

ANNUAL REPORT

FORTUNE FOODS LIMITED

PAN NO - AAACF4646C

Year Ended 31st March 2015

Assessment Year 2015-16

Auditor

Ratan Chandak & Co.

Chartered Accountants

1/A, Suyash Apartment, Mahatma Nagar

Trimbak Road, Nashik - 422007

Ph: 0253-2351193; Email: nasik@rcnco.net

Locations: Nagpur(H.O.)|Pune|Nashik|Ahmednagar|Jalgaon|Aurangabad

FORTUNE FOODS LIMITED

5, Gulshan Apartment, Tigrania Corner, Mumbai Agra Road, Nashik - 422011

To,
The Members,
FORTUNE FOODS LIMITED
Nashik.

Your Directors are pleased to present the **TWENTY SIXTH ANNUAL REPORT** on the Business and Operations of the Company and the Audited Statement of Accounts for the year ended **31st March, 2015**.

FINANCIAL HIGHLIGHTS :-

	(Amount in Rs.)	
	Year ended 31.03.2015	Year ended 31.03.2014
Revenue From Operations	339,706,856	251,183,859
Other Income	84,570	9,179
Total Income	339,791,426	251,193,038
Profit / (loss) before Interest & Depreciation	11,469,605	5,620,088
Less: Finance Cost	725,265	3,609,762
Less: Depreciation	5,911,172	5,221,265
Profit/(loss) for the year before tax	4,833,168	(3,210,939)
Tax Expense		
Current Tax	0	0
Deferred Tax	3,257,234	0
Profit/(loss) after tax	1,575,934	(3,210,939)
Accumulated profit/(loss) brought forward	(42,456,981)	(39,246,042)
Accumulated profit/(loss) carried forward	(11,849,084)	(42,456,981)

FINANCIAL PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS:

The total Income of the company increased to Rs.339,791,426/- as against Rs.251,193,038/- of previous year recording a growth of 26.07%.

The Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) amounted to Rs. 11,469,605/- (3.38% of the revenue) as against (2.23% of the revenue) in the previous year.

The Net Profit after Tax was Rs.1,575,934/- as against loss of Rs.3,210,940/- in the previous year.

The management is optimist about the business growth in the coming years. Moreover, the Company has increased its manufacturing activity and minimized its job work activity and sought progress, as compared to last year.

TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves.

DIVIDEND:

Company has not declared any dividend for the Financial Year 2014-15.

FIXED DEPOSITS:

During the year under review, the Company had not accepted any deposits within the meaning of Section 73 of the Companies Act 2013.

MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AT THE END OF FINANCIAL YEAR:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

SUBSIDIARY COMPANY:

As on March 31, 2015, the Company does not have any subsidiary.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors

The Company has 4 directors out of which 2 are independent directors and 2 are Executive directors as on March 31, 2015.

Independent Directors

In terms of the definition of 'Independent Director' as prescribed under Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Section 149 (6) of the Companies Act, 2013, the Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, to the effect that he meet the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The following Non-Executive Directors are Independent Directors of the Company:

1. Mr. Balkrishna Jamdade
2. Mr. Manasram Ahire

AUDITORS AND AUDIT REPORT

Statutory Auditors and their report

M/s. Ratan Chandak & Company were appointed as Statutory Auditors of the Company at the Fifteenth Annual General Meeting held on September 29, 2014 for the tenure of 5 years i.e. till F.Y. 2018-19. Further, as per the provisions u/s 139(1) of the Companies Act, 2013, the Board of Directors proposes to re-affirm the appointment of the auditors for the period till conclusion of next Annual General Meeting.

AUDITORS' REPORT:

The Auditors in their report have referred to the notes forming part of accounts, which are self explanatory and do not require further elucidation.

- ***With reference to the Para 5 Clause (d) of the Auditors' Report, regarding compliance with the Accounting Standards,***

It is to inform that the non compliance is due to consistent policy of the management, which follows the cash basis of accounting for provision of all employee benefits.

- ***With reference to the Clause 9 of Notes to Audit Report for Para 2 (b) of the Auditors' Report, regarding charging of Depreciation and amortization as per Schedule II of the Companies Act, 2013 ,***

As explained in note 2.3 of the Financial Statement Schedule II of the new Companies Act 2013 has prescribed the life of Fixed Assets and accordingly needs to depreciate and amortise the cost of assets over its useful life as mentioned therein. However, management of the Company is of the view that actual life of assets of the company may significantly differs from prescribed life of assets. Actual estimation and evaluation of the assets and comparison with the prescribed life is a cumbersome process and will require more time to complete the said procedure. Therefore, the management has decided, in keeping the consistency to charge the depreciation and amortisation of assets for financial year 2014-15 at the same rates prescribed by earlier Companies Act 1956 instead of following life prescribed by Companies Act 2013.

- ***With reference to the Para 3 of the Annexure to Auditors' Report,***
 - ***Clause i(a)&(b)*** – The Company has compiled the fixed assets record for last 8 years and for earlier years also compiling the records and also verifying it physically. And it is expected that, it shall be completed before 31 Jan 2016.
 - ***Clause vii(a)*** – Due to lack of liquidity and other financial constraints, there are certain statutory dues outstanding. The Management ensures to make good the default and the irregularities at their earliest, as may be possible.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of the business of the company.

CHANGE IN SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2015 was 43,600,000/-. During the year under review, there was no change in the issued, subscribed and paid-up share capital of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGOINGS:

The activities of the Company are not covered under the disclosures required as per the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) (A & B) of the Companies (Accounts) Rules, 2014 regarding conservation of energy and technology absorption.

A) Conservation of Energy and Technology Absorption:

Nil

B) Foreign Exchange Earnings & Outgoings:

Nil

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Companies Act, 2013, the Board of Directors of the Company is not required to constitute Corporate Social Responsibility Committee ("CSR Committee") as it is not covered under the said limits prescribed by the act.

NUMBER OF BOARD MEETINGS

The Board of Directors met Six (6) times during the financial year 2014-15.

DIRECTORS RESPONSIBILITY STATEMENT:

Board of Directors of the Company hereby state and confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along-with a proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv) the Directors have prepared the accounts on a going concern basis.

- v) the management have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- vi) the management has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB SECTION (3) OF SECTION 178:

The Company, being not covered under limits prescribed was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

PARTICULARS OF EMPLOYEES

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RELATED PARTY TRANSACTIONS

All the related party transactions during the year were entered in the ordinary course of business and on arm's length basis. Accordingly, the said transactions are being reported in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

All Related Party Transactions are presented the Board for approval. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

EVALUATION OF BOARDS'S PERFORMANCE

Board of Directors had laid down the criteria for the performance evaluation of Directors (Executive and Non-Executive Independent Directors including Chairman), Committees of the Board and the Board as a whole and the evaluation process for the same in compliance with the requirements under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

VIGIL MECHANISM

In pursuance of the provisions of Sections 177(9) and 177(10) of the Companies Act, 2013, a Vigil Mechanism is not required to establish for Directors and Employees to report genuine concerns as it is not covered under the said limits prescribed by the act.

RISK MANAGEMENT

The Company is not required to constitute Risk Management Committee as per the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

EXTRACTS OF ANNUAL RETURN

Pursuant to Sections 134 (3) (a) and 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extracts of Annual Return as at March 31, 2015 in form MGT-9 is annexed as Annexure A which forms part of this report.

ACKNOWLEDGEMENT:

The Board of Director place on record deep appreciation to the bankers, customers for their co-operation and support during the year under review and look forward to continuous cordial relations in the forth coming year.

For and On behalf of the Board


Naresh K. Gupta
Managing Director


Shailesh N. Gupta
Director

Place: Nashik

Date:

Form No. AOC - 2

(Pursuant to clause (h) of sub section (1) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

Form for Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

Name (s) of the related party & nature of relationship	Type of Contract	Duration of Contract	Amount
Mr. Shailesh Gupta (Director)	Salary	Whole Year	Rs. 360,000/-

For and On behalf of the Board


Naresh K. Gupta
Managing Director


Shailesh N. Gupta
Director

**RATAN CHANDAK & COMPANY**

CHARTERED ACCOUNTANTS

1/A, Suyash Apartment, Mahatma Nagar, Trimbak Road, Nashik-422 007.
Tel. +91 253 2351193, Mobile +91 9822401039. Email: nasik@rcnco.net■ **Niranjan R. Laddha**
B.Com., A.C.M.A. F.C.A., D.I.S.A. (ICAI)

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
FORTUNE FOODS LIMITED
Nashik.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s. FORTUNE FOODS LIMITED (U01511MH1989PLC186682) which comprise the balance sheet as at 31 March 2015 and the statement of Profit & loss of the company for the year ended on that date and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

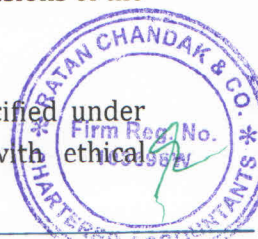
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in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

AUDITORS' RESPONSIBILITY

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical



◆ Devidas Chandak B.Com., F.C.A. Nagpur	◆ Sudhir Baheti B.Com., F.C.A. Nagpur	◆ Jaydeep Katariya B.Com., F.C.A. Pune	◆ Kaushal Mundada M.Com., F.C.A. Jalgaon	◆ Rohit Bora B.Com., F.C.A., DISA, SAP Ahamednagar	◆ Piyush Bajaj B.Com., A.C.A. Aurangabad
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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 financial statements.

OPINION

1. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31 March 2015, and its profit or loss and cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

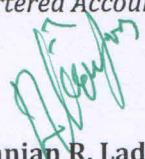
1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. Further to our comments in the annexure referred to above as required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of books *subject to our remarks under notes to the audit report;*
 - c) The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;



- d) In our opinion the balance sheet, statement of profit and loss and cash flow statement comply with the accounting standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 except that,
- *accounting standard (AS) 15-' Employee Benefits' for Retirement benefits of the employees by way of Leave encashment, Gratuity etc. which are not provided for and the quantum of the same have not been determined by the management.*
- e) On the basis of the written presentations received from the directors of the company as at 31 March, 2015 and taken on record by the board of directors, we report that, no director is disqualified as on 31 March 2015 from being appointed as a director of the company under section 164 (2) of the Companies Act, 2013; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27.1 to the financial statements.
 2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Nashik
Date : September 2, 2015

For Ratan Chandak & Co.
Chartered Accountants


Niranjana R. Laddha
Partner

Membership No.: 111756
Firm Reg. No.: 108696W



Notes to the Audit Report for the year ended March 31, 2015

1. *Cash balance as on 31 March 2014 is verified and certified by the management and not physically verified by us.*
2. *Confirmation of Creditors, Advances, Deposits have not been obtained and hence are subject to confirmation and reconciliation if any.*
3. *The company has entered into an agreement with Capital Foods Pvt Ltd for production of Tomato Ketchup, Sauces, Ginger, Garlic paste and other food items. Physical verification of inventories is conducted once in a year by Capital Foods Pvt Ltd and also management has verified, certified and valued the inventory but the same is not physically verified by us.*
4. *Trade Payables are bifurcated as current and non-current liabilities on the basis of information provided.*
5. *This report is based on the information and explanations given to us, and subject to the notes attached to the Balance Sheet and the Schedules thereto, are based on our interpretations among other things, inter-alia of judicial / semi judicial pronouncements, Circulars of the Central Board of Direct Taxes and guidance note of the Institute of Chartered Accountants of India.*
6. *We have applied the test check method for auditing. Most of the transactions are supported by external/third party documents viz. Invoice, receipts, contract notes, vouchers, etc. However, wherever supporting are not available we have relied on the vouchers prepared and approved by director of the company, and confirmed that, all these expenses are legitimate expenses incurred for the business.*
7. *Advance has been received from 'Opal SY International' for supply of Pomogranate Concentrate in the year FY 2008-09. The company was manufacturing & producing fruit concentrates earlier and made part supply of total contract. Subsequently the company shifted its business line and the said commitment could not be completed. The accounts of the party is not settled in relation to the advance received and supply made against it. Amount of Rs. 793003.83/- has been determined as liability in the books of accounts. But the final liability may be ascertainable only after the final settlement is reached upon with the party.*
8. *Customs Duty liability is determined on the Imported Machinery purchased earlier. Interest due on it till 31st March 2012 has been also provided. No provision for interest for the FY 2012-13 and FY 2013-14 has been done.*
9. *The company is required to follow Schedule II of Companies Act 2013 and accordingly provide the depreciation on its fixed assets and amortise revaluation reserve. However, life*



prescribed by the said act differs from the estimation of management and management wants to restate the life of Fixed Assets. The said procedure is not completed till the finalisation of audit and is going to take more time to complete and hence as a prudence of consistency the management has followed rates prescribed by Companies Act 1956 for calculating depreciation instead of Companies Act 2013.

Place : Nashik
Date : September 2, 2015

For Ratan Chandak & Co.
Chartered Accountants

Niranjan R. Laddha
Partner

Membership No.: 111756
Firm Reg. No.: 108696W



Annexure to the Audit Report

Fortune Foods Limited
For the year ended March 31, 2015

Referred to in paragraph 3 of our report of even date,

- i. (a) *The Company has maintained memorandum of fixed assets, however, the detail assets register showing full particulars, including quantitative details and situation of fixed assets is not available for verification.*
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. *However, discrepancies, if any, with book records can't be ascertained, as the records are not properly maintained.*
- ii. (a) The inventory has been physically verified during the year by the management. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanations given to us, in our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is generally maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- iii. The company has not granted unsecured loan by way of advance covered to any parties covered in the register maintained under Section 189 of Companies Act, 2013
- iv. In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.



- v. The Company hasn't accepted any deposits from the public, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under are therefore not applicable.

No Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal to the Company.

- vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records for the Company under sub-section (1) of section 148 of the Company Act, 2013.
- vii. (a) According to the records of the Company, the Company is not regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Profession Tax and other statutory dues applicable to the Company with the appropriate authorities.
- i. *The company is not regular in the payment of deferral Sales Tax since the year 2007-08 as per Sales Tax NPV discounted payable scheme. Out of the total amount, installments of Rs. 99.18 lacs are due outstanding for more than one year*
- ii. *There are undisputed liabilities of Rs. 3.85 lacs for Profession Tax, Rs. 86.95 lacs for VAT, Rs. 2.51 lacs for Custom duty are due for more than a year.*
- (b) There are no any disputes are pending with any tax authority viz. income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess of which the amount has not been deposited on account of such dispute.
- (c) As per the records of the company there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of Section 125 of Companies Act, 2013 and rules made thereunder.
- viii. The company has accumulated business losses and depreciation losses. In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. However, in current year and immediately preceding financial year the Company has not incurred cash losses.
- ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.
- x. On the basis of information and explanations given by the management we are of the opinion that, the Company has not given any guarantee for loans of others where the terms and conditions thereof are prima facie prejudicial to the interest of the Company.



Ratan Chandak & Co.*Chartered Accountants***Fortune Foods Limited**

F.Y. 2014-15

- xi. The Company has raised new term loans during the year. The term loans outstanding at the end of the year and those raised during the year have been applied for the purposes for which they were raised.
- xii. According to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

Place: Nashik

Date: September 2, 2015

For Ratan Chandak & Co.*Chartered Accountants***Niranjan R. Laddha***Partner*

Membership No.: 111756

Firm Reg. No.: 108696W



FORTUNE FOODS LIMITED

(CIN - U01511MH1989PLC186682)

Balance Sheet

as at 31 March 2015

(Currency: Indian Rupee)

Particulars	Note No.	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	3	43,600,000	43,600,000
Reserve & Surplus	4	(27,493,269)	(27,236,607)
Non-Current Liabilities			
Long-term Borrowings	5	31,218,469	23,754,823
Deferred Tax Liabilities (net)		3,257,234	-
Current Liabilities			
Trade Payables	7	38,637,209	44,348,037
Other Current Liabilities	8	28,967,462	36,051,925
Short-term Provisions	9	53,540	153,924
Total		118,240,645	120,672,102
ASSETS			
Non-Current Assets			
Fixed Assets	26		
Tangible Assets		67,319,717	61,511,007
Capital Work in Progress		5,834,970	4,185,103
Non-current investments	10	91,000	91,000
Long Term Loans and Advances	11	343,150	337,900
Other non-current assets	12	73,900	73,900
Current Assets			
Inventories	13	26,009,868	34,286,538
Trade Receivables	14	15,093,494	15,210,850
Cash and Cash Equivalents	15	1,008,379	610,513
Short-term Loans and Advances	16	2,447,005	4,349,050
Other Current Assets	17	19,163	16,242
Total		118,240,645	120,672,102

Summary of Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements.

As per our report attached

For Ratan Chandak & Co.
Chartered Accountants

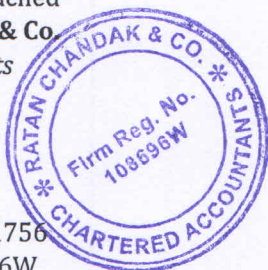
Niranjan R Laddha
Partner

Membership No.: 111756

Firm Reg. No.: 108696W

Place: Nashik

Date: September 2, 2015



For and on behalf of the Board of Directors
of Fortune Foods Limited

Naresh Gupta
Director
(DIN - 00598765)

Place: Nashik
Date: September 2, 2015

Shailesh Gupta
Director
(DIN - 1066537)

FORTUNE FOODS LIMITED

(CIN - U01511MH1989PLC186682)

Statement of Profit and Loss

for the year ended 31 March 2015

(Currency: Indian Rupee)

Particulars	Note No.	31st March 2015 Rs.	31st March 2014 Rs.
CONTINUING OPERATIONS			
Income			
Revenue from Operations	18	339,706,856	251,183,859
Other income	19	84,570	9,179
Total Revenue		339,791,426	251,193,038
Expenses			
Cost of Material Consumed	20	269,182,975	193,580,238
Purchase of Stock in Trade			
Increase/(Decrease) in the inventories of Finished goods, work-in-progress and traded goods	21	(367,331)	187,966
Employee Benefit Expense	22	12,805,174	12,661,313
Finance Cost	23	725,265	3,609,762
Depreciation and Amortisation Expenses	26	5,911,172	5,221,266
Other Expenses	24	46,257,543	39,143,433
Total Expenses		334,514,798	254,403,978
Profit / (Loss) before exceptional and extraordinary items and tax		5,276,628	(3,210,940)
Exceptional items	25	443,460	-
Profit / (Loss) before tax		4,833,168	(3,210,940)
Tax Expenses			
- Current Tax		-	-
- Deferred Tax		3,257,234	-
Profit/(Loss) After Tax		1,575,934	(3,210,940)
Basic and Diluted Earnings per share of Rs. 10 each		0.36	(0.74)

Summary of Significant Accounting Policies

2

The accompanying notes are an integral part of the Financial Statements.

As per our report attached

For Ratan Chandak & Co.

Chartered Accountants

Niranjan R Laddha

Partner

Membership No.: 111756

Firm Reg. No.: 108696W

Place: Nashik

Date: September 2, 2015



**For and on behalf of the Board of Directors
of Fortune Foods Limited**

Naresh Gupta

Director

(DIN - 00598765)

Place: Nashik

Date: September 2, 2015

Shailesh Gupta

Director

(DIN - 1066537)

FORTUNE FOODS LIMITED

(CIN - U01511MH1989PLC186682)

Cash flow statement

for the year ended 31 March 2015

(Currency : Indian Rupee)

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
I Cash flows from operating activities		
Net profit/(loss) before tax	5,276,628	(3,210,940)
Adjustments for:		
Depreciation	5,911,172	5,221,266
Interest expense	725,265	3,321,216
Net Loss on Sale of Machinery	-	-
Operating profit before working capital changes	11,913,065	5,331,542
Increase/(decrease) in sundry creditors	(5,014,726)	15,198,284
Increase/(decrease) in provisions	(100,384)	75,843
Decrease/(increase) in inventory	8,276,670	(3,589,824)
Decrease/(Increase) in other current asset	1,893,874	(1,283,563)
Decrease/(Increase) in sundry debtors	117,356	(6,887,925)
Cash generated from operations	17,085,856	8,844,358
Income taxes paid (including tax deducted at source)	-	-
Income tax refunds (including interest)	-	-
Net Cash flow before extraordinary items	17,085,856	8,844,358
Business Settlement Dues	(443,460)	-
Net cash from operating activities	16,642,396	8,844,358
II Cash flows from investing activities		
Payments for purchase of fixed assets	(15,202,344)	(5,917,349)
Advance for land purchase	-	-
Net cash used in investing activities	(15,202,344)	(5,917,349)
III Cash flows from financing activities		
Proceeds from secured loans	(316,919)	549,424
Proceeds from unsecured loans	-	-
Interest paid	(725,265)	(3,321,216)
Net cash used in financing activities	(1,042,185)	(2,771,792)
IV Net increase / (decrease) in cash and cash equivalents (I+II+III)	397,867	155,217
Cash and cash equivalents at beginning of the year	610,513	455,296
Cash and cash equivalents at end of the year	1,008,379	610,513

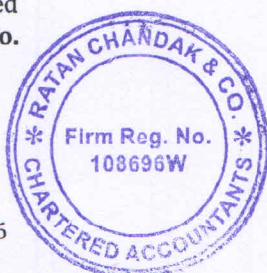
Summary of Significant Accounting Policies

The accompanying notes are an integral part of the Financial Statements.

As per our report attached
For Ratan Chandak & Co.
Chartered Accountants

Niranjan R. Laddha
Partner

Membership No.: 111756
Firm Reg. No.: 108696W
Place: Nashik
Date: September 2, 2015



For and on behalf of the Board of Directors

Naresh Gupta
Director

Shailesh Gupta
Director

Place: Nashik
Date: September 2, 2015

Fortune Foods Limited

Notes to the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

1 Background

Fortune Foods Limited ('the Company') was incorporated on 16th March 1989.

The Company is engaged in Manufacturing activity related to Fruit and Vegetable Pulp, Tomato and other vegetable Concentrates & Fruit Pulp Based Drinks, etc.

The Company is having its Registered Office at 5, Gulshan Apartment, Tigrania Corner, Mumbai Agra Road, Nashik - 422011 and having its manufacturing unit at Village Awankhed, Taluka Dindori, Dist. Nashik - 422202.

2 Summary of Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, with going concern assumption, on the accrual basis of accounting and are in accordance with the accounting principles generally accepted in India. The financial statements comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Fixed assets and depreciation

Fixed assets are carried at cost of acquisition less accumulated depreciation and its written down value is stated. Cost includes inward freight, duties, taxes and incidental expenses related to the acquisition, construction and installation of the fixed assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Schedule II of the new Companies Act 2013 has prescribed the life of Fixed Assets and accordingly needs to depreciate and amortise the cost of assets over its useful life as mentioned therein. However, management of the Company is of the view that actual life of assets of the company may significantly differs from prescribed life of assets. Actual estimation and evaluation of the assets and comparison with the prescribed life is a cumbersome process and will require more time to complete the said procedure. Therefore, the management has decided, in keeping the consistency to charge the depreciation and amortisation of assets for financial year 2014-15 at the same rates prescribed by earlier Companies Act 1956 instead of following life prescribed by Companies Act 2013.



Fortune Foods Limited

Notes to the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

2.4 Impairment

- a) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
- b) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- c) A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.5 Investments

Investments in bank in fixed deposits are made in relation to business of the company and are stated at cost.

2.6 Inventories

Inventories are valued at the lower of cost and net realisable value after providing for cost of obsolescence. The method of determination of cost is as follows:

- Raw materials - At First-In-First-Out ('FIFO') method which includes all costs of purchase and costs incurred in bringing inventories to their present location and condition.
- Work in progress and finished goods - At cost, which includes direct material, labour cost and appropriate portion of factory overheads based on normal operating capacity.

Net realisable value is determined in the following manner:

- Raw materials - raw material inventory is written down below cost in cases where purchase prices have declined and it is estimated that the cost of finished products will exceed their net realisable value.
- Work in progress - estimated selling price of finished goods in the ordinary course of business less selling expenses and estimated cost of completion.
- Finished goods - estimated selling price of finished goods in the ordinary course of business less selling expenses.

In case of Job work activity, all inventory belong to the customer and does not form part of the inventory of the Company.



Fortune Foods Limited

Notes to the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

2.7 *Current assets, loans and advances*

Current assets, loans and advances are of the value stated if realisable in the ordinary course of business.

2.8 *Loans and borrowings*

Secured as well as unsecured loans are stated at full value of liability payable on the date of balance sheet or future date, except for liability for deferred sales tax loan. It is stated at discounted value as Net Present Value. Computation of Deferment of Sales Tax liability has been made in accordance with NPV Method as provided by Department of Sales Tax, Maharashtra.

2.9 *Revenue recognition*

Revenue from sale of goods is recognised when goods are despatched and the title passes to the customers. Sales are stated net of sales tax and discounts.

2.10 *Other Income*

Interest income is accounted on accrual basis.

2.11 *Employee Benefit*

Employee benefit expenses include salary, wages, performance incentives, compensated absences, medical benefits and other perquisites. It also includes post-employment benefits such as provident fund, superannuation fund, gratuity, pensionary benefits etc.

Post-employment benefits and other long term employee benefits

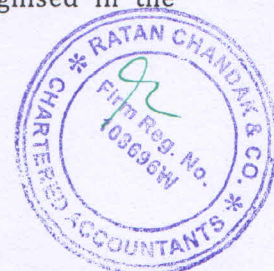
Short term employee benefit obligations are estimated and provided for in the statement of profit and loss.

- Defined contribution plans

Company's contribution to provident fund, superannuation fund, employee state insurance and other funds are determined under the relevant schemes and/or statute and charged to the statement of profit and loss in the period of incurrence when the services are rendered by the employees.

- Defined benefit plans and compensated absences

Expenditure on compensated absences and termination benefits (including expenditure on gratuity, voluntary retirement scheme, etc.) is recognised in the statement of profit and loss in the period of incurrence.



Fortune Foods Limited

Notes to the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

2.12 Income tax

Current tax

Provision for income tax is recognised under the taxes payable method based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Indian Income Tax Act, 1961.

Since the company is having carried forward of Depreciation losses, Provision for Income Tax payable is not made in books of accounts

Deferred tax

Deferred tax expense or credit and the related liabilities or assets are recognised for future tax consequences attributable to the differences between accounting profits and taxable income.

Deferred tax assets are only recognised if there is reasonable certainty that they will be realised, except for deferred tax assets in respect of unabsorbed depreciation and carry forward business losses, which are recognised only to the extent there is virtual certainty that they will be realised. These assets are reviewed for the appropriateness of their carrying value at each balance sheet date. Deferred tax assets and liabilities are measured using the tax rates that have been enacted or substantially enacted on the Balance Sheet date.

2.13 Earnings per share

The basic and diluted earnings per share is computed by dividing the profit/loss after tax available for equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

2.14 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and unencumbered bank balances.

2.15 Provisions and contingencies

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Fortune Foods Limited

Notes to the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

2.16 *Extra-ordinary and exceptional items*

Income or expenses that arise from events or transactions that are clearly distinct from ordinary activities of the Company are classified as extra-ordinary item. Similarly any external event beyond the control of the Company, significantly impacting income or expense is also treated as extraordinary item and disclosed as such.

Certain occasions size, type or incidence of an item of income or expense pertaining to ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.



FORTUNE FOODS LIMITED

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency : Indian Rupee)

3 Share Capital

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Authorised Capital		
5,000,000 (PY 5,000,000) Equity shares of Rs. 10 each	50,000,000	50,000,000
Issued, Subscribed and Paid-up Capital		
4,360,000 (PY 4,360,000) Equity shares of Rs. 10 each fully paid	43,600,000	43,600,000
	43,600,000	43,600,000

(a) Reconciliation of the shares outstanding at the beginning and the end of the reporting period

	As at 31st March 2015		As at 31st March 2014	
Equity shares of Rs. 10 each	Number of Shares	Rs.	Number of Shares	Rs.
At the beginning of the period	4,360,000	4,360,000	4,360,000	43,600,000
Issued during the period (subscribed and fully paid at par)	-	-	-	-
Outstanding at the end of the period	4,360,000	4,360,000	4,360,000	43,600,000

(b) Terms or 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 share is entitled to one vote per share. In the event of the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

(c) Details of the shareholders holding more than 5% shares in the Company

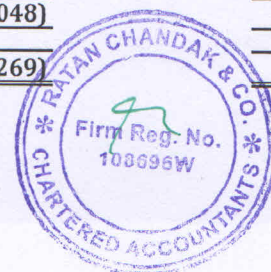
Name of shareholders	As at 31st March 2015		As at 31st March 2014	
Class of shares: Equity shares with voting rights	Number of Shares	% of holding	Number of Shares	% of holding
Mr. Shailesh Naresh Gupta	241,800	5.546	241,800	5.546

(d) During the five years preceding year ended March 31, 2015, no shares have been allotted by way of bonus shares or pursuant to contracts without receipt of cash or bought back.

(e) No shares have been reserved for issue under options.

4 Reserve & Surplus

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Capital Reserve	3,000,000	3,000,000
Revaluation Reserve		
Opening Balance	12,220,374	14,052,969
Less: Amortization during the year	(1,832,595)	(1,832,595)
Closing Balance	10,387,779	12,220,374
Profit & Loss Account		
Balance as per last Financial Statements	(42,456,981)	(39,246,042)
Add: Profit for the current period	1,575,934	(3,210,940)
Closing Balance	(40,881,048)	(42,456,981)
Balance in Reserves & Surplus	(27,493,269)	(27,236,607)



FORTUNE FOODS LIMITED

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency : Indian Rupee)

5 Long Term Borrowings

	As at 31st March 2015		As at 31st March 2014	
	Current Maturities Rs.	Non-current Portion Rs.	Current Maturities Rs.	Non-current Portion Rs.
Term Loans -				
<i>Secured Loan</i>				
<i>From Other parties</i>				
Kotak Mahindra Prime Limited	-	-	70,287	-
Volkswagen Finance Limited	276,046	172,618	246,632	448,664
Deferred payment liabilities				
Deferred Sales Tax Liability	9,710,453	31,045,851	20,629,812	23,306,159
	9,986,499	31,218,469	20,946,731	23,754,823

- During the year 2011-12, a term loan of **Kotak Mahindra Prime Limited** was secured for vehicle for Skoda Car(MH 15 BX 0343). The loan is secured against the hypothecation of the Vehicle.
The loan was carrying interest at the rate of 18% p.a. It was repayable in 36 monthly installments of Rs. 14,800/- from the date of loan repayable on 1st of every month. Date of Maturity of the Loan was 01/08/2014. As of the Balance Sheet date, loan is repaid completely.
- During the year 2013-14, a term loan of **Volkswagen Finance** is secured for vehicle for Vento Car(MH 15 BX 0343). The loan is secured against the hypothecation of the Vehicle.
- The loan carries interest at the rate of 11.32% p.a. It is repayable in 36 monthly installments of Rs. 26,067/- from the date of loan. Date of Maturity of the Loan is 20/10/2016. As of the Balance Sheet date, 19 monthly installments of the loan are pending.
- The Deferred Sales Tax Liability is shown at Net Present Value as mentioned in the Notes to Accounts.

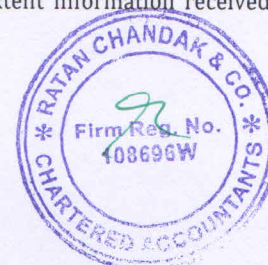
6 Deferred Tax Liabilities (net)

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
<i>Deferred tax asset</i>		
Carried forward tax losses		
- Carried forward business losses	(958,298)	
- Unabsorbed tax depreciation	(2,700,103)	
Arising on account of timing differences in :		
- Payment of statutory dues u/s 43B	(2,883,609)	
<i>Deferred tax liability</i>		
Arising on account of timing differences in :		
- Depreciation on fixed assets	9,799,244	
Deferred Tax Liabilities (net)	3,257,234	-

7 Trade Payables

Payable for goods and services in normal course of business	38,637,209	44,348,037
	38,637,209	44,348,037

- There are no dues outstanding to Micro, Small and Medium Enterprises. Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of and to the extent information received from the suppliers.



FORTUNE FOODS LIMITED

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency : Indian Rupee)

8 Other Current Liabilities

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Current maturities of long-term debt	276,046	316,919
Deferred sales tax liability	9,710,453	20,629,812
Advance from customers	793,004	793,004
Other payables		
Payable to Employees	191,589	2,370,399
Payable for Expenses	2,101,339	1,064,511
Duties and Taxes	15,887,532	10,704,550
Payable for reimbursements	7,500	172,731
	<u>28,967,462</u>	<u>36,051,925</u>

9 Short Term Provisions

Provision for statutory dues	-	72,510
Provision for audit fees	53,540	81,414
	<u>53,540</u>	<u>153,924</u>

10 Non-current Investments

Other non-current investments		
Trade Investments		
Fixed Deposit Axis Bank	91,000	91,000
	<u>91,000</u>	<u>91,000</u>

- The fixed deposit is made as a security against bank guarantee furnished to customs authorities.

11 Long Term Loans & Advances

Security Deposits		
Unsecured, considered good		
Electricity Deposit	343,150	337,900
	<u>343,150</u>	<u>337,900</u>

12 Other non-current assets

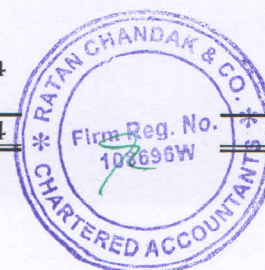
Others		
Advance for Land Purchase	73,900	73,900
	<u>73,900</u>	<u>73,900</u>

13 Inventories

Raw Materials	17,067,911	25,711,912
Finished Goods	8,941,957	8,574,626
	<u>26,009,868</u>	<u>34,286,538</u>

14 Trade Receivables

Unsecured, considered good		
Outstanding for a period exceeding six months from the due date		
Unsecured, considered good		
Other Trade Receivables	15,093,494	15,210,850
	<u>15,093,494</u>	<u>15,210,850</u>



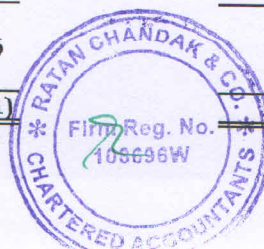
FORTUNE FOODS LIMITED

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency : Indian Rupee)

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
15 Cash & Bank Balances		
Balances with Banks		
- in current accounts	479,159	195,908
Cash on Hand	529,221	414,605
	<u>1,008,379</u>	<u>610,513</u>
16 Short Term Loans & Advances		
Unsecured, considered good		
Advances Recoverable in Cash or Kind	-	1,902,045
Balance with Revenue Authorities	2,447,005	2,447,005
	<u>2,447,005</u>	<u>4,349,050</u>
17 Other Current Asset		
Prepaid Insurance	-	7,063
Accrued interest	19,163	9,179
	<u>19,163</u>	<u>16,242</u>
18 Revenue from Operations		
Sale of Products	338,868,037	251,183,859
Sale of Scrap	838,819	
	<u>339,706,856</u>	<u>251,183,859</u>
19 Other Income		
Other Income	74,586	
Interest on fixed deposits	9,984	9,179
	<u>84,570</u>	<u>9,179</u>
20 Cost of Material Consumed		
Raw Material consumed		
Inventory at the beginning of the year (Net)	25,711,912	21,934,122
Add: Raw material purchased	260,538,974	197,358,028
	286,250,886	219,292,150
Less: Inventory at the end of the year (Net)	17,067,911	25,711,912
Cost of Raw Materials Consumed	<u>269,182,975</u>	<u>193,580,238</u>
21 Changes in Inventories of Finished goods, Work in progress		
<u>Inventories at the end of the year</u>		
Finished Goods	8,941,957	8,574,626
Work in Progress	-	-
	<u>8,941,957</u>	<u>8,574,626</u>
<u>Inventories at the beginning of the year</u>		
Finished Goods	8,574,626	8,762,592
Work in Progress	-	-
Net (increase)/decrease	<u>(367,331)</u>	<u>187,966</u>



FORTUNE FOODS LIMITED

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency : Indian Rupee)

22 Employee Benefit Expense

	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Salary, wages and bonus	12,019,199	11,992,499
Salary to directors	360,000	360,000
Staff Welfare Expenses	425,975	308,814
	<u>12,805,174</u>	<u>12,661,313</u>

23 Finance Cost

Interest on Secured Loans	77,792	57,359
Interest on Deferrment of Sales Tax	-	3,263,857
Other interest	647,473	288,546
	<u>725,265</u>	<u>3,609,762</u>

24 Other Expenses

Consumption of Stores & Spares	6,458,135	2,825,193
Donations & Contributions	32,500	11,000
Freight & Forwarding	3,238,577	2,085,994
Insurance	28,397	24,047
Legal & Professional Fees	111,308	123,000
Miscellaneous Expenses	863,281	1,150,153
Office Expenses	280,829	233,361
Payment to Auditors		
- Statutory Audit fees	56,180	33,708
- Tax Audit fees	28,090	33,708
- VAT Audit fees	28,090	16,854
- Taxation matters	56,180	
Plant Expenses	289,238	4,393,048
Power & Fuel	29,988,693	24,753,036
Printing & Stationery	114,207	88,307
Professional & Consultancy Charges	61,917	41,969
Rates & Taxes	1,382,792	320,281
Rent	380,788	1,046,816
Repairs to Machinery	1,999,262	1,072,743
Telephone Expenses	202,867	170,935
Travelling & Conveyance	316,471	473,830
Water Charges	339,741	245,450
	<u>46,257,543</u>	<u>39,143,433</u>

25 Extra-Ordinary Items

Business Dues Settlement	443,460	-
	<u>443,460</u>	<u>-</u>



FORTUNE FOODS LIMITED

(CIN - U01511MH1989PLC186682)

Notes forming part of the Financial Statements

for the year ended 31 March 2015

(Currency: Indian Rupee)

26 Fixed Assets

Particulars	Tangible Assets									Total
	Land	Borewell	Factory Building	Plant & Machinery	Fire Fighting Equipments	Furniture, Fixtures & Office Equipments	Computer & Software	Vehicles	Electricals	
Depreciation rate		1.63%	3.34%	4.75%	4.75%	6.33%	16.21%	9.50%	7.07%	
Cost										
At 1st April 2013	1,365,500	139,240	28,044,418	119,354,131	49,053	3,374,690	398,793	1,443,550	-	154,169,375
Additions	-	-	1,165,787	2,176,981	-	-	134,159	1,155,785	1,053,966	5,686,678
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March 2014	1,365,500	139,240	29,210,205	121,531,112	49,053	3,374,690	532,952	2,599,335	1,053,966	159,856,053
At 1st April 2014	1,365,500	139,240	29,210,205	121,531,112	49,053	3,374,690	532,952	2,599,335	1,053,966	159,856,053
Additions	-	726,324	2,710,670	9,809,212	-	-	33,146	-	273,125	13,552,477
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March 2015	1,365,500	865,564	31,920,875	131,340,324	49,053	3,374,690	566,098	2,599,335	1,327,091	173,408,530
Depreciation										
At 1st April 2013	-	32,604	13,509,438	75,630,985	28,653	722,653	342,719	1,024,133	-	91,291,185
Charge for the year	-	1,052	583,075	4,222,469	2,330	213,618	15,594	172,935	10,193	5,221,266
Amortization of Revaluation Reserve	-	1,218	353,717	1,477,660	-	-	-	-	-	1,832,595
Disposals	-	-	-	-	-	-	-	-	-	-
As 31st March 2014	-	34,874	14,446,230	81,331,114	30,983	936,271	358,313	1,197,068	10,193	98,345,046
At 1st April 2014	-	34,874	14,446,230	81,331,114	30,983	936,271	358,313	1,197,068	10,193	98,345,046
Charge for the year	-	3,981	622,153	4,642,002	2,330	213,618	87,614	246,937	92,538	5,911,172
Amortization of Revaluation Reserve	-	1,218	353,717	1,477,660	-	-	-	-	-	1,832,595
Disposals	-	-	-	-	-	-	-	-	-	-
As 31st March 2015	-	40,073	15,422,100	87,450,776	33,313	1,149,889	445,926	1,444,004	102,731	106,088,813
Net Block										
At 31st March 2014	1,365,500	104,366	14,763,975	40,199,998	18,070	2,438,419	174,639	1,402,268	1,043,773	61,511,007
At 31st March 2015	1,365,500	825,491	16,498,775	43,889,547	15,740	2,224,801	120,172	1,155,331	1,224,360	67,319,717

Note: Schedule II of the new Companies Act 2013 has prescribed the life of Fixed Assets. However, management of the Company is of the view that actual life of assets of the company may significantly differs from prescribed life of assets. Actual estimation and evaluation of the assets and comparison with the prescribed life is a cumbersome process and will require more time to complete the said procedure. Therefore, the management has decided, in keeping the consistency to charge the depreciation and amortisation of assets for financial year 2014-15 at the same rates prescribed by earlier Companies Act 1956 instead of following life prescribed by Companies Act 2013.



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27.1 Contingent liabilities

- In the year 2006-07 Company has opted Sales tax NPV discounted paybale scheme and discounted the sales tax deferral liability of Rs. 5.76 crores to Rs. 2.29 crores. However, the company has not fully paid the amount till date and reversing the annual discounted value of the Sales tax deferral liability as interest. As on 31.03.2015 outstanding deferral sales tax liability is shown as long term borrowings for Rs. 4.08 crores; and the discounted value of sales tax deferral liability not yet reversed is Rs. 1.15 crores.
- Advance received from Customer contains advance from Opal SY International of Rs. 7,93,004/- which is taken for Pomogranate Concentrate Supply. It is business commitment which may not be completed in future. Partial advance received on 28.07.08 USD 23,328/- (INR 42.32 per USD) against supply Five Containers; out of this one container supplied on 26.09.08 Invoice amt USD 31,268.40 (INR 49.01 per USD) and adjust 15% i.e. USD- 3965.76 & Balance is equivalent to USD 19362.24 for which revaluation as on reporting date is not done.
- Customs Duty liability is determined on the Imported Machinery purchased last year. Interest due on it till 31st March 2012 has been also provided. No provision for interest thereon is made after the 31st March 2012.
- A case has been filed by Plenco Closures Pvt. Ltd for a matter in dispute. The decision of the court is pending and out of court settlement procedures are in process with the party. No provision has been determined in the books of accounts of the company for the same as the Company does not expecting any liability it (other than litigation expense).

27.2 Earnings per share

Particulars	As at 31st March 2015	As at 31st March 2014
Net profit after tax available for equity shareholders (Rs.)	1,575,934	(3,210,940)
Weighted average number of equity shares of Rs. 10 each outstanding during the year (Nos)	-	-
Basic and diluted earnings per share (Rs.)	#DIV/0!	#DIV/0!

27.3 Related Party Transactions:

In accordance with the requirements of Accounting Standard 18 i.e. "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, the details of related party transactions are given below :

(a) List of related parties with whom transactions are effected during the year

Description of Relationship	Name of related parties
Shareholders and Key Management Personnel	Mr. Naresh K. Gupta (Director) Mr. Shailesh N. Gupta (Director) Mr. Balkrishna Jamdade (Independent Director) Mr. Manasram Ahire (Independent Director)
Other related parties with whom transactions have taken place during the year	
Entities in which 'Key Management Personnel' holding substantial interest	Tigrania Metals Pvt. Ltd. Bhoruka Steel Traders



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(b) Transactions with related parties during the year :

Nature of transactions	As at 31st March 2015		As at 31st March 2014	
	Shareholders and Key Management Personnel Rs.	Other related parties Rs.	Shareholders and Key Management Personnel Rs.	Other related parties Rs.
Assets Purchased	-	-	-	-
Salary to Directors	360,000	-	360,000	-

(c) Balances outstanding

Outstanding balances at year end	As at 31st March 2015		As at 31st March 2014	
	Shareholders and Key Management Personnel Rs.	Other related parties Rs.	Shareholders and Key Management Personnel Rs.	Other related parties Rs.
Reimbursement payable	-	-	-	172,731
Remuneration Payable	191,589	-	-	-

(d) Names of the parties having related party transactions in excess of 10% (by nature of transaction):

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
Shareholders and Key Management Personnel		
Salary to Directors		
Mr. Shailesh N. Gupta	360,000	360,000

27.4 Segmental Reporting

In the earlier year the company has primary segments as Sales and Job work, but during the year there is no sales in the nature of Job work. As prominently there is single primary segment i.e. of manufacturing, the primary basis of segmental information in respect of which the requisite information is set out in these financial statements. In case of Secondary segmental reporting as well, in earlier years it is reported on the basis of the geographical location of the customers as Domestic and overseas, but in last three years there is no exports and all sales are domestic sales. Therefore, there is no reportable secondary segment on geographical location base. Also, there is no such any reportable segment therefore, the reporting under secondary segment is not made.

27.5 Details of dues to Micro, Small & Medium Enterprises

In the Previous year there is no payable or interest is outstanding or due to Micro, Small & Medium Enterprises registered under the Micro, Small & Medium Enterprises Development Act, 2006.



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Notes forming part of the Financial Statements

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27.6 Foreign Exchange

Particulars	As at 31st March 2015 Rs.	As at 31st March 2014 Rs.
CIF value of imports	Nil	Nil
Expenditure or payment in foreign currency	Nil	Nil
Imported raw materials, spare parts and components consumed	Nil	Nil
Earnings in foreign currency	Nil	Nil

27.7 Previous Years Figures

The Company has reclassified previous year figures to confirm to this year's classification.

For and on behalf of the Board of Directors

Place: Nashik
Date: September 2, 2015


Naresh Gupta
Director
(DIN - 00598765)


Shailesh Gupta
Director
(DIN - 1066537)

