products using basmati rice, and other vegetables)

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

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

FOR AND ON BEHALF OF THE BOARD

Sd/-

JUGAL KISHORE ARORA

CHAIRMAN

Place : Faridabad

Date : 14.08.2018



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L52110HR1989PLC070351
ii) Registration Date	26 th July, 1989
iii) Name of the Company	Kohinoor Foods Limited
iv) Category / Sub - Category of the Company	Public (Listed) Company
v) Address of the Registered/Corporate office and contact details:	Pinnacle Business Tower, 10 th Floor, Shooting Range Shooting Range Road, Surajkund, Faridabad, Haryana- 121001 Phone: +91-129-424-2222, Fax: +91-129-424-2233 Email: info@kohinoorfoods.in Website: www.kohinoorfoods.in
vi) Whether listed company Yes / No	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Pvt. Ltd., Off: D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph No. 011- 40450193 to 97

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities are under single segment and not contributing 10 % or more of the total turnover of the company:-

S.NO	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Rice and Food	2042 & 2180	94.5% & 5.50%



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	Indo European Foods Limited, Kohinoor Congress House 6 th Floor, Suite 2, 14 Lyon Road, Harrow, Middlesex, Post Code: HA2 2EN, United Kingdom	NA	SUBSIDIARY	100%	
2.	Kohinoor Foods USA INC, 40, Northfield Avenue Edison, NJ 08837	NA	SUBSIDIARY	100%	
3.	Sachdeva Brothers Pvt. Ltd. 201, Vipps Centre, Masjid Moth, Greater Kailash-II, New Delhi-110 048	U15311DL1986PTC222606	SUBSIDIARY	100%	
4.	Rich Rice Raisers Factory LLC, Post Box No. 15542, Al Quoz Industrial Area, 3 rd Interchange, Sh Zayed Road, Dubai, U.A.E.	NA	ASSOCIATE	25%	
5.	Al Dahra Kohinoor LLC, Abu Dhabi, U.A.E.	NA	ASSOCIATE	20%	
6.	Al Dahra Kohinoor Industries LLC, Abu Dhabi, U.A.E.	NA	ASSOCIATE	20%	

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
A. Promoter									
(1) Indian									
a) Individual / HUF	18291140	0	18291140	51.90	18291140	0	18291140	51.90	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	104100	0	104100	0.30	104100	0	104100	0.30	0
Sub-total (A) (1):-	18395240	0	18395240	52.20	18395240	0	18395240	52.20	0



Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
(2) Foreign									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other.....	0	0	0	0	0	0	0	0	0
Sub-Total									
(A) (2):-									
Total shareholding of Promoter	18395240	0	18395240	52.20	18395240	0	18395240	52.20	0
(A) = (A)(1)+(A)(2)									
B. Public Share holding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	185084	0	185084	0.53	161075	0	161075	0.46	(0.07)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Others (specify)	10000	0	10000	0.03	60000	0	60000	0.17	0.14
Sub-total (B)(1):-	195084	0	195084	0.56	221075	0	221075	0.63	0.07
2. Non Institutions									
a) Bodies Corp.									
i) Indian	1438246	34376	1472622	4.18	753548	34376	787924	2.24	(1.94)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(I) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4999495	415908	5415403	15.37	5826654	409216	6235870	17.70	2.33



Category of Shareholders		No. of Shares held at the beginning of the year			No. of Shares held at the end of the year				% Changing During Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1772675	16200	1788875	5.07	1505159	16200	1521359	4.31	(0.76)
c) Other specify									
N.R.I. (Rept & Non-Rept)	151964	0	151964	0.43	233200	0	233200	0.66	0.23
Public Trusts	0	0	0	0	0	0	0	0	0
Corporate Bodies-OCB	7048306	0	7048306	20	7048306	0	7048306	20	0
Intermediary/Other Depository A/c	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	366087	0	366087	1.03	360088	0	360088	1.02	(0.01)
Clearing Members/House	406099	0	406099	1.15	437858	0	437858	1.24	0.09
Qualified Foreign Investor-Individual	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor-Corporate	0	0	0	0	0	0	0	0	0
NBFC's Registered with RBI	1850	0	1850	0.01	610	0	610	0	(0.01)
Sub-total (B)(2):-	16184722	466484	16651206	47.25	16165423	459792	16625215	47.17	(0.07)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	16379806	466484	16846290	47.80	16386498	459792	16846290	47.80	0
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	34775046	466484	35241350	100	34781738	459792	35241530	100	0



(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Gurnam Arora	6098889	17.31	-	6098889	17.31	-	-
2.	Jugal Kishore Arora	6043484	17.15	-	6043484	17.15	-	-
3.	Satnam Arora	5378923	15.26	-	5378923	15.26	-	-
4.	Rani Arora	746009	2.12	-	746009	2.12	-	-
5.	Nitin Arora	21000	0.06	-	21000	0.06	-	-
6.	Madhu Arora	1869	0.00	-	1869	0.00	-	-
7.	Meena Rani Arora	966	0.00	-	966	0.00	-	-
8.	Satnam Haegens Ltd.	104100	0.30	-	104100	0.30	-	-
	Total	18395240	52.20	-	18395240	52.20	-	-

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-



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

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative	
		No. of Shares at the beginning (01-04-17)	% of total shares of the Company				No. of Shares	% of total shares of the company
1.	Al Dahra International Investments LLC	7048306	20.00	31.03.2018	-	-	7048306	20.00
2.	Angel Broking Private Limited	218073	0.62	07.04.2017	54183	Sale	163890	0.47
3.	Naminder Singh Dhir	147090	0.42	31.03.2018	-	-	147090	0.42
4.	Nitin Kapil Tandon	120000	0.34	31.03.2018	-	-	120000	0.34
5.	United India Insurance Company Limited	117081	0.33	31.03.2018	-	-	117081	0.33
6.	Pelican Wealth Advisory Services Private Limited	0	0.00	31.03.2018	88000	Purchase	88000	0.25
7.	Ramakant R Kasat	60000	0.17	31.10.2017	-	-	60000	0.17
8.	India Opportunities Growth Fund Ltd - Pinewood Strategy	0	0.00	08.12.2017	50000	Purchase	50000	0.14
9.	Sharekhan Limited	75712	0.21	07.04.2017	47477	Sale	26235	0.07
10.	Motilal Oswal Securities Ltd - Collateral Account	125611	0.36	07.04.2017	111100	Sale	14511	0.04

(iii) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative	
		No. of shares at the beginning (01-04-17) /end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the company



Directors

1.	Jugal Kishore Arora (Chairman)	6043484	17.15	31.03.2018	-	-	-	-
2.	Satnam Arora (Jt.M.D)	5378923	15.26	31.03.2018	-	-	-	-
3.	Gurnam Arora (Jt.M.D)	6098889	17.31	31.03.2018	-	-	-	-
4.	Vijay Burman (Non-Executive & Independent Director)	-	-	31.03.2018	-	-	-	-
5.	M.K. Trisal (Non Executive & Independent Director)	-	-	31.03.2018	-	-	-	-
6.	Satish Chandra Gupta (Non- Executive & Independent Director)	-	-	31.03.2018	-	-	-	-
7.	Sandeep Kohli (Non-Executive & Independent Director) <i>(Resigned w.e.f 22/06/2018)</i>	-	-	31.03.2018	-	-	-	-
8.	Khedaim Abdulla Saed Faris Alderei (Non-Executive & Independent Director) <i>(Resigned w.e.f 08/03/2018)</i>	-	-	31.03.2018	-	-	-	-
9.	Nitin Arora (hole- time Director) <i>(Resigned w.e.f 10/08/2018)</i>	21000	0.06	31.03.2018	-	-	-	-
10.	Madhu Vij (Non- Executive & Independent Director)	-	-	31.03.2018	-	-	-	-
Key Managerial Personnel								
Kamal Deep Chawla (CFO) (Appointed w.e.f. 30/03/2018)		-	-	31.03.2018	-	-	-	-
Prabhat Kumar (Ex-CFO) (Resigned w.e.f. 28/02/2018)		-	-	-	-	-	-	-
Rama Kant, GM (CS & Compliance Officer)		-	-	31.03.2018	-	-	-	-



V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,515,839,538	439,653,188	-	7,955,492,726
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	4,818,334	-	-	4,818,334
Total (i+ii+iii)	7,520,657,872	439,653,188	-	7,960,311,060
Change in Indebtedness during the financial year				
· Addition	-664,382,430	-	-	-664,382,430
· Reduction	-	103,177,351	-	103,177,351
Net Change	-664,382,430	-103,177,351	-	-767,559,781
Indebtedness at the end of the financial year				
i) Principal Amount	6,853,972,828	336,475,837	-	7,190,448,665
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,302,614	-	-	2,302,614
Total (i+ii+iii)	6,856,275,442	336,475,837	-	7,192,751,279

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTM/ Manager				Total Amount
		Mr. Jugal Kishore Arora	Mr. Satnam Arora	Mr. Gurnam Arora	Mr. Nitin Arora (Resigned w.e.f 10/08/2018)	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,600,000	9,000,000	9,000,000	7,200,000	34,800,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	9,600,000	9,000,000	9,000,000	7,200,000	34,800,000
	Ceiling as per the Act					



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Vijay Burman	Mr. Sandeep Kohli (Resigned w.e.f 22/06/2018)	Mr. M.K. Trisal	Mr. SC Gupta	Mrs. Madhu Vij	
	3. Independent Directors						
	· Fee for attending board / committee meetings	3,50,000	2,50,000	3,00,000	3,50,000	2,50,000	15,00,000
	· Commission	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-
	Total (1)	3,50,000	2,50,000	3,00,000	3,50,000	2,50,000	15,00,000
	4. Other Non-Executive Directors						
	· Fee for attending board / committee meetings	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	3,50,000	2,50,000	3,00,000	3,50,000	2,50,000	15,00,000
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

C. Remuneration to key Managerial Personnel other than MD/Manager/WTM

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,227,960	2,835,727	5,063,687
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	2,227,960	2,835,727	5,063,687

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no penalties/punishment/compounding of offences against Kohinoor Foods Limited and its Directors and Officers for the year ended on 31st March, 2018.

ANNEXURE-D

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

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

S. No.	Name of Director/KMP	Designation	Ratio of remuneration of each director to median remuneration of Employees	Percentage increase in remuneration during FY 2017-18
1	Mr. Jugal Kishore Arora	Chairman	41.41	0.00%
2	Mr. Satnam Arora	Jt. Managing Director	38.79	0.00%
3	Mr. Gurnam Arora	Jt. Managing Director	38.79	0.00%
4	Mr. Nitin Arora	Whole-time Director	31.03	0.00%
5	Mr. Prabhat Kumar (April 2017 to February 2018)	Chief Financial Officer	12.22	0.00%
6	Mr. Rama Kant	Company Secretary	9.60	0.00%

3)	Percentage increase in the median remuneration of employees in the financial year	-7.88%
4)	Number of permanent employee on the roll of Company as at March 31, 2018	232
5)	Explanation on the relationship between average increase in remuneration and company Performance.	There was no increase in employees remuneration during the year.

(Rs. in Million)

6)	Comparison of remuneration of Key managerial Remuneration against the performance of the company	Total Turnover	8,592.00
		Total Remuneration to KMP	39.87
		Total Remuneration of KMP as % to total revenue	0.46%
7) i	Variation in market capitalization of the company as at March 31, 2018	Market capitalization decreased from Rs. 2981.43 million as on 31 st March 2017 to Rs. 2186.70 million as on 31 st March 2018	
ii	Price earning ratio of the Company	N/A	
iii	Percentage increase over/decrease in the market quotation of the shares of the company as compared to the rate at which the company come out with the last Public offer in the year	N/A	
8)	Average percentile increase already made in the salaries of the employee other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration	There was no increase in managerial remuneration and in the salaries of employees other than the managerial personnel.	



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

S. No.	Name of KMPs	Remuneration in FY 2017-18 (Rs. in Million)	Remuneration as% of revenue median remuneration of Employees
1	Mr. Jugal Kishore Arora	9.61	0.11%
2	Mr. Satnam Arora	9.00	0.10%
3	Mr. Gurnam Arora	9.00	0.10%
4	Mr. Nitin Arora	7.20	0.08%
5	Mr. Prabhat Kumar	2.84	0.03%
6	Mr. Rama Kant	2.23	0.03%

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



Independent Auditors' Report

TO THE MEMBERS OF KOHINOOR FOODS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Kohinoor Foods Limited ("the company"), which comprises the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion, based upon information and explanation given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

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

- (1) As stated in Note 4 to the standalone financial statements, the company has adjusted the value of inventories by Rs 24445.09 Lacs as at the date of transition i.e. April 1, 2016, by reducing the amount of Borrowing cost included in the value of inventories.
- (2) As stated in Note 6 (c) to the standalone financial statements, regarding company's investment in its wholly owned subsidiary, Kohinoor Foods USA Inc., amounting to Rs 3978.45 Lacs. This subsidiary company has been incurring continuous losses and its net worth is fully eroded. However, based on factors regarding future business plan, growth prospects of subsidiary as described in the said note, Management believes that the realizable value is higher than the carrying value of the investment due to which Investments are recognised at carrying value.
- (3) As stated in Note 41 to the standalone financial statements, the company has not made Provision for the demand raised by various authorities as the matters are pending before various Appelatte forum.



- (4) As stated in Note 44 of standalone financial statement, as per information and explanation given to us, the company has not paid interest to banks and its outstanding balance in loan accounts has exceeded its drawing power since February, 2018.
- (5) As stated in Note No. 50 of standalone financial statement, balances of debtors, creditors, loan and advances are subject to confirmation.
- (6) As stated in Note No. 5 of standalone financial statement, the management has upwardly revalued the carrying amount of Fixed assets by Rs 15885.18 Lacs as at the date of transition i.e. April 1, 2016, which consequently resulted in increase of revaluation reserve.
- (7) We draw your attention to clause (ii) of Annexure-A to our report, we did not have occasion to overview the physical stock taking done by the management during the financial year 2017-18 and have relied on the information and explanations provided to us by the management.

Our opinion is not modified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the Matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone financial statement dealt with in the report are in agreement with the books of account and return;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 41 to the financial statements;
- ii. Except for the possible effects of the matter described in the basis for emphasis of mater paragraph, the company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 19 and 24 to the financial statements;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For RAJENDER KUMAR SINGAL & ASSOCIATES LLP

(CHARTERED ACCOUNTANTS)

FRN NO.: 016379N

Sd/-

(Pankaj Gupta)

Partner

Place: New Delhi

Date: 30th May, 2018

Membership No. 94909



Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2018, 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 explanation given to us, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to information and explanation given to us physical verification of inventory has been conducted at reasonable intervals by the management. However, we did not have occasion to overview the physical stock taking. Further according to information and explanation given to us no material discrepancy was noticed in such verification by management.
- (iii) According to information and explanation given to us The Company has granted unsecured loans to company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) according to information given to us the terms and conditions of grant of such loan is not prejudicial to the interest of the Company
 - (b) according to information given to us the schedule of repayment of loan is not specified and is repayable on demand.
 - (c) according to information given to us, there is no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) To the best of our knowledge and explanation given to us, the company has not accepted any deposit from the public.
- (vi) To the best of our knowledge and explanation given to us, the cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act have been made and maintained by the company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authority.
- (b) According to information and explanations given to us, the following dues of income tax, sales tax, service tax, duty of excise, and value added tax have not been deposited by the Company on account of disputes:



Nature of Dues	Amount (Rs. in Lacs)	Period to which the Amount relates	Forum where dispute is pending
Income Tax	346.70	2002-03 to 2008-09	High Court of Delhi
Income Tax	116.83	2002-03 to 2008-09	ITAT Delhi
Income Tax	127.93	2009-10	Income Tax Appellate Tribunal- (New Delhi)
Income Tax	3679.11	2010-11	Income Tax Appellate Tribunal- (New Delhi)
Income Tax	1420.98	2011-12	Income Tax Appellate Tribunal- (New Delhi)
Income Tax	2294.97	2012-13	CIT (A)
Income Tax	671.21	2013-14	CIT (A)
Income Tax	1251.89	2014-15	CIT (A)
Sales Tax - Delhi	122.00	1991-92 to 2000-01	Commissioner of Sales Tax (Delhi)
Sales Tax - Amritsar	455.82	2009-10 to 2010-11	Deputy Excise & Taxation Commission (Appeal)
Sales Tax - Haryana	732.35	2008-09	VAT Tribunal, Haryana
Sales Tax - Haryana	52.64	2014-15	Jt. Excise and Taxation Commissioner (Appeals), Rohtak
Sales Tax - Haryana	98.60	2010-11	Jt. Excise and Taxation Commissioner (Appeals), Rohtak
Sales Tax - Haryana	132.21	2011-12	Jt. Excise and Taxation Commissioner (Appeals), Rohtak
Sales Tax - Haryana	28.51	2009-10	VAT Tribunal, Haryana
Sales Tax - Haryana	46.39	2012-13	Jt. Excise and Taxation Commissioner (Appeals), Rohtak
Excise Duty	42.90	April 2005 to February 2006	CCE (Appeals)
Service Tax	9.12	2004-05 to 2008-09	Service Tax Appellate Tribunal (New Delhi)

- (viii) Based on our audit procedure and as per the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of loan or borrowing to a financial institution, bank or government.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). However, company raise money by way of term loan, which were applied for the purposes for which those are raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us managerial remuneration paid or provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: New Delhi

Date: 30th May, 2018

For RAJENDER KUMAR SINGAL & ASSOCIATES LLP
(CHARTERED ACCOUNTANTS)
FRN NO. : 016379N

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

Annexure – B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Kohinoor Foods Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi

Date: 30th May, 2018

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

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

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



BALANCE SHEET AS AT 31st MARCH, 2018

(Rs. In Lacs)

PARTICULARS	NOTE	As at 31-March-2018	As at 31-March-2017	As at 1-April-2016
A. ASSETS				
Non-Current Assets				
Property, Plant and Equipment	5	20,560.73	21,290.87	23,377.40
Capital Work in Progress	5	1.26	275.10	23.91
Financial Assets				
Investments	6	8,967.76	9,038.74	9,029.36
Other Financial Assets	7	4.32	3.98	3.93
Other Non Current Assets	8	115.00	242.47	154.57
Deferred Tax Assets (Net)	9	9,774.26	9,774.26	2,573.40
Total		39,423.32	40,625.43	35,162.57
Current Assets				
Inventories	10	46,422.95	61,813.68	72,938.58
Financial Assets				
Investments	11	—	1,000.00	—
Trade Receivables	12	8,328.78	8,275.66	13,483.63
Cash and Cash Equivalents	13	791.23	1,748.33	726.11
Other Financial Assets	14	357.09	133.42	95.85
Other Current Assets	15	3,793.34	3,387.55	3,574.14
Total		59,693.39	76,358.63	90,818.32
TOTAL ASSETS		99,116.71	116,984.06	125,980.89
B. EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	3,524.15	3,524.15	3,524.15
Other equity	17	5,232.17	12,329.52	23,192.20
Total		8,756.33	15,853.67	26,716.35
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings	18	1,522.25	1,760.80	1,976.72
Provisions	19	224.88	297.43	278.30
Total		1,747.13	2,058.23	2,255.01
Current Liabilities				
Financial Liabilities				
Borrowings	20	70,143.69	82,421.49	83,862.44
Trade Payables	21	13,209.76	10,862.88	7,206.46
Other Financial Liabilities	22	1,493.23	1,878.76	1,569.88
Other Current Liabilities	23	3,745.81	3,889.85	4,246.87
Provisions	24	20.76	19.17	19.84
Current Tax Liabilities(Net)		—	—	104.04
Total		88,613.25	99,072.16	97,009.52
TOTAL EQUITY AND LIABILITIES		99,116.71	116,984.06	125,980.89

The Accompanying Notes form an integral part of the Financial Statements

Annexure to our Report of Date

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-
SATNAM ARORA
Jt. Mg. Director

DIN NO. 00010667

Sd/-
GURNAM ARORA
Jt. Mg. Director

DIN NO. 00010731

Faridabad
30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2018

(Rs. In Lacs)

PARTICULARS	Note	FOR THE YEAR ENDED 31-March-2018	FOR THE YEAR ENDED 31-March-2017
INCOME			
Revenue from Operations	25	85,914.90	105,081.66
Other Income	26	324.66	251.88
Total Income		<u>86,239.57</u>	<u>105,333.55</u>
EXPENSES			
Cost of Material Consumed	27	60,758.09	72,059.45
Purchases of Stock-in-Trade	28	6,761.27	23,644.74
Changes in Inventories of Finished Goods, WIP and Stock in Trade	29	3,772.35	(3,284.54)
Employee Benefits Expenses	30	2,107.25	2,187.65
Finance Costs	31	8,169.91	9,268.83
Depreciation and Amortisation Expenses	5	1,536.76	1,808.05
Impairment of Assets	32	71.34	—
Other Expenses	33	10,020.63	18,735.19
Total Expenses		<u>93,197.60</u>	<u>124,419.37</u>
Profit Before Exceptional items and Tax		<u>(6,958.04)</u>	<u>(19,085.83)</u>
Exceptional Items		—	—
Profit Before Tax		<u>(6,958.04)</u>	<u>(19,085.83)</u>
Tax Expenses			
Current Tax			
Less :- MAT credit entitlement			
Income Tax for Prior Years		144.76	(22.59)
Deferred Tax		—	(7,200.86)
Profit/(Loss) for the year		<u>(7,102.80)</u>	<u>(11,862.38)</u>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		4.85	(0.29)
Fair value of Investments through OCI		0.60	999.99
Income tax relating to Items that will not be reclassified to profit or loss		—	—
Other Comprehensive Income for the year		<u>5.46</u>	<u>999.70</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(7,097.34)</u>	<u>(10,862.68)</u>
EARNING PER EQUITY SHARE (Face value of `10 each)			
Basic (In Rs.)	38	(20.14)	(30.82)
Diluted (In Rs.)	38	(20.14)	(30.82)
<i>The Accompanying Notes form an integral part of the Financial Statements</i>			

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-
SATNAM ARORA
Jt. Mg. Director

DIN NO. 00010667

Sd/-
GURNAM ARORA
Jt. Mg. Director

DIN NO. 00010731

Faridabad
30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED 31-March-2018	FOR THE YEAR ENDED 31-March-2017
A. Cash Flow From Operating Activities		
Net Profit before tax	(6,958.04)	(19,085.83)
Adjustments for :		
Depreciation and Amortisation Expenses	1,536.76	1,808.05
Finance cost	8,169.91	9,268.83
Interest income	(60.33)	(76.93)
Profit on Sale of Fixed Assets	(6.48)	(28.78)
Income from Key Man Insurance Policy	(60.25)	(29.70)
Impairment loss on Investment in Subsidiary	71.34	—
Operating profit before working capital changes	2,692.93	(8,144.35)
Adjustments for		
Decrease/(Increase) in Inventories	15,390.73	11,124.90
Decrease/(Increase) in Trade Receivables	(53.12)	5,207.90
Decrease/(Increase) in other Receivables	(502.32)	61.06
Increase/(Decrease) in Trade payables	2,346.88	3,656.42
Increase/(Decrease) in other payables	(595.69)	(133.99)
Cash generated from operations	19,279.41	11,772.02
Income tax paid	(144.76)	22.59
Net Cash from operating activities	19,134.65	11,794.61
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment's	(526.30)	56.08
Sale of property, plant and equipment's		
Investments in Subsidiaries /Associate Companies	—	—
Sale of Investments	1,000.24	(9.40)
Interest Received	60.33	76.93
Income from Key Man Insurance Policy	60.25	29.70
Net cash from Investment activities	594.52	153.31
C. Cash Flow from Financing Activities		
Increase/(Decrease) in short term borrowings	(12,277.80)	(1,440.95)
Increase/(Decrease) in Long term borrowings	(238.54)	(215.92)
Interest paid	(8,169.91)	(9,268.83)
Net cash flow from financing activities	(20,686.26)	(10,925.70)
Net Increase/(Decrease) in Cash and Cash Equivalents	(957.09)	1,022.21
- Cash & Cash equivalent at beginning of the year	1,748.33	726.11
- Cash & Cash equivalent at end of the year	791.23	1,748.33
	(957.09)	1,022.21

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-

(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-

SATNAM ARORA
Jt. Mg. Director

DIN NO. 00010667

Sd/-

GURNAM ARORA
Jt. Mg. Director

DIN NO. 00010731

Sd/-

KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-

RAMA KANT
COMPANY SECRETARY

Faridabad
30th-May-2017



1. Company Information

Kohinoor Foods Limited was incorporated in 1989. It is a Public Limited company listed on the stock exchanges, BSE and NSE. The Company is a leading Basmati Rice player and has a Rice mill situated at Murthal, Sonapat. It also owns a Food Factory situated at Bahalgarh, Sonapat. The products of the company are known for superior quality and sell in more than 60 countries.

The company has two 100% wholly owned subsidiaries –Indo European Foods Limited, in UK and Kohinoor Foods USA Inc in USA.

2. Significant Accounting Policies

(a) Basis of Preparation

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended March 31, 2018 are prepared by the company under Ind AS for the first time. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information.

The Financial Statements have been prepared on the historical cost convention on going concern basis and on accruals basis unless otherwise stated.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'.

(b) Use of Estimates and Judgments

The preparation of Financial Statements requires management to make certain assumptions and estimates that affect the reported amount, the Financial Statements and Notes thereto. Difference between actual results and estimates are recognized in the period in which they materialize.

(c) Property, Plant and Equipment

The Company has adopted revaluation model for land & building. All the assets belonging to these classes of assets are carried at revalued amount being its fair value at the date of revaluation less subsequent depreciation. The Company shall carry out the revaluation of these assets periodically after every 3 to 5 years.

Property, Plant & Equipment under all other classes are stated at cost of acquisition/installation inclusive of freight, duties, and taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at the amount spent up to the date of balance sheet.

Intangible assets are stated at their cost of acquisition.

(d) Depreciation

Depreciation on Property, Plant & Equipment is provided on written down value method, in terms of useful life of the Assets as prescribed in Schedule II to the Companies Act 2013. The depreciation rates which are different from the principal rates specified



in Schedule-II are as follows: -

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

(e) Financial Instruments

(1) Financial Assets

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

i) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, Associates and Joint Venture at cost.

Other Equity Investments

All other equity investments are measured at fair value. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as Fair Value through other comprehensive income ('FVTOCI'), all fair value changes on the investment are recognised in OCI.

(2) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(3) Derivative financial instruments

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign



currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.

(f) Fair value measurement

The Company classifies the fair value of its financial instruments, FVTPL and FVTOCI, in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

(g) Dividend to Equity Shareholders

Dividend to Equity Shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

(h) Inventories

Raw materials, traded and finished goods are stated at the lower of cost and net realisable value. Stores and spares are carried at cost.

Cost is determined on FIFO (First in First out) basis for raw material, and on weighted average method for all other categories of inventories. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity.

(i) Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(j) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable, net of discount, rebate, returns and value added taxes. The Company recognizes revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company activities.

Revenue from sale of goods is recognised when all the significant risk and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. On recognition of revenue the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest income is recognized using the effective interest method. Revenue in respect of Insurance / others claims, Commission, etc. is recognized only when it is reasonably certain that the ultimate collection will be made.



Revenue in respect of sale of licenses, duty drawback and other incentives is recognized on realization basis.

(k) Research and Development

Research expenditure is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the costs can be reliably measured, future economic benefits are probable, the product is technically feasible and the Company has the intent and the resources to complete the project. Development assets are amortised based on the estimated useful life, as appropriate.

(l) Employee Benefits

Contributions to defined provident fund are charged to the statement of profit and loss on accrual basis. Present liability for future payment of gratuity is determined on the basis of actuarial valuation at the balance sheet date and the expenses is charged to the statement of profit and loss.

(m) Foreign Currency Transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(n) Government Grant

Grants from the government are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grant received from government towards property, plant & equipment's acquired/constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

(o) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest and other borrowing costs attributable to qualifying assets are capitalised as a part of such assets till such time the assets are ready for use. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(p) Income tax

Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961.

Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.



Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Current and Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

Minimum Alternate Tax:

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the Company's normal income tax during the specified period.

(q) Leases

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per Company's policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(r) Provisions, Contingent Liability and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

(s) Impairment of Financial Assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

(t) Impairment of Non-Financial Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such Indication exists; the Company estimates the recoverable amount of assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of Profit & Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at recoverable amount.

(u) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. These are material items of income or expense that have to be



shown separately due to their nature or incidence.

(v) Earnings per share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(w) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

3. First time adoption of Ind AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2017, with a transition date of April 01, 2016. These financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017 and the opening Ind AS Balance Sheet as at April 01, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in retained earnings.

Exemptions availed on First Time Adoption

(i) Investments in subsidiaries, joint ventures and associates

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. April 1, 2016 in its separate financial statements.

(ii) Property, Plant and Equipment

The Company has elected to adopt the carrying value under previous GAAP as deemed costs as on the date of transition i.e. April 1, 2016 except the Land & Building for which the company has elected to adopt revaluation model.

(iii) Estimates

On transition, the company did not revise the estimates previously made under IGAAP except where required by Ind AS.



4. Reconciliation between previous GAAP and Ind AS:

Reconciliation of other Equity as on 1st April 2016 and 31st March 2017.

Particulars	01-04-2016	31-03-2017
As per previous GAAP	3801342907	2315069985
IND AS Adjustments		
Revaluation of Land & Building	1588518716	1588518716
Change in Depreciation due to revaluation	—	-67024937
Restatement of profit on sale of Assets, due to revaluation	—	-63408124
Remeasuring Investment at fair value	-422146653	-62370
Valuation of Stock	-2444509026	-2340207247
Fair value of financial assets	-203986261	-199934138
	-1482123224	-1082118100
As per Ind AS	2319219683	1232951885

Reconciliation of Net Profit for the year ended 31st March 2017

Particulars	Amount
Net Profit/(Loss) as per previous GAAP	-1486272922
IND AS Adjustments	
Change in Depreciation due to revaluation	-67024937
Decrease in Profit on sale of Assets	-63408124
Effect of measuring investments at fair value	322085709
Change in cost of material consumed due to difference in value of opening and closing inventories	104301779
Actuarial loss on Gratuity reclassified to OCI	28599
Foreign Exchange gain	4052123
	300035149
Net Profit/(Loss) as per IND AS	-1186237773



5. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Building	Plant & Machinery	Furniture & Fixtures	Office Equipment & Computers	Vehicles	Wooden Crates	Total
Gross Block								
Deemed cost at April 01, 2016	10,530.96	11,751.39	10,344.15	330.79	958.18	1,252.48	160.35	35,328.29
Additions	15.76	72.29	205.19	33.71	71.72	18.73	7.00	424.41
Sales/Deductions		821.53	16.24	36.85	430.62	24.51	—	1,329.76
Balance as at March 31, 2017	10,546.72	11,002.16	10,533.09	327.64	599.28	1,246.70	167.35	34,422.95
Additions		377.35	391.42	8.60	30.51	1.07	0.80	809.74
Disposals						61.37		61.37
Balance as at March 31, 2018	10,546.72	11,379.51	10,924.51	336.24	629.79	1,186.40	168.15	35,171.31
Accumulated Depreciation								
Deemed cost at April 01, 2016		2,319.02	7,538.99	226.86	896.36	848.04	121.62	11,950.89
Additions		914.73	644.39	35.24	54.02	116.87	42.81	1,808.05
Sales/Deductions		131.53	16.00	36.25	430.07	13.01		626.86
Balance as at March 31, 2017	—	3,102.21	8,167.37	225.84	520.31	951.90	164.43	13,132.07
Additions		808.35	560.97	30.76	51.14	82.49	3.05	1,536.76
Disposals						58.24		58.24
Balance as at March 31, 2018	—	3,910.56	8,728.34	256.60	571.45	976.15	167.48	14,610.59
NET BLOCK								
Balance as at April 01, 2016	10,530.96	9,432.37	2,805.16	103.93	61.82	404.44	38.73	23,377.40
Balance as at March 31, 2017	10,546.72	7,899.94	2,365.72	101.80	78.97	294.80	2.91	21,290.87
Balance as at March 31, 2018	10,546.72	7,468.94	2,196.17	79.64	58.34	210.25	0.67	20,560.73

Notes

On transition to IND AS as at April 1, 2016 the company has elected to measure all its property, plant and equipment at the previous GAAP carrying value except for the "Land and Building" for which it has opted revaluation model. The company has revalued its land and building as on 01-04-2016 and has transferred the difference between the revalued amount and the carrying value as per previous GAAP amounting to Rs. 15,885.19 Lacs to revaluation surplus under other Equity.

CAPITAL WORK IN PROGRESS

Particulars	Amount
Net Book Value	
Balance as at April 01, 2016	23.91
Balance as at March 31, 2017	275.10
Balance as at March 31, 2018	1.26



(Rs. In Lacs)			
As at	31-March-2018	31-March-2017	01-April-2016
6. NON-CURRENT INVESTMENTS			
Investment in Unquoted Equity Instruments			
Subsidiary Companies			
Kohinoor Foods USA Inc. 56,000 (Previous year - 56,000) shares of USD 62.5 each fully paid up	1,608.68	1,608.68	1,608.68
Indo European Foods Ltd. U.K. 5,183,534 (Previous year - 5,183,534) shares of GBP 1 each fully paid up	4,185.78	4,185.78	4,185.78
Sachdeva Brothers Pvt. Ltd. 15,835 (Previous year - 15,835) shares of Rs. 100 each fully paid up	71.34	71.34	71.34
Less :- Impairment Loss on Investment	(71.34)	—	—
	—	71.34	71.34
Joint Venture Companies	9.42	9.42	9.42
Rich Rice Raisers factory LLC. 75 (Previous year - 75) shares of AED 1000 each fully paid up			
Less :- Diminution in the Value of the Investment	(9.42)	(9.42)	(9.42)
	—	—	—
Associates Companies			
AL Dahra Kohinoor Industries LLC. 60 (Previous year - 60) shares of AED 1000 each fully paid up	10.06	10.06	10.06
AL Dahra Kohinoor LLC. 60 (Previous year - 60) shares of AED 1000 each fully paid up	10.06	10.06	10.06
Investment in Unquoted Preference Shares			
Subsidiary Companies			
Kohinoor Foods USA Inc. 80,000 (Previous year - 80,000) shares of USD 62.5 each fully paid up	2,369.77	2,369.77	2,369.77
Indo European Foods Ltd. U.K. 1,000,000 (Previous year - 1,000,000) shares of GBP 1 each fully paid up	773.64	773.64	773.64
Other Investment			
Investment in Quoted Equity Instruments			
Anu Laboratories Ltd. 5,940 (Previous year - 5,940) shares of Rs. 1 each. Fully paid up	—	—	0.01
Investment in Un-quoted Fund			
Balanced Plan Fund- Canara-HSBC-OBC (56496.16 previous year - (58300.4583) Unit of Balanced Plus Fund issued under Canara-HSBC-OBC Life Insurance Platinum Plus Plan)	9.76	9.40	—
	8,967.76	9,038.74	9,029.36
a) Aggregate amount of Quoted investments	—	—	0.01
Aggregate amount of Market value of Quoted Investments	—	—	0.01
Aggregate amount of Un-quoted Investments	8,967.76	9,038.74	13,250.20
Aggregate Provision for Diminution in value of Investments	9.42	9.42	9.42



- b) Investment in subsidiaries, associates and joint venture are carried at cost. other investments are carried at fair value through Other comprehensive income.
- c) The investment in wholly owned subsidiary, Kohinoor Foods USA Inc., amounts to Rs 3,978.45 Lacs. This subsidiary company has been incurring continuous losses and its net worth is fully eroded. However, based on factors regarding future business plan and growth prospects of subsidiary, Management believes that the realizable value is higher than the carrying value of the investment due to which Investments are recognised at carrying value
- d) The investment in wholly owned subsidiary, Sachdeva Brothers Private Limited amounted to Rs 71.34 Lacs as on 31 March 2017. This company is not having any operations and its net worth is fully eroded. The company has recognised an impairment loss of Rs. 71.34 Lacs during current year and consequently the value of investment is reduced to NIL as on 31 March 2018.

(Rs. In Lacs)			
As at	31-March-2018	31-March-2017	01-April-2016
7 OTHER FINANCIAL ASSETS (NON-CURRENT)			
(Unsecured, considered good)			
Advance to related party*	4.32	3.98	3.93
	<u>4.32</u>	<u>3.98</u>	<u>3.93</u>
* To subsidiaries company, Sachdeva Brothers Pvt Ltd			
8 OTHER NON-CURRENT ASSETS			
(Unsecured, considered good)			
Capital Advances	—	73.94	—
Security Deposit	115.00	168.53	154.57
	<u>115.00</u>	<u>242.47</u>	<u>154.57</u>
9 Deferred Tax Assets (Net)			
Disallowance under Income tax act, 1961	107.61	107.61	101.34
Related to fixed assets	(205.11)	(205.11)	(48.49)
Related to business loss*	9,871.76	9,871.76	2,520.55
	<u>9,774.26</u>	<u>9,774.26</u>	<u>2,573.40</u>
* Additional deferred tax assets has not be recognized considering the probability of having sufficient taxable profit available against which unused tax losses can be utilized.			
10 INVENTORIES			
(As taken, valued and certified by the Management)			
Raw Material	150.39	17.94	936.89
Work in Progress	26.75	33.96	—
Finished Goods	45,372.66	60,513.39	70,836.11
Stores and Spares	22.42	45.87	213.36
Packing Materials	850.73	1,202.52	952.21
	<u>46,422.95</u>	<u>61,813.68</u>	<u>72,938.58</u>

a) Inventories are valued at the lower of cost and net reliable value.

b) Finished goods includes the Stock in transit.

11 CURRENT INVESTMENTS

Investment in Unquoted Equity Instruments

Kohinoor Speciality Foods India Pvt. Ltd	—	1,000.00	—
44,161 shares of Rs. 10 each fully paid up			
	<u>—</u>	<u>1,000.00</u>	<u>—</u>

a) Investment in subsidiaries, associates and joint venture are carried at cost. other investments are carried at fair value through Other comprehensive income.

b) In terms of Settlement Agreement dated 13th April 2017, Kohinoor Foods Limited has transferred its 15% shareholding of Kohinoor Speciality Foods India Pvt. Ltd for a consideration of Rs. 10 crores. The value of this Investment has accordingly been restated at its fair value of Rs. 10 crores as on 31 March 2017.

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



(Rs. In Lacs)			
As at	31-March-2018	31-March-2017	01-April-2016
12 Trade Receivables			
(Unsecured, Considered Good)			
Outstanding for a period exceeding six months	570.40	239.25	4,164.77
Others	7,758.38	8,036.40	6,500.84
	<u>8,328.78</u>	<u>8,275.66</u>	<u>10,665.61</u>
(Unsecured, Considered Doubtful)			
Outstanding for a period exceeding six months	—	—	799.76
Others	—	—	2,018.27
	<u>—</u>	<u>—</u>	<u>2,818.02</u>
Total	<u>8,328.78</u>	<u>8,275.66</u>	<u>13,483.63</u>
a) Trade receivables include the following amount due from related parties			
Subsidiary Companies			
Kohinoor Foods USA Inc.	—	—	3,600.92
Indo European Foods Ltd	2,899.20	573.18	590.59
Total	<u>2,899.20</u>	<u>573.18</u>	<u>4,191.51</u>
13 CASH AND CASH EQUIVALENTS			
Balances with Banks in Current Accounts	48.50	290.55	115.66
Cash in Hand	36.36	42.42	37.42
Fixed deposits as Margin Money with Banks	706.38	1,415.35	573.04
	<u>791.23</u>	<u>1,748.33</u>	<u>726.11</u>
14 OTHER FINANCIAL ASSETS (CURRENT)			
Staff Advance	9.80	18.95	20.18
Interest accrued on bank deposits	97.29	114.47	75.67
Others	250.00	—	—
	<u>357.09</u>	<u>133.42</u>	<u>95.85</u>
15 OTHER CURRENT ASSETS			
(Unsecured, Considered good)			
Advance Tax	2,123.68	2,251.98	2,237.94
Advance against Purchases	815.60	232.57	139.12
MAT Credit Entitlement	464.87	464.87	546.33
Pre-paid Expenses	74.88	136.86	140.36
Others	314.31	301.27	510.39
	<u>3,793.34</u>	<u>3,387.55</u>	<u>3,574.14</u>
16 Equity Share Capital			
Authorised Share Capital			
75,000,000 (Previous year 75,000,000)	7,500.00	7,500.00	7,500.00
Equity shares of Rs. 10/- each			
Issued, Subscribed And Paid-Up Capital			
35,241,530 (Previous year 35,241,530)	3,524.15	3,524.15	3,524.15
Equity Shares of Rs. 10/- each fully paid	<u>3,524.15</u>	<u>3,524.15</u>	<u>3,524.15</u>
a) The reconciliation of the number of shares outstanding is set out below:			
Number of Equity Shares at the beginning of the year	35,241,530	35,241,530	35,241,530
Number of Equity Shares issued during the year	—	—	—
Number of Equity Shares at the end of the year	35,241,530	35,241,530	35,241,530
b) Shares held by Shareholders holding more than 5 percent shares in the Company :			



As at	31-March-2018		31-March-2017		01-April-2016	
	No. of	Shares holding	No. of	Shares holding	No. of	Shares holding
(1) Jugal Kishore Arora	6,043,484	17.15%	6,043,484	17.15%	6,043,484	17.15%
(2) Satnam Arora	5,378,923	15.26%	5,378,923	15.26%	5,378,923	15.26%
(3) Gurnam Arora	6,098,889	17.31%	6,098,889	17.31%	6,098,889	17.31%
(4) AL Dahra International Investments LLC	7,048,306	20.00%	7,048,306	20.00%	7,048,306	20.00%

c) Terms/Rights attached to equity shares

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

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

As at	31-March-2018		31-March-2017		01-April-2016	
	(Rs. In Lacs)					
17 Other Equity						
Capital Reserve		742.76		742.76		742.76
Securities Premium Account		14,549.43		14,549.43		14,549.43
Revaluation Surplus		15,885.19		15,885.19		15,885.19
Retained Earnings						
As per last Balance Sheet		(18,847.85)		(7,985.18)		22,339.91
Profit/(Loss) during the year		(7,102.80)		(11,862.38)		(30,325.09)
Other Comprehensive Income		5.46		999.70		—
		<u>(25,945.20)</u>		<u>(18,847.85)</u>		<u>(7,985.18)</u>
		<u>5,232.17</u>		<u>12,329.52</u>		<u>23,192.20</u>

Nature and Purpose of Reserve

i. Capital Reserve

Capital Reserve had been created consequent to forfeiture of Application Money on Share Warrants.

ii. Securities Premium Account

Securities Premium Account had been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of Companies Act, 2013.

iii Revaluation Surplus

Revaluation surplus was created on revaluation of Land & Building as on 01-04-2016.

18. Borrowings (Non-Current)

Secured Loans

Term Loans from Banks	—	—	—
Term Loans from Other Parties	—	188.62	354.36
Long Term maturity of Finance Lease obligations	22.25	72.18	122.36
	<u>22.25</u>	<u>260.80</u>	<u>476.72</u>

Unsecured Loans

Loan from Directors	1,500.00	1,500.00	1,500.00
	<u>1,522.25</u>	<u>1,760.80</u>	<u>1,976.72</u>

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

Term Loan Installments Repayable within :-

1-2 Years	—	188.62	165.74
2-3 Years	—	—	188.62
	<u>—</u>	<u>188.62</u>	<u>354.36</u>

b) Term Loans from other parties carry interest rate of 13% P.A. (Previous year 13% per annum.) and are secured by charged on third party property.

c) Loan from Directors are interest free.



		(Rs. In Lacs)		
As at	31-March-2018	31-March-2017	01-April-2016	
19 Provisions (Non-Current)				
Provision for Employee Benefit				
Provision for Gratuity	224.88	297.43	278.30	
	<u>224.88</u>	<u>297.43</u>	<u>278.30</u>	
20 Borrowings (Current)				
Secured				
Loan repayable on Demand from Banks	68,239.53	74,681.68	77,232.28	
Buyers Credit	39.41	4,843.28	—	
Unsecured				
Overdraft in Current Account	420.85	1,435.10	1,549.48	
Loan from Directors	1,443.91	1,461.43	5,080.67	
	<u>70,143.69</u>	<u>82,421.49</u>	<u>83,862.44</u>	
a) Loan repayable on Demand from Banks include the following				
Pre-Shipment	45,752.13	50,519.17	52,533.04	
Post-Shipment	2,071.11	2,518.23	2,032.32	
Cash Credit	20,416.29	20,164.80	19,983.43	
Suppliers Bill Discounting	—	1,479.47	2,683.50	
	<u>68,239.53</u>	<u>74,681.68</u>	<u>77,232.28</u>	
b) Loan repayable on Demand from Banks are secured by hypothecation of Inventory, book debts and other current assets of the company, both present and future and the first charge on fixed assets of the company (excluding of specific assets charged to Term lending Banks).				
c) Buyer credit has been availed from Banks under non fund based limit, secured as described in Para(b) above.				
21 Trade Payable				
Due to Micro, Small and Medium Enterprises	—	—	—	
Due to Others	13,209.76	10,862.88	7,206.46	
	<u>13,209.76</u>	<u>10,862.88</u>	<u>7,206.46</u>	
22 Other Financial Liabilities (Current)				
Current maturities of long-term debt (Secured)	188.62	165.74	745.64	
Current maturities of finance lease obligations	49.92	50.18	59.26	
Employees Benefits Payable	113.74	131.69	180.00	
Other Payable	1,116.64	1,223.03	558.48	
Interest Payable	24.30	308.12	26.51	
	<u>1,493.23</u>	<u>1,878.76</u>	<u>1,569.88</u>	
23 Other Current Liabilities				
Advance received from customers	3,077.77	3,536.74	2,715.31	
Statutory Liabilities	65.65	138.57	88.69	
Other Liabilities	602.39	214.54	1,442.87	
	<u>3,745.81</u>	<u>3,889.85</u>	<u>4,242.87</u>	
24 Provisions (Current)				
Provision for gratuity	20.76	19.17	19.84	
	<u>20.76</u>	<u>19.17</u>	<u>19.84</u>	



		(Rs. In Lacs)	
For the year ended	31-March-2018	31-March-2017	
25 Revenues From Operations			
Sales of Products	85,835.74	105,049.82	
Other Operating Revenues	79.16	31.84	
	<u>85,914.90</u>	<u>105,081.66</u>	
a) Sales of Products			
Rice	75,303.18	90,632.11	
Foods	7,267.57	5,858.97	
Pulses	3,253.15	8,540.42	
Other Food Products	11.84	18.33	
	<u>85,835.74</u>	<u>105,049.82</u>	
b) Other Operating Revenues			
Sale of Scrap	8.64	18.69	
Duty Drawback/ Sale of Licenses	70.53	13.15	
	<u>79.16</u>	<u>31.84</u>	
26 Other Income			
Income from Key Man Insurance Policy	60.25	29.70	
Interest Income	60.33	76.93	
Miscellaneous Income	197.61	116.47	
Profit on Sale of Assets	6.48	28.78	
	<u>324.66</u>	<u>251.88</u>	
27 Cost of Material Consumed			
Paddy	8,058.05	14,245.91	
Rice	51,919.28	57,651.58	
Raw Material for Foods	780.76	161.96	
	<u>60,758.09</u>	<u>72,059.45</u>	
28 Purchase of Traded Goods			
Non-Basmati Rice	2,051.38	6,208.49	
Foods	3,857.31	4,442.16	
Pulses	836.71	12,980.70	
Other Food Products	15.87	13.39	
	<u>6,761.27</u>	<u>23,644.74</u>	
29 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade			
Opening Inventories	3,857.09	554.61	
Closing Inventories	84.74	3,839.16	
	<u>3,772.35</u>	<u>(3,284.54)</u>	
30 Employee Benefit Expenses			
Staff Salaries	1,518.51	1,613.78	
Directors' Remuneration	348.08	303.40	
Gratuity	49.20	59.32	
Bonus	18.13	40.41	
Staff Welfare	94.76	82.60	
Employer's Contribution to E.P.F. & ESIC	78.57	88.14	
	<u>2,107.25</u>	<u>2,187.65</u>	
31 Finance Cost			
Interest Expense*	7,537.81	8,544.80	
Other Bank Charges	99.40	111.23	
Other Borrowing Cost.	532.71	612.80	
	<u>8,169.91</u>	<u>9,268.83</u>	

*Interest cost for the year includes exchange difference of Rs. 79.72 Lacs (Previous year -NIL) arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest expense in accordance with IND AS-23



		(Rs. In Lacs)	
For the year ended	31-March-2018	31-March-2017	
32 Impairment of Assets			
Impairment of investment in subsidiaries	71.34	—	
	<u>71.34</u>	<u>—</u>	
The company has recognised the impairment loss in respect of Investment in its wholly owned subsidiary, "Sachdeva Brothers Private Limited"			
33 Other Expenses			
a) Manufacturing Expenses			
Loading and Unloading Charges	159.96	250.20	
Packing Materials Consumed	2,818.27	3,551.20	
Wages	141.04	78.42	
Repair to Machinery	107.53	135.92	
Consumables & Stores Consumed	51.01	82.47	
Power & Fuel	512.29	747.57	
Brokerage & Commission	2.96	19.06	
	<u>3,793.05</u>	<u>4,864.84</u>	
b) Administrative Expenses			
Payment to Auditors *			
-Statutory Audit Fee	19.63	22.13	
-Tax Audit Fee	4.50	5.18	
-Other Matters	4.78	5.03	
Postage, Telegram and Telephone	57.09	73.54	
General Expenses^	167.64	184.76	
Storage & Warehousing	57.47	62.82	
Legal and Professional Charges	377.33	922.99	
Electricity Expenses	9.20	9.37	
Rates and Taxes	30.13	41.95	
Other Taxes Paid	137.78	14.18	
Charity and Donation	7.70	3.46	
Vehicle Maintenance	85.62	85.52	
Printing and Stationery	20.34	16.62	
Fumigation Expenses	55.87	80.45	
Insurance Charges	103.12	102.58	
Conveyance	42.43	39.97	
Membership & Subscription	25.21	21.97	
Traveling Expenses (Directors)	43.98	123.42	
Traveling Expenses (Others)	77.43	109.39	
Research & Development	28.22	57.81	
Rent	30.03	97.50	
Staff Recruitment Expenses	1.05	4.19	
Bad Debts	752.51	6,207.29	
Repairs to Building	61.14	126.96	
Repairs to Others	39.98	75.11	
Foreign Exchange Loss	(43.95)	(1,005.58)	
	<u>2,196.23</u>	<u>7,488.62</u>	
c) Selling & Distribution Expenses			
Advertisement and Publicity	58.22	0.15	
Business Promotion	98.77	151.57	
Rebate & Discount	91.39	25.21	
Ocean Freight	1,267.22	1,844.70	
Expenses Against Export	133.58	245.01	
Brokerage & Commission on Sales	362.86	322.49	
Clearing and Forwarding	2,019.31	3,792.60	
	<u>4,031.35</u>	<u>6,381.73</u>	
	<u>10,020.63</u>	<u>18,735.19</u>	

* The amounts shown under Payment to Auditors are exclusive of GST in current year and inclusive of Service Tax in previous year.



34 Disclosures under IND AS-19 "Employees Benefits" :

a) Defined Contribution Plans:

Amount of Rs.78.57 Lacs (previous year Rs.88.14 Lacs) pertaining to employers' contribution to Provident Fund and Employees State Insurance is recognized as an expense and included in "Employees cost " in Note No. 30.

b) Defined Benefit Plan:

General description of Defined Benefit Plan (Gratuity):

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days basic salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vest after five years of continuous service. The Company has set a limit of Rs. 20.00 Lacs (previous year Rs. 10.00 Lacs) per employee.

c) The disclosures for gratuity cost is given below:

(i) Reconciliation of opening and closing balances of defined benefit obligation

(Rs. In Lacs)

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Present value of obligation at the beginning of the year	316.61	298.13
2	Interest cost	23.87	23.85
3	Past service cost	0.41	—
4	Currents service cost	25.17	35.67
5	Liability transferred out	—	—
6	Benefits paid	(74.17)	(41.50)
7	Actuarial (gain)/loss on obligation	(5.07)	0.46
8	Present value of obligation at the end of the year	286.82	316.61

(ii) Change in plan assets

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Fair value of plan assets at the beginning of the period	3.38	2.51
2	Actual return on plan assets	0.04	0.37
3	Employer Contributions	72.00	42.00
4	Benefits paid	(74.17)	(41.50)
5	Fair value of plan assets at the end of the year	1.25	3.38

(iii) Actuarial gain/ loss on Plan Assets:-

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Expected Interest Income	0.25	0.20
2	Actuarial income on Plan Assrt	0.04	0.37
3	Actuarial gain/(Loss) for the year on Assets	(0.22)	0.17

(iv) Balance Sheet and related analysis:-

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Present value of the obligation at the end	316.61	286.82
2	Fair value of plan assets	3.38	1.25
3	Unfunded liability/provision in Balance Sheet	(313.23)	(285.57)



(v) The amounts recognized in the Income Statements

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Total Service Cost	25.58	35.67
2	Net Interest Cost	23.62	23.65
3	Expenses recognized in the Income statement	49.20	59.32

(vi) Other Comprehensive Income (OCI)

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Net cumulative unrecognized actuarial gain/(loss) opening	—	—
2	Actual gain/(Loss) for the year on PBO	5.07	(0.46)
3	Actual gain/(Loss) for the year on Asset	(0.22)	0.17
4	Unrecognized actuarial gain/(loss) for the year	4.85	(0.29)

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

A. Economic Assumptions

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

	Particulars	For the year ended 31-March-2018	For the year ended 31-March-2017
1	Discount rate	7.54%	8.00%
2	Expected rate of return on plan assets	8.00%	8.70%
3	Salary growth rate	7.00%	7.00%

B. Demographic Assumption

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

35. Disclosures under INDAS-108 on "Segment Reporting" :

As per the threshold limits prescribed under Indian Accounting Standard (Ind AS-108) on "Segment Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules thereunder and the other accounting principles generally accepted in India, the Company's reportable activity falls within a single business segment and hence the disclosure requirements are not applicable.

36. Disclosures under INDAS-24 on "Related Party Disclosures" :

List of Related Parties

- i) Wholly Owned Subsidiaries of the Company
 - Sachdeva Brothers Pvt Ltd. India
 - Kohinoor Foods USA Inc.,
 - Indo European Foods Ltd, U.K
- ii) Joint Venture
 - Rich Rice Raisers Factory LLC.- Dubai
- iii) Associates of the Company
 - Al Dahra Kohinoor Industries LLC
 - Al Dahra Kohinoor LLC



- iv) Key Managerial Personnel and their relatives
- | | |
|-------------------------|-------------------------|
| Mr. Jugal Kishore Arora | Chairman |
| Mr. Satnam Arora | Jt.Mg.Director |
| Mr. Gurnam Arora | Jt.Mg.Director |
| Mr. Nitin Arora | Whole Time Director |
| Mr. Amit Arora | Son of Mr. Satnam Arora |
| Mr. Ankush Arora | Son of Mr.Gurnam Arora |
| Mr. Nishant Arora | Son of Mr.Gurnam Arora |
- v) Enterprise over which key managerial personnel exercise significant influence
- Satnam Overseas (Exports) - Partnership Firm of Promoter/Directors
 - Adonis No.1 Beauty Clinic LLP.
 - Incredible Foods Pvt. Ltd.
 - Satnam International Pvt. Ltd.
 - Satnam Haegens Ltd.
 - Adhiraj Buildcon LLP.
 - Booker Satnam Wholesale Pvt. Ltd.
 - Little Munchkins LLP.

The following transactions were carried out with related parties in the ordinary course of Business during the year*
(Rs. In Lacs)

	Subsidiary Companies	Joint Venture Company/ Associates	Key management personnel and their relatives
Transactions during the year			
- Sale of Products	4,842.93 (10,838.31)	15,737.16 (19,077.80)	
- Commission	252.86 (297.64)		
- Remuneration			460.96 (458.08)
- Gratuity			15.69 —
- Advance received		10,435.92 (3,209.30)	
- Expenses	—	—	
- Loan from Directors			1,276.30 (325.00)
- Balance Written Back		— —	
- Balance Written off	— (3,539.20)		
- Repayment of Promoters Loan			1,293.82 (3,944.24)
- Expenses incurred on behalf of the related party	0.33 (0.06)		
Balances outstanding at the year end:-			
- Loans/Advances	4.32 (3.98)	— —	
- Loan from Directors			2,943.91 (2,961.43)
- Trade Receivables	2,899.20 (573.18)	— —	
- Trade Payables	206.13 (205.31)		
- Advance From Customers		2,608.40 (3,209.30)	
- Corporate guarantee given by the company	12,305.85 (12,305.85)		

*Figures in () are related to previous year.



(Rs. In Lacs)

As at	31-March-2018	31-March-2017
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37. Disclosures under IND AS-17 on "Leases" :

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

Amount payable not later than one year	—	71.55
Amount payable later than one year but not later than five years	—	308.57
Amount payable later than five years	—	170.06
	<u>—</u>	<u>550.18</u>

The company had entered into operating lease agreement that was renewable on a periodic basis and cancelable at company's option. During the year the company has cancelled the lease agreement. There is no operating lease and no future lease payment commitments as on 31 March 2018.

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

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

a) Obligations towards minimum lease payments:-

Amount payable not later than one year	54.71	59.60
Amount payable later than one year but not later than five years	22.80	77.50
Amount payable later than five years	Nil	Nil
	<u>77.50</u>	<u>137.11</u>

b) Present value of (a) above :-

Amount payable not later than one year	49.92	50.18
Amount payable later than one year but not later than five years	22.25	72.18
Amount payable later than five years	Nil	Nil
	<u>72.18</u>	<u>122.36</u>

c) Finance Charges

5.33	14.75
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38. Earning Per Share (EPS)

For the year ended	31-March-2018	31-March-2017
i) Net Profit after tax as per statement of Income Statement attributable to Equity Shareholders (Rs in Lacs)	(7,097.34)	(10,862.68)
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	35,241,530	35,241,530
iii) Weighted Average Potential Equity Shares	—	—
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	35,241,530	35,241,530
v) Basic Earning Per Share (Rs)	(20.14)	(30.82)
vi) Diluted Earning Per Share (Rs)	(20.14)	(30.82)
vii) Face Value per Equity Share (Rs)	10	10

39. Disclosures under IND AS 37, "Provisions, Contingent Liabilities and Contingent Assets", in respect of Provisions

(Rs in Lacs)

Provision relating to	Opening balance as at 1-April-2017	Created during the year	Withdrawals	Closing balance as at 31-March-2018
Gratuity	316.61	44.34	115.31	245.64
Total	316.61	44.34	115.31	245.64



40 Other disclosures as per Schedule III of the Companies Act, 2013

For the Year Ended	31-March-2018	31-March-2017
CIF Value of Imports		
- Capital Goods	129.81	137.06
- Material Purchase	791.62	—
- Purchase of Stock in Trade	—	12,584.95
- Packaging Material	307.43	44.33
	<u>1,228.85</u>	<u>12,766.34</u>
Expenditure in Foreign Currency (On accrual basis)		
- Traveling	36.71	85.43
- Business Promotion	35.65	43.36
- Legal & Professional Charges	285.38	671.66
- Membership & Subscription	8.79	6.24
- Entertainment	—	0.65
- Clearing & Forwarding	—	5.02
- Advertisement & Publicity	7.35	3.73
- Telephone Expenses	0.23	1.04
- Commission on Export Sales	300.32	302.19
- Expenses against Export	2.77	22.54
- Ocean Freight	6.59	—
- Copyright & Trademark	0.18	—
	<u>683.97</u>	<u>1,141.86</u>
Earning in Foreign Exchange		
- FOB Value of Export of Goods	51,637.50	75,489.07

41. Contingent Liabilities not provided for

(Rs. In Lacs)

Particulars	31-March-2018	31-March-2017
A Claims against the company, not acknowledged as debt		
i Income Tax	9,909.65	9,018.99
ii Sales Tax - Delhi	122.00	122.00
iii VAT-Haryana	1,090.72	1,090.72
iv Excise & Taxation Department, Punjab	455.82	455.82
v Excise Duty	42.91	42.91
vi Service Tax	9.12	259.25
vii Legal Cases against the Company	963.94	4,463.94
B Corporate Guarantee given by the Company.	13,236.74	12,305.85
C Bank Guarantees	1,382.60	1,670.14
D Surety Bonds issued to Govt. Agencies under EPCG scheme	1,918.16	1,742.13

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

- Following appeals are lying pending for hearing before the CIT(A), New Delhi/ Income Tax Appellate Tribunal, New Delhi / Hon'ble Delhi High Court against the tax demand raised in impugned Income Tax Assessment Orders as per details given below :-



(Rs. In Lacs)

AY	Tax	Interest	Total
2002-03 to 2008-09	323.05	140.49	463.54
2009-10	80.53	47.40	127.93
2010-11	2,331.25	1,347.86	3,679.11
2011-12*	902.63	518.36	1,420.98
2012-13	1,274.98	1,019.99	2,294.97
2013-14	406.83	264.39	671.21
2014-15	798.04	453.85	1,251.89

* The company has also filed a rectification application before DRP to reconsider its findings.

- i As per the advice received from legal experts and on the basis of merit of the case, there is a high probability that the aforesaid impugned orders will be set aside and the demand will be deleted. Accordingly, management is of the view that no provision in respect of the above demands is required to be made in the books of accounts.
- ii An appeal before the Sales Tax Commissioner - Appeals, New Delhi is lying pending in respect of Sales Tax demand of Rs.122.00 Lacs on sale of REP Licenses made in earlier years.
- iii Following appeals are also lying pending before the Appellate Authorities/Tribunal, Haryana as mentioned in column.4 against the impugned VAT Assessment Orders/Revision Order passed by the assessing authorities as mentioned in column. 3 of the table given below :-

Particulars	Demand raised (Rs.Lacs)	Assessing Authority	Appellate Authority
(Col.1)	(Col.2)	(Col.3)	(Col.4)
Sales Tax Murthal - AY 2008-09	732.35	Revision-Faridabad	Tribunal-Chandigarh
Sales Tax Murthal - Inspection 17.01.2014	25.56	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2010-11	98.61	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2011-12	132.21	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - Inspection 13.11.2014	27.09	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2009-10	28.51	Revision-Faridabad	Tribunal-Chandigarh
Sales Tax - Murthal - AY 2012-13	46.39	ETO-Sonipat	JETC-Rohtak
Total	1,090.72		

- iv An appeal is lying pending before the Dy. Excise & Taxation Commissioner-Appeal, Punjab against the Order received from Excise and Taxation Department, Punjab in respect of Year 2009-10 and 2010-11 demanding a sum of Rs.450.41 Lacs towards the cess imposed by the State Govt. on exports. The company has challenged the validity of imposition of cess on export in its appeal as the same is not permissible under article 286 of the Constitution of India. Further demand has been raised for Rs. 5.41 Lacs after completing the Sales Tax assessment for AY 2011-12 against which appeal has been filed.
- v An appeal before the Customs, Excise & Service Tax Appellate Tribunal, New Delhi is lying pending against the order of Commissioner of Central Excise (Appeals), Delhi -III in respect of additional excise duty of Rs. 42.91 Lacs demanded by the Excise department in connection of dispute over classification of goods - food product produced at Bahalgarh Factory- as per the Central Tariff Act. As the matter is still pending before the Tribunal, no provision in the books of accounts have been made.
- vi During the financial year 2016-17, the company has received a order from Hon.'ble Central Excise and Service Tax Appellate Tribunal, New Delhi (CETSTAT) against the order passed by Commissioner of Service Tax (Adjudication), New Delhi demanding a service tax of Rs.259.25 Lacs. The Hon'ble CETSTAT vide its order dated 16/02/2017 has granted major relief of Rs.250.13 Lacs against the aforesaid demand.



vii Legal Cases against the Company

- a. The Board of Trustee of the port of Mumbai has filed a money suit for recovery of Rs. 9.64 Cr. towards alleged outstanding demurrage charges against which the company has filed its counter claim of Rs. 10.88 Cr. towards the financial losses, interest on the investment, refund of the license fees, refund of the demurrage charges, compensation and damages etc. The matter is still pending.
- b. In terms of the settlement Agreement dated 13th April, 2017, Kohinoor Foods Ltd. (KFL) and Promoters have settled all disputes with Kohinoor Speciality Foods India Pvt. Ltd. (KSF) and McCormick Switzerland GMBH. Accordingly all proceeding in London Court of International Arbitration (LCIA) and in National Company Law Board Tribunal (NCLT), have been withdrawn and both KFL and KSF, are now free from Non-Compete Obligations.

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

- i Details of Loans given and investment made are given under the respective heads.
- ii Corporate guarantees are given by the company for subsidiaries as follows:-

Name of Beneficiary	Guarantee issued to	Amount in foreign currency	Amount in Rs. Lacs
1 Indo European Foods Ltd	Bank of India, U.K	8,000,000 GBP	7,382.77
2 Kohinoor Foods USA INC	Punjab National Bank, Hong Kong	9,000,000 USD	5,853.97
			13,236.74

43. Commitments

(Rs. In Lacs)

As at	31-March-2018	31-March-2017
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	—	452.94

44. The company has not paid interest to banks and its outstanding balance in loan accounts has exceeded its drawing power since February, 2018.

45. Disclosures as Required by Indian Accounting Standard (Ind As) 113: Fair Value Measurement: Fair value measurement of Financial Instruments

(Rs. In Lacs)

As on 31 March 2018

Fair value measurement at	Amortised Cost	Level 1	FYTPL Level 2	Level 3	Level 1	FYTOCI Level 2	Level 3	TOTAL
Financial Assets								
Non Current Financial Assets								
Investment					9.76		8,958.00	8,967.76
Other financial assets	4.32							4.32
Current Financial Assets								
Investments								
Trade receivables	8,328.78							8,328.78
Cash and cash equivalents	791.23							791.23
Other financial assets	357.09							357.09
	9,481.42	—	—	—	9.76	—	8,958.00	18,449.18
Financial Liabilities								
Non Current Financial Liabilities								
Borrowings	1,522.25							1,522.25
Current Financial Liabilities								
Borrowings	70,143.69							70,143.69
Trade Payables	13,209.76							13,209.76
Other Financial Liabilities	1,493.23							1,493.23
	86,368.94	—	—	—	—	—	—	86,368.94

(Rs. In Lacs)
As on 31 March 2017

Fair value measurement at	Amortised Cost	FYTPL			FYTOCI			TOTAL
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
Financial Assets								
Non Current Financial Assets								
Investment					9.40		9,029.34	9,038.74
Other financial assets	3.98							3.98
Current Financial Assets								
Investments					1,000.00			1,000.00
Trade receivables	8,275.66							8,275.66
Cash and cash equivalents	1,748.33							1,748.33
Other financial assets	133.42							133.42
	10,161.38	—	—	—	1,009.40	—	9,029.34	20,200.13
Financial Liabilities								
Non Current Financial Liabilities								
Borrowings	1,760.80							1,760.80
Current Financial Liabilities								
Borrowings	82,421.49							82,421.49
Trade Payables	10,862.88							10,862.88
Other Financial Liabilities	1,878.76							1,878.76
	96,923.93	—	—	—	—	—	—	96,923.93

46. Financial Risk Management

The company has exposure to the following risks arising from Financial Instruments:

- **Credit Risk**
- **Liquidity Risk**
- **Market Risk**

CREDIT RISK

'Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing

CREDIT RISK MANAGEMENT

Trade receivable related credit risk

All trade receivable are reviewed and assessed for default on routine basis. Our historical experience of collecting receivables is of low credit risk.

Other financial assets

The company maintains low exposure in cash and cash equivalents. The Company's maximum exposure to credit risk is the carrying value of each class of financial assets.

LIQUIDITY RISK:

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring

Maturities of financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.



Maturity of Financial liabilities

(Rs. In Lacs)

	Carrying amount	Less than 1 year	1-2 years	2-5 years
Borrowings	71,665.94	70,143.69	22.25	1,500.00
Trade Payables	13,209.76	13,209.76		
Other Financial Liabilities	1,493.23	1,493.23		
	86,368.94	84,846.68	22.25	1,500.00

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the following market risks that arise from its use of financial instruments:

- Currency Risk
- Price Risk
- Interest Rate Risk

Currency Risk

The Company operates internationally and consequently the Company is exposed to foreign exchange risk through its sales in overseas market. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows

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

Particulars	Currency	In Foreign Currency as at 31-March-2018	Rs In Lacs
Export Receivable	USD	2,538,902	1,651.41
	GBP	757,773	699.31
	EURO	95,249	76.79
	AUD	648,648	324.56
	CAD	63,195	31.90
Advances received from customers for export	USD	4,090,056	2,660.34
	EURO	—	—
Loans and advances	DHR	—	—
	USD	—	—
Borrowings	USD	6,673,827	4,340.93
	GBP	—	—
Creditors	USD	60,582	39.41

b) The company has an outstanding Forward contract as on 31st March 2018 and there is Marked to Market (MTM) unrealized loss on forward contracts of Rs. 23.36 Lacs (March 31 2017, Rs. 3.20 Lacs), which has been accounted for accordingly in the books of accounts.

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

Currency	Cross Currency	In Foreign Currency as at 31-March-2018	Fair value as on 31-March-2018
GBP	Indian Rupees	500,000	Rs. 461.42 Lacs



Price Risk

The price risk is the risk arising from investments held by the Company and classified in the balance sheet either at fair value through Other Comprehensive Income or at fair value through profit or loss.

The Company's equity investments are mainly strategic in nature and are generally held on a long-term basis.

Interest Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at March 31, 2018, the Company has short term borrowings of 68,239.53 Lacs which is exposed in financial risk.

Commodity Risk

The Company is exposed to the fluctuations in commodity prices. Mismatch in demand and supply, adverse weather conditions, market expectations etc., can lead to price fluctuations. The Company manages these price fluctuations by actively managing the

47. The company was not required to spend any amount in respect of corporate social responsibility (CSR) for current year and for previous year as per section 135 of Companies Act - 2013
48. The company has not made any contribution to any political party during current year and previous year.
49. During the year no amount of Dividend has been remitted in foreign currency to Non Resident out side India.
50. Some of the balances of Debtors and Creditors are subject to confirmation.
51. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary to confirm to current year classification

The above notes form part of the financial statements

In terms of our separate report of even date attached

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

**Sd/-
(PANKAJ GUPTA)
PARTNER**

Membership No: 094909

Faridabad
30th-May-2018

**Sd/-
SATNAM ARORA
Jt. Mg. Director
DIN NO. 00010667**

**Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER**

**Sd/-
GURNAM ARORA
Jt. Mg. Director
DIN NO. 00010731**

**Sd/-
RAMA KANT
COMPANY SECRETARY**



STATEMENT OF CHANGES IN EQUITY

(Rs. In Lacs)

PARTICULARS	No. Shares	Amount
A. Equity Share Capital		
Balance as at 1st April, 2016	35,241,530	3,524.15
Change in equity share capital during the year	—	—
Balance as at 31st March, 2017	35,241,530	3,524.15
Change in equity share capital during the year	—	—
Balance as at 31st March, 2018	35,241,530	3,524.15

B. Other Equity

(Rs. In Lacs)

PARTICULARS	Capital Reserve	Securities Premium Account	Retained earnings	Revaluation Surplus	Total
Balance as at 1st April, 2016	742.76	14,549.43	(7,985.18)	15,885.19	23,192.20
Profit for the year			(11,862.38)		(11,862.38)
Other Comprehensive Income for the Year			999.70		999.70
Total Comprehensive Income for the year	—	—	(10,862.68)		(10,862.68)
Dividends Transferred to General Reserve					
Balance as at 31st March, 2017	742.76	14,549.43	(18,847.85)	15,885.19	12,329.52
Profit for the year	—	—	(7,102.80)	—	(7,102.80)
Other Comprehensive Income for the Year	—	—	5.46	—	5.46
	742.76	14,549.43	(25,945.20)	15,885.19	5,232.17
Dividends Transferred to General Reserve					
Balance as at 31st March, 2018	742.76	14,549.43	(25,945.20)	15,885.19	5,232.17

Annexure to our Report of Date

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-
SATNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010667

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

Faridabad
30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY



ANNEXURE TO THE BALANCE SHEET AS AT 31st MARCH, 2018

Form AOC - 1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

01 Name of subsidiaries Company	Sachdeva Brothers Pvt. Ltd.	Kohinoor Foods USA. Inc.	Indo European Foods Limited
02 Reporting period for the subsidiary concerned	31-03-2018	31-03-2018	31-03-2018
03 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries			
i) Reporting Currency	INR	USD	GBP
ii) Exchange Rate	N.A	65.0441	92.2846
04 Share Capital	1,583,500	552,874,850	570,644,962
05 Reserves & Surplus	(3,846,776)	(722,353,936)	(220,254,428)
06 Total Assets	21,232	201,608,431	1,857,579,115
07 Total Liabilities	21,232	201,608,431	1,857,579,115
08 Investments	—	—	—
09 Turnover	—	25,071,474	2,085,269,187
10 Profit / Loss Before Tax	(8,625)	(77,50,986)	(93,768,904)
11 Provision for Tax	—	65,044,	(8,320,797)
12 Profit / Loss after Tax	(8,625)	(7,816,030)	(85,448,107)
13 Proposed Dividend including Dividend declared during the year.	—	—	—
14 % of shareholding	100%	100%	100%

Sd/-
SATNAM ARORA
Jt. Mg. Director
DIN NO. 00010667

Sd/-
GURNAM ARORA
Jt. Mg. Director
DIN NO. 00010731

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Faridabad
30th-May-2018

Sd/-
RAMA KANT
COMPANY SECRETARY



INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF KOHINOOR FOODS LIMITED

Report on the Consolidated Financial Statements We have audited the accompanying consolidated financial statements of Kohinoor Foods Limited ("the Holding Company") its subsidiaries (the holding company and its subsidiaries together referred to as "the group") its associate and its joint venture, which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidate Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis of Qualified Opinion

We have not been provided the financial statements/ financial information of two associates companies (1) Al Dhara Kohinoor Industries LLC, (2) Al Dhara Kohinoor LLC and one jointly controlled entity 'Rich Rice Raisers Factory LLC'. Therefore, we are unable to comment about any possible effect of these associates and joint venture companies in consolidated financial statement for the period ended 31st March 2018.

Opinion

In our opinion, based upon information and explanation given to us and except for the possible effect of the matter described in the basis for qualified opinion paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.



Emphasis of Matter

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

- (1) As stated in Note 4 to the consolidated financial statements, the holding company has adjusted the value of inventories by Rs 24445.09 Lacs as at the date of transition i.e. April 1, 2016, by reducing the amount of Borrowing cost included in the value of inventories. Further amount of Rs 2947.73 Lacs has been written off from the value of inventories of as prior year adjustment in the books of subsidiary company M/s Indo European Foods Ltd.
- (2) As stated in Note 38 to the consolidated financial statements, the holding company has not made Provision for the demand raised by various authorities as the matters are pending before various Appelatte forum.
- (3) As stated in Note 41 of consolidated financial statement, as per information and explanation given to us, the holding company has not paid interest to banks and its outstanding balance in loan accounts has exceeded its drawing power since February, 2018.
- (4) As stated in Note No. 42 of consolidated financial statement, balances of debtors, creditors, loan and advances are subject to confirmation.
- (5) As stated in Note No.5 of consolidated financial statement, the management of holding company has upwardly revalued the carrying amount of Fixed assets by Rs 15885.18 Lacs as at the date of transition i.e. April 1, 2016, and amount of Rs 779.15 Lacs has upwardly revalued the carrying amount of Fixed assets by subsidiary company Indo European Foods Limited during the financial year 2017-18, which consequently resulted in increase of revaluation reserve.
- (6) We draw attention to the fact that, we did not have occasions to overview physical stock taking done by management of holding company during the financial year 2017-18 and have relied on the information and explanations provided to us by the management.
- (7) The independent auditor of Sachdeva Brothers Private Limited a subsidiaries company, in its audit report on the financial statements for the year ended 31 st March, 2018 have drawn emphasis of matter paragraphs reproduced by us as under:

"Attention is invited regarding the financial statement being prepared on a going concern basis, notwithstanding the fact that the company's net worth is eroded (Net worth as at 31 st March 2018 minus Rs 4,26,443/-). These events cast significant doubt on the ability of the company to continue as going concern."

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of Rs. 7390.01 Lacs as at 31st March, 2018, total revenues of Rs.16009.76 Lacs and net cash flows decrease amounting to Rs 128.30 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements include the Group's share of net loss of Rs 204.15 Lacs for the year ended 2018, as considered in the consolidated financial statements, in respect of subsidiaries. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a) we have sought and except for the possible effect of the matter described in the basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) except for the possible effect of the matter described in the basis for qualified opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) except for the possible effect of the matter described in the basis for qualified opinion paragraph, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) the matter described in paragraph under the basis for qualified opinion and emphasis of matters, in our opinion may have an adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group company, incorporate in India is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.
- g) The qualification related to the maintenance of accounts and other matter connected therewith are as stated in the basis for qualified opinion paragraph;
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities— Refer Note 38 to the consolidated financial statements.
- ii. Except for the possible effects of the matter described in the basis for emphasis of matter paragraph, the company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 18 and 23 to the financial statements; the Group, its associates and jointly controlled entities.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

Place : New Delhi
Date : 30th-May-2018

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

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2018, we have audited the internal financial controls over financial reporting of Kohinoor Foods Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.



Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its Subsidiary Companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place : New Delhi
Date : 30th-May-2018

For **RAJENDER KUMAR SINGAL & ASSOCIATES LLP**
(CHARTERED ACCOUNTANTS)
FRN : 016379N
Sd/-

(PANKAJ GUPTA)
PARTNER
Membership No. 094909

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2018

(Rs. In Lacs)

PARTICULARS	NOTE	As at 31-March-2018	As at 31-March-2017	As at 01-April-2016
A. ASSETS				
Non-Current Assets				
Property, Plant and Equipment	5	26,071.72	25,643.97	28,374.45
Capital work in progress	5	1.26	275.10	23.91
Intangible assets		—	55.51	55.51
Financial Assets Investment	6	19.83	19.47	10.08
Other Non Current assets	7	115.00	245.55	157.72
Deferred tax assets (Net)	8	10,903.38	10,821.85	3,649.04
TOTAL		37,111.19	37,061.44	32,270.70
Current Assets				
Inventories	9	54,953.12	65,510.23	77,315.29
Financial assets				
Investments	10	—	1,000.00	—
Trade receivables	11	8,890.84	11,034.04	15,043.02
Cash and cash equivalents	12	1,147.41	2,232.81	1,284.79
Other financial assets	13	594.87	133.42	95.85
Other Current Assets	14	3,809.30	3,822.60	3,852.55
TOTAL		69,395.54	83,733.09	97,591.49
TOTAL ASSETS		106,506.73	120,794.54	129,862.20
B. EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	3,524.15	3,524.15	3,524.15
Other equity	16	(3,320.94)	4,555.34	13,661.82
Total		203.21	8,079.50	17,185.97
Liabilities				
Non Current Liabilities				
Financial Liabilities				
Borrowings	17	1,587.33	1,760.80	1,987.86
Provisions	18	224.88	297.43	278.30
Total		1,812.21	2,058.23	2,266.61
Current Liabilities				
Financial Liabilities				
Borrowings	19	81,959.72	92,658.59	94,611.82
Trade Payables	20	16,899.77	11,921.44	9,451.67
Other Financial Liabilities	21	1,509.68	1,878.76	1,569.88
Other current Liabilities	22	4,101.38	4,178.84	4,652.82
Provisions	23	20.76	19.17	19.84
Current tax Liabilities(Net)		—	—	104.04
Total		104,491.31	110,656.81	110,410.07
TOTAL EQUITY AND LIABILITIES		106,506.73	120,794.54	129,862.20

The Accompanying Notes form an integral part of the Financial Statements

In terms of our separate report of even date

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

for and on behalf of the Board of Directors

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

Sd/-
SATNAM ARORA
Jt. Mg. Director
 DIN NO. 00010667

Sd/-
GURNAM ARORA
Jt. Mg. Director
 DIN NO. 00010731

Faridabad
 30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In Lacs)

PARTICULARS	NOTE	FOR THE YEAR ENDED 31-March-2018	FOR THE YEAR ENDED 31-March-2017
INCOME			
Revenue from Operations	24	101,919.91	115,686.02
Other Income	25	329.42	266.15
Total Income		<u>102,249.33</u>	<u>115,952.17</u>
EXPENSES			
Cost of Material Consumed	26	71,275.73	79,198.44
Purchases of Stock-in-Trade	27	6,761.27	23,647.22
Changes in Inventories of Finished Goods, WIP and Stock in Trade	28	3,772.35	(3,284.54)
Employee Benefits Expenses	29	3,663.31	3,555.69
Finance Costs	30	8,779.29	9,845.27
Depreciation and Amortisation Expenses	5	1,708.87	1,951.42
Impairment of Assets	31	71.34	---
Other Expenses	32	14,190.70	18,436.20
Total Expenses		<u>110,222.87</u>	<u>133,349.69</u>
Profit Before Exceptional items and Tax		<u>(7,973.54)</u>	<u>(17,397.52)</u>
Exceptional Items			
Profit Before Tax		<u>(7,973.54)</u>	<u>(17,397.52)</u>
Tax Expenses			
Current Tax		0.65	
Less :- MAT credit entitlement			
Income Tax for Prior Years		144.76	(22.59)
Deferred Tax		(83.21)	(7,145.60)
Profit/(Loss) for the year		<u>(8,035.75)</u>	<u>(10,229.34)</u>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		4.85	(0.29)
Unrealised surpluss on revaluation of Fixed Assets		728.79	
Fair value of Investments through OCI		0.60	999.99
Income tax relating to Items that will not be reclassified to profit or loss		—	—
Other Comprehensive Income for the year		734.25	999.70
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(7,301.50)</u>	<u>(9,229.64)</u>
EARNING PER EQUITY SHARE (Face value of ` 1 each)			
Basic (In `)		(20.72)	(26.19)
Diluted (In `)		(20.72)	(29.19)
The Accompanying Notes form an integral part of the Financial Statements			

In terms of our separate report of even date

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-
SATNAM ARORA
Jt. Mg. Director

DIN NO. 00010667

Sd/-
GURNAM ARORA
Jt. Mg. Director

DIN NO. 00010731

Faridabad
30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



Cash Flow Statement for the year ended 31st March 2018

(Rs. In Lacs)

PARTICULARS	FOR THE YEAR ENDED 31-March-2018	FOR THE YEAR ENDED 31-March-2017
A. Cash Flow From Operating Activities		
Net Profit before tax	(7,973.54)	(17,397.52)
Adjustments for :		
Depreciation and Amortisation Expenses	1,708.87	1,951.42
Finance cost	8,779.29	9,845.27
Interest income	(60.33)	(77.05)
Profit on Sale of Fixed Assets	(6.48)	(28.78)
Income from Key Man Insurance Policy	(60.25)	(29.70)
Impairment loss on Investment in Subsidiary	71.34	---
Operating profit before working capital changes	2,458.92	(5,736.37)
Adjustments for		
Decrease/(Increase) in Inventories	10,557.11	11,805.06
Decrease/(Increase) in Trade Receivables	2,143.20	4,008.98
Decrease/(Increase) in other Receivables	(317.60)	(95.46)
Increase/(Decrease) in Trade payables	4,978.33	2,469.77
Increase/(Decrease) in other payables	(512.66)	(250.95)
Un realized Foreign Exchange Gain/Loss	(623.47)	95.95
Cash generated from operations	18,683.82	12,296.99
Income tax paid	(145.42)	22.59
Net Cash from operating activities	18,538.41	12,319.37
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment's	(1,021.65)	556.65
Sale of property, plant and equipment's		
Investments in Subsidiaries /Associates Companies		
Sale of Investments	928.90	(9.40)
Interest Received	60.33	77.05
Income from Key Man Insurance Policy	60.25	29.70
Net cash from Investment activities	27.82	654.00
C. Cash Flow from Financing Activities		
Increase/(Decrease) in short term borrowings	(10,698.87)	(1,953.22)
Increase/(Decrease) in Long term borrowings	(173.47)	(227.07)
Interest paid	(8,779.29)	(9,845.27)
Net cash flow from financing activities	(19,651.63)	(12,025.56)
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,085.40)	948.02
- Cash & Cash equivalent at beginning of the year	2,232.81	1,284.79
- Cash & Cash equivalent at end of the year *	1,147.41	2,232.81
	(1,085.40)	948.02

In terms of our separate report of even date

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Faridabad
30th-May-2017

Sd/-
SATNAM ARORA
JT. MG. DIRECTOR

DIN NO. 00010667

Sd/-
PRABHAT KUMAR
C.F.O

Sd/-
GURNAM ARORA
JT. MG. DIRECTOR

DIN NO. 00010731

Sd/-
RAMA KANT
COMPANY SECRETARY

Kohinoor Foods Ltd.

ANNUAL REPORT 2017 - 18



STATEMENT OF CHANGES IN EQUITY

(Rs. In Lacs)

PARTICULARS	No. Shares	Amount
A. Equity Share Capital		
Balance as at 1st April, 2016	35,241,530	352,415,300
Change in equity share capital during the year	—	—
Balance as at 31 st March, 2017	35,241,530	352,415,300
Change in equity share capital during the year	—	—
Balance as at 31 st March, 2018	35,241,530	352,415,300

B. Other Equity

(Rs. In Lacs)

PARTICULARS	Capital Reserve	Securities Premium Account	Retained earnings	Revaluation Surplus	Foreign Currency Translation Reserve	Total
Balance as at 1st April, 2016	760.25189	14549.42669	-13177.587	16260.95903	-4731.23114	13662
Profit for the year			-10229.339			-10229
Other Comprehensive Income for the Year			1,000			1,000
Total Comprehensive Income for the year	0	0	(9,230)	0	0	-9230
Dividends Transferred to General Reserve						
Exchange differences on Foreign currency translation of foreign operations.					123.16372	123
Balance as at 31st March, 2017	760	14549	(22,407)	16261	-4608	4555
Profit for the year			(8,036)			-8036
Other Comprehensive Income for the Year			5			5
Total Comprehensive Income for the year			-8030			-8030
Dividends Transferred to General Reserve						
Unrealised gain on revaluation of Fixed Assets				779		779
Exchange differences on Foreign currency translation of foreign operations.					-625.14842	-625
Balance as at 31st March, 2018	760	14549	-30438	17040	-5233	-3321

Annexure to our Report of Date

for and on behalf of the Board of Directors

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Sd/-
SATNAM ARORA
JT. MG. DIRECTOR
DIN NO. 00010667

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

Faridabad
30th-May-2018

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

Sd/-
RAMA KANT
COMPANY SECRETARY



1. Basis of Preparation of Consolidated Financial Statement

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended March 31, 2018 are prepared under Ind AS for the first time. For all periods up to and including the year ended March 31, 2017, the financial statements were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS. The financial statements for the year ended March 31, 2017 and the opening Balance Sheet as at April 01, 2016 have been restated in accordance with Ind AS for comparative information.

The Financial Statements have been prepared on the historical cost convention on going concern basis and on accruals basis unless otherwise stated.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at April 01, 2016 being the 'date of transition to Ind AS'.

The financial statements of Kohinoor Foods Limited ("Holding Company of KFL") together with its subsidiaries (hereinafter collectively referred to as "Group") are consolidated to form Consolidated Financial Statements (CFS). Consolidated Financial Statements consolidate the financial statements of KFL and its Wholly Owned Subsidiaries listed below

Wholly Owned Subsidiary(WOS)	Country of Incorporation
Sachdeva Brothers Pvt Ltd	India
Indo European Food Ltd	United Kingdom
Kohinoor Foods USA Inc.	USA

The parent company has not received audited financial statement from its Joint venture company, Rich Rice Raisers LLC and Associate companies AL-Dahra Kohinoor LLC and Al Dahra Kohinoor Industries LLC. The Management considers that the parent company is not in position to exercise control over these entities. Hence the results of Joint venture company and associate companies are not considered in the Consolidated Financial Statements.

Rich Rice Raisers LLC has closed its operations. KFL has 25% shareholding in this Joint Venture

KFL holds 20% share in each of its associates companies. Al-Dahra Kohinoor LLC has exercised the call option which the KFL has accepted. Upon completion of the formalities the shareholding of the parent company in both of these associates will reduce to NIL.

2. Significant Accounting Policies

(a) Principles of Consolidation:

The financial statements of the parent company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS)21 "Consolidated Financial Statements".

The results and financial position of all the Group companies are translated into the reporting currency as follows:



- (i) Current Assets and Liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) Income and expenses for each income statement are translated at average exchange rates.
- (iii) All resulting exchange differences are accumulated in foreign currency translation reserve until the disposal of net investment.

(b) Use of Estimates and Judgments

The preparation of Financial Statements requires management to make certain assumptions and estimates that affect the reported amount, the Financial Statements and Notes thereto. Difference between actual results and estimates are recognized in the period in which they materialize.

(c) Property, Plant and Equipment

The Group has adopted revaluation model for land & building. All the assets belonging to these classes of assets are carried at revalued amount being its fair value at the date of revaluation less subsequent depreciation. The Group shall carry out the revaluation of these assets periodically after every 3 to 5 years.

Property, Plant & Equipment under all other classes are stated at cost of acquisition/installation inclusive of freight, duties, and taxes and all incidental expenses and net of accumulated depreciation. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress" and stated at the amount spent up to the date of balance sheet.

Intangible assets are stated at their cost of acquisition.

(d) Depreciation

Depreciation on Property, Plant & Equipment is provided on written down value method, in terms of useful life of the Assets as prescribed in Schedule II to the Companies Act 2013. The depreciation rates which are different from the principal rates specified in Schedule-II are as follows: -

Tarpaulin	100% p.a.
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Wooden & Plastic Crates	100% p.a.
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The subsidiaries, IEFL provides the depreciation on following basis: -

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

Freehold Property	2% p.a. straight line basis
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Plant and Machinery	Up to 25 Years
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Fixtures and Fittings	15% p.a. reducing balance basis
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Motor Vehicles	20% p.a. reducing balance basis
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Computer Equipment & Software

20% p.a straight line basis

(e) Financial Instruments

(1) Financial Assets

Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

i) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Other Equity Investments

Equity investments are measured at fair value. Investments which are not held for trading purposes and where the Company has exercised the option to classify the investment as Fair Value through other comprehensive income ('FVTOCI'), all fair value changes on the investment are recognised in OCI.

(2) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(3) Derivative financial instruments

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they



arise.

(f) Fair value measurement

The Group classifies the fair value of its financial instruments, FVTPL and FVTOCI, in the following hierarchy, based on the inputs used in their valuation:

- i) Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.
- ii) Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii) Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

(g) Dividend to Equity Shareholders

Dividend to Equity Shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

(h) Inventories

Raw materials, traded and finished goods are stated at the lower of cost and net realisable value. Stores and spares are carried at cost.

Cost is determined on FIFO (First in First out) basis for raw material, and on weighted average method for all other categories of inventories. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition, where applicable, include appropriate overheads based on normal level of activity.

(i) Cash and Cash Equivalents

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

(j) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable, net of discount, rebate, returns and value added taxes. The revenue is recognized when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the activities.

Revenue from sale of goods is recognised when all the significant risk and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. On recognition of revenue the Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

Interest income is recognized using the effective interest method. Revenue in respect of Insurance / others claims, Commission, etc. is recognized only when it is reasonably certain that the ultimate collection will be made.



Revenue in respect of sale of licenses, duty drawback and other incentives is recognized on realization basis.

(k) Research and Development

Research expenditure is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the costs can be reliably measured, future economic benefits are probable, the product is technically feasible and the Company has the intent and the resources to complete the project. Development assets are amortised based on the estimated useful life, as appropriate.

(l) Employee Benefits

Contributions to defined contribution plans are charged to the statement of profit and loss on accrual basis. Present liability for future payment of gratuity is determined on the basis of actuarial valuation at the balance sheet date and the expenses is charged to the statement of profit and loss.

(m) Foreign Currency Transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

(n) Government Grant

Grants from the government are recognised when there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Grant received from government towards property, plant & equipment's acquired/constructed by the Company is deducted out of gross value of the asset acquired/ constructed and depreciation is charged accordingly.

(o) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the group incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Interest and other borrowing costs attributable to qualifying assets are capitalised as a part of such assets till such time the assets are ready for use. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(p) Income tax

Current Income Tax:

Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with applicable Income Tax law.

Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and



liabilities and their carrying amounts for financial reporting purposes at the reporting date. The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Current and Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

(q) Leases

Lease of assets, where the Company, as a lessee, has substantially assumed all the risks and rewards of ownership are classified as finance leases. Assets acquired on finance lease are capitalised and depreciated as per the policy on Property, Plant and Equipment. Finance lease are measured at the lease's inception at the lower of fair value of the leased property and the present value of the minimum lease payments. The corresponding lease rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(r) Provisions, Contingent Liability and Contingent Assets

A provision is created when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

(s) Impairment of Financial Assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

(t) Impairment of Non-Financial Assets

An assessment is made at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such Indication exists; the Company estimates the recoverable amount of assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the assets belong is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of Profit & Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at recoverable amount.

(u) Exceptional Items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further



understanding of the financial performance of the company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

(v) Earnings per share

The Consolidated statement of Profit and Loss presents basic and diluted earnings per share data for the ordinary shares of parent company. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(w) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

3. First time adoption of Ind AS

The Group has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 01, 2017, with a transition date of April 01, 2016. These consolidated financial statements for the year ended March 31, 2018 are the first financial statements, prepared under Ind AS. For all periods up to and including the year ended March 31, 2017, the Company prepared consolidated financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Consolidated financial statements which comply with Ind AS for year ended March 31, 2018, together with the comparative information as at and for the year ended March 31, 2017 and the opening Ind AS Balance Sheet as at April 01, 2016, the date of transition to Ind AS.

In preparing these Ind AS Consolidated financial statements, the Group has availed certain exemptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in retained earnings.

Exemptions availed on First Time Adoption

(i) Property, Plant and Equipment

The Group has elected to adopt the carrying value under previous GAAP as deemed costs as on the date of transition i.e. April 1, 2016 except the Land & Building for which the group has elected to adopt revaluation model.

(ii) Estimates

On transition, the group did not revise the estimates previously made under IGAAP except where required by Ind AS.



4. Reconciliation between previous GAAP and Ind AS:

Reconciliation of other Equity as on 1st April 2016 and 31st March 2017.

Particulars	01-04-2016	31-03-2017
As per previous GAAP	31178580221	1745551864
IND AS Adjustments		
Revaluation of Land & Building	1588518716	1588518716
Change in Depreciation due to revaluation	—	-67024937
Restatement of profit on sale of Assets, due to revaluation	—	-63408124
Remeasuring Investment at fair value	-422146653	-62370
Valuation of Stock	-2739282446	-2590934317
Fair value of financial assets	-203986261	-199934138
Effect of deconsolidation of Joint Venture from proportional consolidation	64324222	64996959
Amortisation of Deferred Marketing Expenses	-39095895	-22169288
	-1751668317	-1290017499
As per Ind As	1366181904	455534365

Reconciliation of Net Profit for the year ended 31st March 2017

Particulars	Amount
Net Profit/(Loss) as per previous GAAP	-1379657503
IND AS Adjustments	
Change in Depreciation due to revaluation	-67024937
Decrease in Profit on sale of Assets	-63408124
Effect of measuring investments at fair value	322085709
Change in cost of material consumed due to difference in value of opening and closing inventories	148348129
Actuarial loss on Gratuity reclassified to OCI	28599
Foreign Exchange gain	4052123
Effect of deconsolidation of Joint Venture from proportional consolidation	672737
Amortisation of Deferred Marketing Expenses	11969382
	356723618
Net Profit/(Loss) as per IND AS	-1022933885



5. PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lacs)

Particulars	Gross Block			Depreciation					WDV	WDV	
	As at 31-03-2017	Additions	Deletions	Translation Reserve	Total as on 31-03-2018	31-03-2017	D/Y as per Sch II	Deletions/ Adjust- ments	Translation Reserve	As at 31-03-2018	As at 31-03-2017
TANGIBLE ASSETS											
LAND	11,184.12			2.02	11,186.14	—	—	—	—	—	11,184.12
BUILDING	13,752.07	377.35	---	1,033.76	15,163.17	3,187.46	846.36	—	(121.14)	3,912.69	10,564.60
PLANT & MACHINERY AND OFFICE EQUIPMENTS	13,042.81	416.93	---	281.98	13,741.73	9,849.34	686.11	—	173.06	10,708.51	3,193.47
FURNITURE & FIXTURE	567.80	8.60	---	33.86	610.26	402.25	41.67	—	24.88	468.80	165.55
WOODEN, PLASTIC CREATES & TARPAULINS	167.35	0.80	—	—	168.15	164.43	3.05	—	—	167.48	2.91
COMPUTERS	225.53	29.88	---	19.21	274.62	87.65	26.22	—	3.10	116.98	137.87
VEHICLES	1,358.52	1.07	61.37	15.77	1,313.99	963.08	105.46	58.24	1.58	1,011.88	395.44
SUBTOTAL	40,298.19	834.63	61.37	1,386.60	42,458.05	14,654.22	1,708.87	58.24	81.48	16,386.33	25,643.97
INTANGIBLE ASSETS											
GOODWILL	—	—	—	—	---	—	—	—	—	—	55.51
SUBTOTAL	—	—	—	—	---	—	—	—	—	—	55.51
GRAND TOTAL	40,298.19	834.63	61.37	1,386.60	42,458.05	14,654.22	1,708.87	58.24	81.48	16,386.33	25,699.48

CAPITAL WORK IN PROGRESS

Particulars	Amount
Net Book Value	
Balance as at March 31, 2018	1.26
Balance as at March 31, 2017	275.10
Balance as at March 31, 2018	23.91



	(Rs. In Lacs)		
As at	31-March-2018	31-March-2017	01-April-2016
6. Non-Current Investment			
Joint Venture Companies			
Rich Rice Raisers factory LLC.	9.42	9.42	9.42
75 (Previous year - 75) shares of AED 1000 each fully paid up			
Less :- Diminution in the Value of the Investment	(9.42)	(9.42)	(9.42)
	—	—	—
Associates Companies			
AL Dahra Kohinoor Industries LLC	10.06	10.06	10.06
60 (Previous year - 60) shares of AED 1000 each fully paid up			
AL Dahra Kohinoor LLC	10.06	10.06	10.06
60 (Previous year - 60) shares of AED 1000 each fully paid up			
Less :- Adjustment for Post acquisition losses	(10.06)	(10.06)	(10.06)
Other Investment			
Investment in Quoted Equity Instruments			
Anu Laboratories Ltd	—	—	0.01
5,940 (Previous year - 5,940) shares of Rs. 1 each. Fully paid up			
Investment in Un-quoted Fund			
Balanced Plan Fund- Canara-HSBC-OBC	9.76	9.40	10.06
(56496.16 previous year -(58300.4583) Unit of			
Balanced Plus Fund issued under Canara-HSBC-OBC			
Life Insurance Platinum Plus Plan)	19.83	19.47	10.08
a) Aggregate amount of Quoted investments	—	—	0.01
Aggregate amount of Market value of Quoted Investments	—	—	0.01
Aggregate amount of Un-quoted Investments	19.82	19.47	10.06
Aggregate Provision for Diminution in value of Investments	9.42	9.42	9.42
b) Investment in associates and joint venture are carried at cost. other investments are carried at fair value through Other comprehensive income.			
7. Other Non-Current Assets			
(Unsecured, considered goods)			
Capital Advances	—	73.94	—
Security Deposit	115.00	171.61	157.72
	115.00	245.55	157.72
8. Deferred Tax Assets (Net)			
Disallowance under Income tax act, 1961	107.61	107.61	101.34
Related to fixed assets	(205.11)	(283.08)	(124.35)
Related to business loss*	11,000.88	10,997.31	3,672.05
	10,903.38	10,821.85	3,649.04

* Additional deferred tax assets has not be recognized by the parent company considering the probability of having sufficient taxable profit available against which unused tax losses can be utilized.

9. Inventories

(As taken, valued and certified by the Management)



As at	(Rs. In Lacs)		
	31-March-2018	31-March-2017	01-April-2016
Raw Material	6,109.05	1,404.30	5,317.04
Work in Progress	26.75	33.96	—
Finished Goods	47,944.17	62,823.57	70832.67
Stores and Spares	22.42	45.87	213.36
Packing Materials	850.73	1,202.52	952.21
	<u>54,953.12</u>	<u>65,510.23</u>	<u>77,315.29</u>
a) Inventories are valued at the lower of cost and net reliable value.			
b) Finished goods includes the Stock in transit			
10. Current Investment			
Investment in Unquoted Equity Instruments			
Kohinoor Speciality Foods India Pvt. Ltd	—	1,000.00	---
44,161 shares of Rs. 10 each fully paid up			
	<u>—</u>	<u>1,000.00</u>	<u>---</u>
a) Investment in associates and joint venture are carried at cost. other investments are carried at fair value through Other comprehensive income.			
b) In terms of Settlement Agreement dated 13th April 2017, Kohinoor Foods Limited has transferred its 15% shareholding of Kohinoor speciality Foods india Pvt. Ltd for a consideration of Rs. 10 crores. The value of this Investment has accordingly been restated at its fair value of Rs. 10 crores as on 31 March 2017.			
11 Trade Receivables			
(Unsecured, Considered Good)			
Outstanding for a period exceeding six months	555.34	263.76	2,457.19
Others	8,355.50	10,770.28	9,767.81
	<u>8,890.84</u>	<u>11,034.04</u>	<u>12,225.00</u>
(Unsecured, Considered Doubtful)			
Outstanding for a period exceeding six months	—	—	799.76
Others	—	—	2,018.27
	<u>—</u>	<u>—</u>	<u>2,818.02</u>
	<u>8,892.84</u>	<u>11,034.04</u>	<u>15,043.02</u>
12 Cash and Cash Equivalents			
Balances with Banks in Current Accounts	398.31	774.71	667.35
Cash in Hand	42.72	42.74	44.40
Fixed deposits as Margin Money with Banks	706.38	1,415.35	573.04
	<u>1,147.41</u>	<u>2,232.81</u>	<u>1,284.79</u>
13 Other Financial Assets (Current)			
Staff Advance	9.80	18.95	20.18
Interest accrued on bank deposits	97.29	114.47	75.67
Others	487.78	—	---
	<u>594.87</u>	<u>113.42</u>	<u>95.85</u>
14 Other Current Assets			
(Unsecured, Considered good)			
Advance Tax	2,123.90	2,252.19	2,238.16
Advance against Purchases	815.60	232.57	139.52
MAT Credit Entitlement	464.87	464.87	546.33
Pre-paid Expenses	90.62	143.33	159.03
Others	314.31	729.64	769.91
	<u>3,809.30</u>	<u>3,822.60</u>	<u>3,852.55</u>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In Lacs)

As at	31-March-2018	31-March-2017	01-April-2016
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15. EQUITY SHARE CAPITAL

Authorised Share Capital

75,000,000 (Previous year 75,000,000) 7,500.00 7,500.00 7,500.00

Equity shares of Rs. 10/- each

Issued, Subscribed And Paid-up Capital

35,241,530 (Previous year 35,241,530) 3,524.15 3,524.15 3,524.15

Equity Shares of Rs. 10/- each fully paid-up

3,524.15 3,524.15 3,524.15

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

Number of Equity Shares at the beginning of the year 35,241,530 35,241,530 35,241,530

Number of Equity Shares issued during the year — — —

Number of Equity Shares at the end of the year 35,241,530 35,241,530 35,241,530

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

As at	31-March-2018		31-March-2017		01-April-2016	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% holding
(1) Jugal Kishore Arora	6,043,484	17.15%	6,043,484	17.15%	6,043,484	17.15%
(2) Satnam Arora	5,378,923	15.26%	5,378,923	15.26%	5,378,923	15.26%
(3) Gurnam Arora	6,098,889	17.31%	6,098,889	17.31%	6,098,889	17.31%
(4) M/s Al Dahra International Investments LLC	7,048,306	20.00%	7,048,306	20.00%	7,048,306	20.00%

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

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

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

As at	31-March-2018	31-March-2017	01-April-2016
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16. OTHER EQUITY

Capital Reserve 760.25 760.25 760.25

Securities Premium Account 14,549.43 14,549.43 14,549.43

Revaluation Surplus

As per last Balance Sheet 16,260.96 16,260.96 16,260.96

Addition during the Year 779.15 — —

17,040.11 16,260.96 16,260.96

Retained Earnings

As per last Balance Sheet (22,407.23) (13,177.59) (10,784.21)

Profit/(Loss) during the year (8,035.75) (10,229.34) (2,393.37)

Other Comprehensive Income 5.46 999.70 —

(30,437.52) (22,407.23) (13,177.59)



	(Rs. In Lacs)		
As at	31-March-2018	31-March-2017	01-April-2016
Dificit in Retained Earnings transferred to General Reserve	— (30,437.52)	— (22,407.23)	— (13,177.59)
Foreign Currency Translation Reserve			
As per Last year	(4,608.07)	(4,731.23)	(4,470.60)
Add : Exchange fluctuation during the year	(625.15) (5,233.22) (3,320.94)	123.16 (4,608.07) 4,555.34	(256.63) (4,731.23) 13,661.82
17 Borrowings (Non-Current)			
Secured Loans			
Term Loans from Banks	—	—	—
Term Loans from Other Parties	—	188.62	365.51
Long Term maturity of Finance Lease obligations	87.33	72.18	122.36
	87.33	260.80	487.86
Unsecured Loans			
Loan from Directors	1,500.00	1,500.00	1,500.00
	1,587.33	1,760.80	1,987.86
a) Term loans are repayable in monthly/quarterly installments. Maturity profile of non-current term loans are as set out below			
Term Loan Installments Repayable within :-			
1-2 Years	—	188.62	165.74
2-3 Years	—	—	199.77
	—	188.62	365.51
b) Term Loans from other parties carry interest rate of 13% P.A. (Previous year 13% per annum.) and are secured by charged on third party property.			
c) Loan from Directors are interest free.			
18 Provisions (Non-Current)			
Provision for Employee Benefit			
Provision for Gratuity	224.88	297.43	278.30
	224.88	297.43	278.30
19 Borrowings (Current)			
Secured			
Loan repayable on Demand from Banks	80,055.56	84,918.78	87,981.66
Buyers Credit	39.41	4,843.28	—
Unsecured			
Overdraft in Current Account	420.85	1,435.10	1,549.48
Loan from Directors	1,443.91	1,461.43	5,080.67
	81,959.72	92,658.59	94,611.82



		(Rs. In Lacs)		
As at	31-March-2018	31-March-2017	01-April-2016	
a) Loan repayable on Demand from Banks include the following				
Pre-Shipment	53,909.29	50,519.17	52,533.04	
Post-Shipment	5,729.98	2,518.23	2,032.32	
Working Capital Demand Loan	—	6,643.84	---	
Cash Credit	20,416.29	23,758.05	30,732.81	
Suppliers Bill Discounting	—	1,479.47	2,683.50	
	<u>80,055.56</u>	<u>84,918.78</u>	<u>87,981.66</u>	
b) Loan repayable on Demand from Banks are secured by hypothecation of Inventory, book debts and other current assets of the company, both present and future and the first charge on fixed assets of the company (excluding of specific assets charged to Term lending Banks).				
c) Buyer credit has been availed from Banks under non fund based limit, secured as described in Para(b) above.				
20 Trade Payable				
Due to Micro, Small and Medium Enterprises	—	—	—	
Due to Others	16,899.77	11,921.44	9,451.67	
	<u>16,899.77</u>	<u>11,921.44</u>	<u>9,451.67</u>	
21 Other Financial Liabilities (Current)				
Current maturities of long-term debt (Secured)	188.62	165.74	745.64	
Current maturities of finance lease obligations	66.37	50.18	59.26	
Employees Benefits Payable	113.74	131.69	180.00	
Other Payables	1,116.64	1,223.03	558.48	
Interest Payable	24.30	308.12	26.51	
	<u>1,509.68</u>	<u>1,878.76</u>	<u>1,569.88</u>	
22 Other Current Liabilities				
Advance received from customers	3,077.77	3,536.74	2,715.31	
Statutory Liabilities	117.86	219.08	175.41	
Other Liabilities	905.75	423.03	1,762.10	
	<u>4,101.38</u>	<u>4,178.84</u>	<u>4,652.82</u>	
23 Provisions (Current)				
Provision for gratuity	20.76	19.17	19.84	
	<u>20.76</u>	<u>19.17</u>	<u>19.84</u>	



		(Rs. In Lacs)	
For the year ended	31-March-2018	31-March-2017	
24. Revenues From Operations			
Sales of Products	101,840.75	115,654.17	
Other Operating Revenues	79.16	31.84	
	<u>101,919.91</u>	<u>115,686.02</u>	
a) Sales of Products			
Rice	87,375.01	99,568.42	
Foods	9,890.11	7,527.00	
Pulses	3,253.15	8,540.42	
Other Foods Products	1,322.49	18.33	
	<u>101,840.75</u>	<u>115,654.17</u>	
b) Other Operating Revenues			
Sale of Scrap	8.64	18.69	
Duty Drawback/ Sale of Licenses	70.53	13.15	
	<u>79.16</u>	<u>31.84</u>	
25 Other Income			
Income from Key man Insurance Policy	60.25	29.70	
Interest Income	60.33	77.05	
Miscellaneous Income	202.37	130.62	
Profit on Sale of Assets	6.48	28.78	
	<u>329.42</u>	<u>266.15</u>	
26 Cost of Material Consumed			
Opening Stock	62,912.01	75,595.10	
Add: Purchases	62,109.33	64,026.02	
Less Closing Stock	53,745.61	60,422.68	
	<u>71,275.73</u>	<u>79,198.44</u>	
27 Purchase of Traded Goods			
Non-Basmati Rice	2,051.38	6,208.49	
Foods	3,857.31	4,442.16	
Pulses	836.71	12,980.70	
Other Foods Products	15.87	15.87	
	<u>6,761.27</u>	<u>23,647.22</u>	
28 Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade			
Opening Inventories	3,857.09	554.61	
Closing Inventories	84.74	3,839.16	
	<u>3,772.35</u>	<u>(3,284.54)</u>	
29 Employee Benefit Expenses			
Staff Salaries	2,604.52	2,600.92	
Director's Remuneration	716.10	675.21	
Gratuity	49.20	59.32	
Bonus	18.13	40.41	
Staff Welfare	113.39	87.63	
Employer's Contribution to P.F. & ESI	161.98	92.20	
	<u>3,663.31</u>	<u>3,555.69</u>	



		(Rs. In Lacs)	
For the year ended	31-March-2018	31-March-2017	
30 Finance Cost			
Interest Expense*	8,067.06	9,058.45	
Other Bank Charges	179.53	174.01	
Other Borrowing Cost	532.71	612.80	
	<u>8,779.29</u>	<u>9,845.27</u>	
*Interest cost for the year includes exchange difference of Rs. 79.72 Lacs (Previous year -NIL) arising from foreign currency borrowing to the extent they are regarded as an adjustment to the interest expense in accordance with IND AS-23			
31 Impairment of Assets			
Impairment of investment in subsidiaries	71.34	---	
	<u>71.34</u>	<u>---</u>	
The parent company has recognised the impairment loss in respect of Investment in its wholly owned subsidiary , "Sachdeva Brothers Private Limited"			
32 Other Expenses			
a) Manufacturing Expenses			
Loading and Unloading Charges	534.75	250.20	
Packing Materials Consumed	3,576.34	3,551.20	
Wages	658.63	533.48	
Repair to Machinery	107.53	135.92	
Consumables & Stores Consumed	51.01	82.47	
Power & Fuel	530.95	747.57	
Brokerage & Commission	2.96	19.06	
	<u>5,462.17</u>	<u>5,319.90</u>	
b) Administrative Expenses			
Payment to Auditors	—	—	
-Statutory Audit Fee	45.13	37.17	
-Tax Audit Fee	4.50	5.18	
-Other Matters	6.72	5.03	
Postage, Telegram and Telephone	106.25	106.25	
General Expenses^	230.00	240.24	
Storage & Warehousing	57.47	62.82	
Loss on sale of Asset	—	0.83	
Legal and Professional Charges	385.92	1,087.78	
Electricity Expenses	107.08	121.28	
Rates and Taxes	307.16	63.73	
Other Taxes Paid	137.78	14.18	
Charity and Donation	10.07	3.89	
Vehicle Maintenance	177.74	116.00	
Printing and Stationery	30.69	52.09	
Fumigation Expenses	55.87	80.45	
Insurance Charges	170.82	174.28	
Hire of Equipments	55.55	59.98	
Conveyance	61.00	39.97	
Membership & Subscription	25.21	21.97	
Traveling Expenses (Directors)	56.55	123.42	
Traveling Expenses (Others)	93.06	119.32	
Research & Development	58.47	57.81	



For the year ended	(Rs. In Lacs)	
	31-March-2018	31-March-2017
Rent	61.97	315.23
Staff Recruitment Expenses	19.62	4.19
Bad Debts	756.13	4,169.87
Repairs to Building	61.14	126.96
Repairs to Others	211.52	252.17
Foreign Exchange Loss	20.08	(1,214.13)
	<u>3,313.51</u>	<u>6,247.95</u>
c) Selling & Distribution Expenses		
Advertisement and Publicity	639.12	456.04
Business Promotion	113.86	164.97
Rebate & Discount	91.39	181.93
Ocean Freight	1,267.22	1,943.44
Expenses Against Export	133.58	245.01
Brokerage & Commission on Sales	109.47	84.35
Clearing and Forwarding	3,060.37	3,792.60
	<u>5,415.02</u>	<u>6,868.35</u>
	14,190.70	18,436.20
33 Segment Information required as per IND AS 108		
(a) Information about products and services		
Revenue from sale of Products		
Rice	89,703.23	99,568.42
Foods	7,561.89	7,527.00
Pulses	3,253.15	8,540.42
Other Foods Products	1,322.49	18.33
	<u>101,840.75</u>	<u>115,654.17</u>
(a) Information about geographical areas		
Revenue by Geographical Area		
ASIA	34,828.51	29,788.10
EUROPE	23,862.43	23,850.71
MIDDLE EAST	28,500.58	44,919.60
AUSTRALIA	6,710.46	4,766.42
AFRICA	3,742.18	8,012.21
C.I.S	333.19	39.49
NORTH AMERICA	3,863.39	4,277.64
	<u>101,840.75</u>	<u>115,654.17</u>
Non Current Assets		
Property , plant and Equipment Located in		
India	20,560.73	21,290.87
United Kingdom	4,871.58	3,715.70
USA	639.42	637.40
	<u>26,071.72</u>	<u>25,643.97</u>



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

34.1 List of related parties

- ii) Joint Ventures of the Company
 - Rich Rice Raisers Factory LLC.- Dubai
- iii) Associates of the Company
 - AL Dhara Kohinoor Industries LLC
 - AL Dhara Kohinoor LLC
- iv) Key Managerial Personnel and their relatives

Mr. Jugal Kishore Arora	Chairman
Mr. Satnam Arora	Jt.Mg.Director
Mr. Gurnam Arora	Jt.Mg.Director
Mr. Nitin Arora	Son of Mr. Jugal Kishore Arora
Mr. Amit Arora	Son of Mr. Satnam Arora
Mr. Ankush Arora	Son of Mr. Gurnam Arora
Mr. Nishant Arora	Son of Mr. Gurnam Arora
Mr. Mukesh Kochar	Managing Director of Rich Rice Raisers Factory LLC
Mr. Sumit Arora	Director of Indo European Foods Ltd
Mr. Vijay Vaidyanathan	Director of Indo European Foods Ltd
- v) Enterprise over which key managerial personnel exercise significant influence
 - Satnam Overseas (Exports) - Partnership Firm of Promoter directors
 - Adonis No.1 Beauty Clinic LLP
 - Incredible Foods Pvt. Ltd.
 - Satnam International Pvt. Ltd.
 - Satnam Haegens Ltd.
 - Adhiraj Buildcon Pvt. Ltd.
 - Booker Satnam Wholesale Pvt. Ltd.
 - Little Munchkins LLP.
 - Gourmet Foods and Beverages Limited
 - Sunny General Trading

34.2 The following transactions were carried out with related parties in the ordinary course of Business during the year* (Rs. In Lacs)

	Joint Venture Company/ Associates	Key managerial personnel and their relatives	Enterprises over which Key managerial Personnel exercise significant influence
Transactions during the year			
Sale of products	15,737.16 (19,077.80)		
Commission			
Remuneration		878.15 (829.56)	
Purchase	— (1,077.43)		
Gratuity		15.69 —	
Advance Received	10,435.92 (3,209.30)		
Advance Given		51.79 —	



Payment of Royalty			25.90 (52.40)
Expenses Reimbursement to the related party			
Loan from Directors		1,276.30 (325.00)	
Balance Written Back			
Balance Written off			
Repayment of Director's loan		1,293.82 (3,944.24)	
Expenses incurred on behalf of the related party			
Balances outstanding at the year end:-			
Loans/Advances	— (1,499.51)		
Loan from Directors		2,943.91 (2,961.43)	
Accounts Payable	— (620.62)		
Other financial Liabilities		0.87 —	27.69 —
Advance from customers	2,608.34 (3,209.30)		
Corporate guarantee given by the company			

*Figures in () are related to previous year.

(Rs. In Lacs)

As at	31-March-2018	31-March-2017
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35 Disclosures under Accounting Standard 19 on "Leases" :

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

Amount payable not later than one year	24.98	71.55
Amount payable later than one year but not later than five years	5.04	308.57
Amount payable later than five years	Nil	170.06
	<u>30.01</u>	<u>550.18</u>

The company had entered into operating lease agreement that was renewable on a periodic basis and cancelable at company's option. During the year the company has cancelled the lease agreement. There is no operating lease and no future lease payment commitments as on 31 March 2018.

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

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

a) Obligations towards minimum lease payments:-

Amount payable not later than one year	71.16	59.60
Amount payable later than one year but not later than five years	87.87	77.50
Amount payable later than five years	Nil	Nil
	<u>159.03</u>	<u>137.11</u>



(Rs. In Lacs)		
As at	31-March-2018	31-March-2017
b) Present value of (a) above :-		
Amount payable not later than one year	66.37	50.18
Amount payable later than one year but not later than five years	87.33	72.18
Amount payable later than five years	Nil	Nil
	<u>153.70</u>	<u>122.36</u>
c) Finance charges	5.33	14.75

36 Earning Per Share (EPS)

	For the Year Ended	31-March-2017	31-March-2016
i)	Net Profit after tax as per statement of Income Statement attributable to Equity Shareholders (Rs. In Lacs)	(7,301.50)	(9,229.64)
ii)	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (Rs. In Lacs)	352.42	352.42
iii)	Weighted Average Potential Equity Shares	—	—
iv)	Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS (Rs. In Lacs)	352.42	352.42
v)	Basic Earning Per Share	(20.72)	(26.19)
vi)	Diluted Earning Per Share	(20.72)	(26.19)
vii)	Face Value per Equity Share	10.00	10.00

(Rs. In Lacs)

37 Disclosures under IND AS 37, "Provisions, Contingent Liabilities and Contingent Assets", in respect of Provisions

Provision relating to	Opening balance as at 1 April 2017	Created during the year	Withdrawals/ Deposited	Closing Balance as at 31 March 2018
Gratuity	316.61	44.34	1,15.31	2,45.64
	316.61	44.34	1,15.31	2,45.64

(Rs. In Lacs)

As at	31-March-2018	31-March-2017
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38 Contingent Liabilities not provided for

A Claims against the parent company, not acknowledged as debt

i	Income Tax	9,909.65	9,018.99
ii	Sales Tax - Delhi	122.00	122.00
iii	VAT-Haryana	1,090.72	1,090.72
iv	Excise & Taxation Department, Punjab	455.82	455.82
v	Excise Duty	42.91	42.91
vi	Service Tax	9.12	259.25
vii	Legal Cases against the Company	963.94	4,463.94

B	Bank Guarantees	1,382.60	1,670.14
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C	Surety Bonds issued to Govt. Agencies under EPCG scheme	1,918.16	1,742.13
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Nature of contingent liabilities and other particulars are as given below:-

- i Following appeals are lying pending for hearing before the CIT(A), New Delhi/ Income Tax Appellate Tribunal, New Delhi / Hon'ble Delhi High Court against the tax demand raised in impugned Income Tax Assessment Orders as per details given below :-

(Rs. In Lacs)

AY	Tax	Total
2002-03 to 2008-09	323.05	463.54
2009-10	80.53	127.93
2010-11	2,331.25	3,679.11
2011-12*	902.63	1,420.98
2012-13	1,274.98	2,294.97
2013-14	406.83	671.21
2014-15	798.05	1,251.89

* The parent company has also filed a rectification application before DRP to reconsider its findings.

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

- ii An appeal before the Sales Tax Commissioner - Appeals, New Delhi is lying pending in respect of Sales Tax demand of Rs.1,22,00,000/- on sale of REP Licences made in earlier years.
- iii Following appeals are also lying pending before the Appellate Authorities/Tribunal, Haryana as mentioned in column. 4 against the impugned VAT Assessment Orders/Revision Order passed by the assessing authorities as mentioned in column. 3 of the table given below :-

(Rs. In Lacs)

Particulars		Demand Raised (R)	Assessing Authority	Appellate Authority
(Col.1)		(Col.2)	(Col.3)	(Col.4)
Sales Tax Murthal - AY 2008-09		7,32.35	Revision-Faridabad	Tribunal-Chandigarh
Sales Tax Murthal - Inspection 17.01.2014		25.56	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2010-11		98.61	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2011-12		1,32.21	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - Inspection 13.11.2014		27.09	ETO-Sonipat	JETC-Rohtak
Sales Tax - Murthal - AY 2009-10		28.51	Revision-Faridabad	Tribunal-Chandigarh
Sales Tax - Murthal - AY 2012-13		46.39	ETO-Sonipat	JETC-Rohtak
Total		10,90.72		

- iv An appeal is lying pending before the Dy. Excise & Taxation Commissioner-Appeal, Punjab against the Order received from Excise and Taxation Department, Punjab in respect of Year 2009-10 and 2010-11 demanding a sum of Rs. 450.41 Lacs towards the cess imposed by the State Govt. on exports. The parent company has challenged the validity of imposition of cess on export in its appeal as the same is not permissible under article 286 of the Constitution of India. Further demand has been raised for Rs. 5.41 Lacs after completing the Sales Tax assessment for AY 2011-12 against which appeal has been filed.



- v II. An appeal before the Customs, Excise & Service Tax Appellate Tribunal, New Delhi is lying pending against the order of Commissioner of Central Excise (Appeals), Delhi -III in respect of additional excise duty of Rs. Lacs 42.91 demanded by the Excise department in connection of dispute over classification of goods - food product produced at Bahalgarh Factory- as per the Central Tariff Act. As the matter is still pending before the Tribunal, no provision in the books of accounts have been made
- vi During the financial year 2016-17, the parent company has received a order from Hon.'ble Central Excise and Service Tax Appealate Tribunal, New Delh (CETSTAT) against the order passed by Commissioner of Service Tax (Adjudication), New Delhi demanding a service tax of Rs. Lacs 259.25. The Hon'ble CETSTAT vide its order dated 16/02/2017 has granted major relief of Rs. Lacs 250.13 against the aforesid demand.

vii Legal Cases against the Company

- a. The Board of Trustee of the port of Mumbai has filed a money suit for recovery of Rs. 9.64 Cr. towards alleged outstanding demurrage charges against which the company has filed its counter claim of Rs. 10.88 Cr. towards the financial losses, interest on the investment, refund of the license fees, refund of the demurrage charges, compensation and damages etc. The matter is still pending.
- b. In terms of the settlement Agreement dated 13th April, 2017, Kohinoor Foods Ltd. (KFL) and Promoters have settled all disputes with Kohinoor Speciality Foods India Pvt. Ltd. (KSF) and McCormick Switzerland GMBH. Accordingly all proceeding in London Court of International Arbitration (LCIA) and in National Company Law Board Tribunal (NCLT), have been withdrawn and both KFL and KSF, are now free from Non-Compete Obligations.

39 Commitments

Estimated amount of contracts remaining to be executed on capital account (Net of advances) (Rs. In Lacs)

— 452.94

40 Disclosures as Required by Indian Accounting Standard (Ind As) 113: Fair Value Measurement:

Fair value measurement of Financial Instruments

As on 31 March 2018

Fair value measurement at	Amortised Cost	Level1	FYTOCI		TOTAL
			Level1	Level3	
Financial Assets					
Non Current Financial Assets					
Investment			9.76	10.06	19.83
Other financial assets	—				---
Current Financial Assets					
Investments					
Trade receivables	8,890.84				8,890.84
Cash and cash equivalents	1,147.41				1,147.41
Bank balances other than above	—				—
Loans	—				—
Other financial assets	594.87				594.87
	10,633.13	—	9.76	10.06	10,652.96
Financial Liabilities					
Non Current Financial Liabilities					
Borrowings	1,587.33				1,587.33
Current Financial Liabilities					
Borrowings	81,959.72				81,959.72
Trade Payables	16,899.77				16,899.77
Other Financial Liabilities	1,509.68				1,509.68
	101,956.50	—	—	—	101,956.50

As on 31 March 2018

Fair value measurement at	Amortised Cost	Level1	FYTOCI		TOTAL
			Level1	Level3	
Financial Assets					
Non Current Financial Assets					
Investment			9.40	10.06	19.47
Other financial assets	19.47				19.47
Current Financial Assets					
Investments			1,000.00		1,000.00
Trade receivables	11,034.04				11,034.04
Cash and cash equivalents	2,232.81				2,232.81
Bank balances other than above	—				—
Loans	—				—
Other financial assets	133.42				133.42
	13,419.73	—	1,009.40	10.06	14,439.19
Financial Liabilities					
Non Current Financial Liabilities					
Borrowings	1,760.80				1,760.80
Current Financial Liabilities					
Borrowings	92,658.59				92,658.59
Trade Payables	11,921.44				11,921.44
Other Financial Liabilities	1,878.76				1,878.76
	108,219.59	—	—	—	108,219.59

- 41 The Holding Company has not paid interest to Banks and its outstanding balance in loan accounts has exceeded its drawing power since February, 2018.
- 42 Some of the balances of Debtors and Creditors are subject to confirmation.
43. Corresponding figures for the previous year have been regrouped/rearranged, wherever necessary to confirm to current year classification.

The above notes form part of the financial statements

In terms of our separate report of even date attached

For Rajender Kumar Singal & Associates LLP.

CHARTERED ACCOUNTANTS

FRN : 016379N

Sd/-
(PANKAJ GUPTA)
PARTNER

Membership No: 094909

Faridabad
30th-May-2018

Sd/-
SATNAM ARORA
Jt. Mg. Director
DIN NO. 00010667

Sd/-
KAMAL DEEP CHAWLA
CHIEF FINANCIAL OFFICER

For and on behalf of the Board of Directors

Sd/-
GURNAM ARORA
Jt. Mg. Director
DIN NO. 00010731

Sd/-
RAMA KANT
COMPANY SECRETARY



Kohinoor Foods Ltd.

Registered Office : Pinnacle Business Tower, 10th Floor, Surajkund, Shooting Range Road, Faridabad, Haryana – 121001, Phone: +91-129-424-2222, Fax: +91-129-424-2233

CIN : L52110HR1989PLC070351

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