



Foods and Inns Limited

**45th Annual Report
2016-17**

Corporate Information

Board of Directors

Mr. Bhupendra Dalal	Chairman
Mr. Milan Dalal	Non Executive Director
Mr. Raymond Simkins	Non Executive Director
Mr. Dinkarray Trivedi	Non Executive, Independent Director
Mr. Vinod Kumar Beswal	Non Executive, Independent Director
Mrs. Kamlini Maniar	Non Executive, Independent Director
Mr. Deepak Mohla (w.e.f 10-05-2017)	Non Executive, Independent Director

Key Managerial Persons

Mr. Moloy Saha	Chief Executive Officer
Mrs. Randeep Kaur (w.e.f 11.08.2017)	Company Secretary
Mr. Ameya Dhupelia (w.e.f 11.08.2017)	Chief Financial officer

Registrars & Transfer Agents

Link Intime India Pvt. Ltd
C 101, 247 Park, L.B.S Marg,
Vikhroli (W), Mumbai-400 083

Plant locations

Southern Region

Chittor

Gollmadugu Village,
Pallur post, Vellor Rd
Chittor, Andhra Pradesh

Western Region

Valsad

N H No-8, Vavfalia,
Village Abrama,
Bulsar-396001, Gujarat

Nashik

S.No340, At Post Gonde
Tal, Sinnar, Dist Nashik,
Maharashtra

Bankers

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

Auditors

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

Corporate Office

224, Dulwich Mansion, 3rd Floor,
Tardeo, Mumbai-400 007
Tel: 022-23533103/04
Fax: 022-23533105/06
Website: www.foodsandinns.com
Email: writetous@foodsandinns.com
CIN:L55200MH1967PLC013837

Registered Office

Sion Trombay Road,
Punjabwadi, Deonar,
Mumbai-400 088

ANNUAL GENERAL MEETING	
Date	: Wednesday September 13, 2017 Time: 4.30 p.m
Venue	: Kilachand Conference Room, Indian Merchant Chambers, 2nd Floor, Churchgate, Mumbai 400020

E- VOTING PERIOD	
Commences on	: Saturday September 9, 2017 at 10.00 a.m
Closes on	: Tuesday September 12, 2017 at 5.00 p.m

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NOTICE

Notice is hereby given that the 45th Annual General Meeting (AGM) of the Members of Foods and Inns Limited will be held on Wednesday September 13, 2017, at 4.30 p.m at Kilachand Conference Room, Indian Merchant Chambers, 2nd Floor, Churchgate, Mumbai 400020 to transact the following business:

ORDINARY BUSINESS:

Item No 1- Adoption of Financial Statements

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

"RESOLVED THAT the Company to consider and approve the Audited Financial Statements of the Company on standalone and consolidated basis for the Financial Year ended March 31, 2017, together with the Reports of the Directors and Auditors thereon."

Item No 2- Declaration of Dividend

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

"RESOLVED THAT the Company to declare final dividend of ₹ 3.00 per equity shares for the year ended 31st March, 2017."

Item No 3- Re-appointment of Mr. Bhupendra Dalal as a Director liable to retire by rotation

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

"RESOLVED THAT the Company to re-appoint Mr. Bhupendra Dalal (DIN: 00064192), who retires by rotation and is eligible, as the Director of the Company."

Item No 4- Appointment of Auditors and to fix their remuneration

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any amendments, modifications, variation or re-enactment thereof, M/s G.M. Kapadia & Co., Chartered Accountants (Firm Registration No.104767W issued by the Institute of Chartered Accountants of India) be and are hereby appointed as Auditors of the Company for a period of 5(Five) consecutive years, to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the 50th Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

Item No 5- Increase the limits under section 186 of the Companies Act 2013

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

"RESOLVED THAT in supersession of the resolution passed by the shareholders in their 38th Annual General Meeting of the Company held on March 31, 2010, pursuant to Section 186 of the Companies Act, 2013 (hereinafter referred as "said Act") and the relevant Rules of the said Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company consent of the members be and is hereby accorded to the Board of Directors of the Company, to make any investments, to give any guarantee or guarantees and/or to provide any security in connection with any loans made to any person(s) or by any other person(s) to any body(ies) corporate upto an amount not exceeding ₹.120,00,00,000/- (Rupees One Twenty Crores Only) in the aggregate".

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to determine the total amount upto which investments made, guarantee or guarantees can be given or securities provided within the aforesaid overall limit and to decide all or any other matter as may be required in this regard and to do all such acts, deeds and things as may be necessary to implement this resolution".

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution".

Item No 6- To adopt new Set of Articles of Association

To adopt new Set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard 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 provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and is hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

"FURTHER RESOLVED THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and to delegate all or any of its powers herein conferred to any director(s) and / or officer(s) of the Company."

Mumbai, August 11, 2017

Registered Office:

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

By order of the Board

Bhupendra Dalal
Chairman
(DIN: 00061492)

NOTES:

- A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty eight (48) hours before the commencement of the Meeting.** A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company. However, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith.
- During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies Lodged, at any time during the business hours of the Company, provided not less than 3 days written notice is given to the Company.
- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out all material facts relating to item Nos 4 to 6 of this notice is annexed herewith and the same should be taken as part of this Notice.
- In respect of Resolution at Item No 3, a statement giving additional information on the Director seeking re-appointment is provided below as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name	Mr. Bhupendra Dalal
Date of Birth & Age	18-11-1941, 76 years
Appointed on	22-09-2014
Qualifications	B.Com, L.L.B
Expertise/ Experience	Standing over 50 years experience as Financial Adviser
Shareholding	NIL

The other Directorships / Committee Membership of Mr. Bhupendra Dalal are as follows:

Name of the Company	Committee Membership	Board Membership
Oceanic Investments Limited	NIL	Director
Nildeep Investments Company Private Limited	NIL	Director
Cifco Limited	NIL	Chairman
Pudumjee Pulp & Paper Mills Limited	Nomination and Remuneration, Audit, Restructuring and CSR Committee	Director
Milan Investments Limited	NIL	Director

- The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday September 06, 2017 to Wednesday September 13, 2017 (both days inclusive) for the purpose of Annual General Meeting and Dividend.
- Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company in advance, a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote on their behalf the Annual General meeting.
- Members, Proxies and authorised representatives are requested to bring their attendance slip, duly filled in, for attending the meeting. Copies of the Attendance Slips will not be distributed at the Meeting. In case of joint holders attending the Meeting, the members whose names appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
- Only registered members of the Company or any proxy appointed by such registered member, as on the cut-off date decided for the purpose, being Wednesday, September 06, 2017, may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act.

9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company/ RTA for assistance in this regard.
10. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
11. SEBI Regulations has mandated companies to credit the dividends electronically to the Member's bank account. Members who hold shares in dematerialized form should inform their depository Participants (DP) as well as to the Company and such Members holding shares in physical form should inform the Company, their Bank details viz. Bank Account Number, Name of the Bank and Branch details and MICR Code. Those Members who have earlier provided the above information should update the details if required.
12. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including financial statements, Board report, etc by electronic mode. The Company is accordingly forwarding soft copies of the notice of Annual General Meeting and Attendance Slip to all those members, who have registered their e-mail ids with their respective depository participants or with the share transfer agent of the Company. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may also note that the aforesaid documents are also available on the Company's website www.foodsandinns.com for download.
13. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Further, members who have casted their vote electronically shall not vote by way of poll, if held at the meeting. To provide an opportunity to vote at the meeting to the shareholders, who have not exercised the remote e-voting facility, shall be provided polling papers before the commencement of the meeting. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their pan to the Company/ RTA.
15. Kindly note that as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, (hereinafter referred to as 'Listing Regulations') it is mandatory for the company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to update/ register your correct bank account details with the Company/ RTA/ Depository participant as the case may be.
16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Notices, Circulars, etc. from the Company electronically.
17. A Route map showing directions to reach the venue of the 45th AGM is given at the end of this Notice as per the requirements of the Secretarial Standards-2 on "General Meeting".
18. Members wishing to claim dividend, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agents. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.
- 19. Voting through Electronic means:**
 - (i) In compliance with the provisions of Section 108 of the Companies Act, 2013, and the Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of SEBI Listing Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to exercise votes on the items of the business given in the Notice through electronic voting system, to Members holding shares on Wednesday, September 06, 2017 (end of day), being the Cut- off date for the purpose of Rule 20 (4) (vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e- voting process, through the e-voting platform provided by the National Securities Depository Limited (NSDL) or to vote at the Annual General Meeting. Person who is not a member as on the cut- off date should treat this Notice for information purpose only. Those Members, who do not wish to use the remote e-voting facility, the Company is enclosing a Ballot Form.
 - (ii) The remote e-voting period will commence at 10.00 am on Saturday September 09, 2017 and will end at 5.00 pm on Tuesday September 12, 2017.
 - (iii) The Company has appointed Mr. J.Y. Gupte, Practising Company Secretary (ACS No 4539, CP No 3589), to act as the Scrutinizer, to scrutinize the entire remote e-voting process in a fair and transparent manner.

The instructions for remote E-Voting are as under:

(A) For members who receive notice of Annual General Meeting through e-mail

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

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

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

(C) Voting facility at Annual General Meeting

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

(D) General Instructions

- (a) If you forget your password, you can reset your password by using 'Forget User Details/ Password' option available on <http://www.evoting.nsdl.com>
- (b) Any person, who acquired shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut- off date i.e Wednesday, September 06, 2017 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or santosh.jaiswal@linkintime.co.in.
- (c) The Scrutinizer shall submit his report to the Chairman, who shall declare the results of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.foodsandinns.com and on the website of NSDL and shall also be communicated to the Stock Exchange. The resolution shall be deemed to be passed at the annual general meeting of the Company, scheduled to be held on Wednesday September 13, 2017.



EXPLANATORY STATEMENT

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

As required by section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under items Nos 4 to 6 of the accompanying notice.

Explanation to business mentioned under Item No 4 has been provided on a voluntary basis

Item No 4

M/s B.S Mehta & Co, Chartered Accountants, (Firm Registration No 106190W issued by the Institute of the Chartered Accountants of India) have been the auditors of the Company.

In terms of the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, an audit firm can be appointed as auditors of a company for not more than two terms of five consecutive years each. For the purpose of calculating the period of ten years, the period for which the audit firm has held office as auditors, prior to April 1, 2014, was required to be taken into account.

Accordingly, M/s B.S. Mehta & Co will complete their term at the conclusion of this Annual General meeting and are not eligible for re-appointment.

Pursuant to the recommendation of the Audit Committee of Directors, the Board of Directors of the Company proposes to appoint M/s G.M. Kapadia & Co. Chartered Accountants, (Firm Registration No. 104767W issued by the Institute of Chartered Accountants of India) as the Auditors of the Company for one term of Five consecutive years and to hold office as such from the conclusion of this AGM until the conclusion of 50th Annual General Meeting of the Company. The said appointment will be subject to ratification by the shareholders of the Company at every AGM.

M/s. G.M. Kapadia & Co. have consented to the said appointment and issued a certificate to the effect that the appointment, if made, shall be in accordance with the conditions as prescribed in Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. They have also confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the Companies Act, 2013 and do not have any pecuniary interest in the Company or its subsidiary and associate companies.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution

The Board accordingly recommends the appointment of M/s G.M. Kapadia & Co., Chartered Accountants as the Auditors of the Company as set out in item No.4 of this Notice for the approval of the Shareholders.

Item No 5

The Company from time to time enters into arrangements where sometimes it may become necessary to make investments, to guarantee the loans or provide any security in connection with the loans and advances made to Corporate Bodies to secure better commercial advantage. The Company has also entered into strategic arrangements with the other Companies in the areas of business. It becomes necessary to give the guarantees to the banks and other institutions, or the Companies in connection with the loans and advances made by such Companies.

As per the provisions of the Companies Act 2013, make investments, giving of such guarantees, or securities, needs to be authorized by the members of the Company, if the same in aggregate along with the loans and investments made by the Company exceeds 60% of the Paid-Up Share Capital and Free Reserves, or 100% of its Free Reserves, whichever is more.

Currently, the said limit authorized by the members vide Special Resolution passed at the Annual General Meeting held on 31st March, 2010 is ₹.40 crores in aggregate. The Company now proposes to increase the said limit to ₹.120 crores.

None of the Directors/ Key managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 5 of the Notice.

The Board commends the Special Resolution set out in item No. 5 of the Notice for approval by the Shareholders

Item No 6

The existing Articles of Association are based on the Companies Act, 1956 and several regulations in the existing Articles of Association contain references to specific sections of the Companies Act, 1956 which are no longer in conformity with the Companies Act, 2013 ("New Act").

Upon enactment of the New Act, the existing Articles of Association of the Company need to be re-aligned as per the provisions of the New Act. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

The Board of Directors at its meeting held on August 11, 2017 decided to adopt new set of Articles of Association in place of and in exclusion to the existing Articles of Association of the Company. Pursuant to Section 14 of the Companies Act, 2013, the consent of the members by way of Special resolution is required for adoption of a new set of Articles of Association of the Company. Accordingly,

Special Resolution is placed before the members for approval.

The proposed new draft Articles of Association is being uploaded on the Company's website for perusal by the Shareholders.

Save and except for the shares of the Company held by the Directors/ Key Managerial Personnel and their relatives, none of them are in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 6 of the Notice.

The Board recommends the Special Resolution set out in item No. 6 of the Notice for approval by the Shareholders.

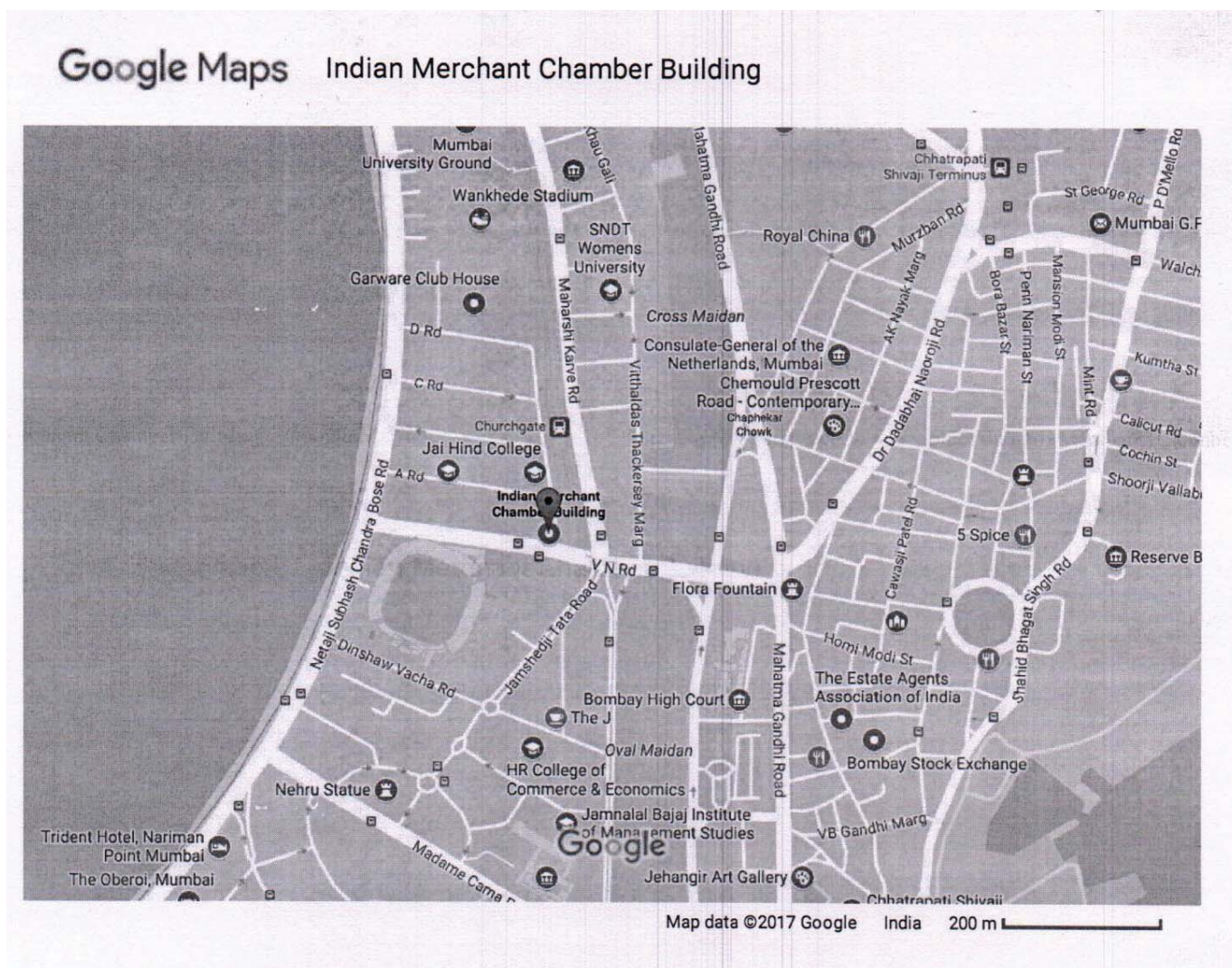
By order of the Board

Mumbai, August 11, 2017

Registered Office:

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

Bhupendra Dalal
Chairman
(DIN:00061492)





DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

The Directors present their report on the financial performance, business and operations of the Company for the year ended March 31, 2017

1. FINANCIAL RESULTS

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

	Standalone		Consolidated	
	2016-17 (₹)	2015-16 (₹)	2016-17 (₹)	2015-16 (₹)
Revenue from operations	3,37,12,22,327	3,35,55,89,608	3,37,61,03,909	3,35,55,89,608
Profit/ (Loss) before tax	12,92,00,696	5,47,89,567	12,81,51,670	5,42,01,967
Provision for Taxation	2,75,00,000	1,51,00,000	2,75,00,000	1,51,00,000
Tax Adjustments of Earlier Years	21,72,976	NIL	21,72,976	NIL
Deferred tax	2,83,71,063	3,30,00,000	2,83,71,063	3,30,00,000
MAT Credit	(37,87,742)	NIL	(37,87,742)	NIL
MAT Credit (Reversal)	NIL	5,41,675	NIL	5,41,675
Profit after Tax before Minority Interest	7,49,44,399	61,47,892	7,38,95,373	55,60,292
Minority Interest	NIL	NIL	(80,681)	4,90,432
Profit after Tax	7,49,44,399	61,47,892	7,38,14,692	60,50,724
Balance Brought Forward	12,58,70,880	12,41,99,992	12,57,52,730	12,41,79,010
Profit / (Loss) Available for Appropriation	20,08,15,279	13,03,47,884	19,95,67,422	13,02,29,734
Appropriations				
Proposed Dividend	NIL	36,27,600	NIL	36,27,600
Tax on Dividend	NIL	8,49,404	NIL	8,49,404
Transfer to General Reserves	NIL	NIL	NIL	NIL
Balance carried to Balance Sheet	20,08,15,279	12,58,70,880	19,95,67,422	12,57,52,730

2. RESULTS OF OPERATIONS

As per the Standalone Financials for year ended on March 31, 2017 the turnover of the Company is ₹ 337.12 crores as compared to ₹.335.56 crores for the year ended on March 31, 2016. The Company made a profit before tax of ₹.12.92 crores during the year ended March 31, 2017 against the profit before tax of ₹.5.48 crores during the year ended on March 31, 2016.

As per the Consolidated Financials for year ended on March 31, 2017 the turnover of the Company is ₹ 337.61 crores as compared to ₹.335.56 crores for the year ended on March 31, 2016. The Company made a profit before tax of ₹ 12.82 crores during the year ended March 31, 2017 against the profit before tax of ₹.5.42 crores during the year ended on March 31, 2016.

The Company's exports during the year was ₹.205.50 crores (₹.232.70 crores) and domestic sale was ₹.157.60 crores (₹.96.08 crores). This translates into a ratio of 60.95% to 46.75% (69.36% to 28.64%) between exports and domestic sales.

Increase in the Paid up Share Capital through Issue of Equity Shares and Warrants on Preferential Basis:

Pursuant to the receipt of approval of the Shareholders of the Company at the 44th Annual General Meeting held on 08-09-2016 and Extra Ordinary General meeting held on 20-01- 2017, the Company raised ₹ 13.40 crores in two tranches through the issuance of 154902 Equity Shares to persons other than promoters and promoter group and conversion of loan into fully paid up equity shares to its foreign director and 72000 warrants to promoters group, at a price of ₹ 720/- and ₹ 870/- per equity shares, in accordance with the provisions of Chapter VII of SEBI ICDR Regulations.

3. DIVIDEND

Your Board of Directors, in its meeting held on May 11, 2017, has recommended a Final Dividend of ₹ 3.00 (i.e.30%) per equity share (last year ₹ 2.50 per equity share) for the financial year ended March 31, 2017 amounting to ₹ 48.18 lakhs as against ₹ 36.28 lakhs The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

4. TRANSFER TO RESERVES

The Company proposes to transfer ₹ NIL to the general reserves out of the amount available for appropriation and an amount of ₹ 20.08 crores are proposed to be retained in the profit and loss account.

5. FIXED DEPOSITS

The Company had discontinued its Fixed Deposit scheme in the financial year 2014-15. The Company has repaid all its fixed deposit as on March 31, 2017, except deposit of ₹ 20,000 which remains unclaimed by 2 depositors.

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

There are no material changes and commitments affecting the financial position of the Company which have occurred after March 31, 2017 till date of this report.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**(i) Overview of the Indian food processing industry:**

Food Processing Industry in India accounts for about 32% of the country's total food market, the Food Processing Industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The Indian Food processing Industry has grown by 11% in the last decade and is expected to reach \$480 billion by 2020. The industry contributes to 14% of the country's manufacturing GDP, 13% of exports and 6% of total industrial investment.

Your company is not only enthusiastic but also bullish about this space since India processes only 8% of its total food production as compared to 23% in China, 65% in USA and 78% in Philippines. A big thrust on India's Food Processing sector can lead to significant job creation, enhance rural incomes and help manage food inflation. Similarly, supportive policies in the area of agro-forestry would go a long way in creating sustainable livelihoods while simultaneously augmenting the nation's environmental capital.

Unique to India but the growth in this sector is has a direct relationship with the increasing young population, growing disposable income and rapid life-style changes with respect to the common man.

(ii) Expansion plan and strategic outlook:

Your company continues to unlock its intrinsic value with expansion planning of new and modern processing facilities in the Western part of India so as to bring synergies to our current model. Additionally we are considering sizeable investment in our current plants to ensure we maintain our high standards of product quality and consistency. These are building blocks for our medium term strategic goal to build on our brand via new product offerings in the premium food sector.

In order to improve our supply chain and lower our cost of operations we have internally commissioned and considered the implementation of an Enterprise Resource Planning system across all our locations. This provides value in the form of customer relationship management, regulatory compliance, streamlined data analysis/quality and improved reporting.

Our strategic outlook remains bullish, with our unconditional focus on building customer trust and value. Our unique selling points sits with our professional yet very experienced management team coupled with our unwavering focus on providing a quality product.

Our senior management team remains very hands on with the market whilst assessing new opportunities regularly as India partakes in a slow but steady growth curve

(iii) Risk management:

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

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

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

Few key risks identified by the Company are as under:

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

iv) Internal control system and adequacy:

In order to ensure orderly and efficient conduct of business, the Company has planned to put more focused and necessary internal control systems in line with business requirements, scale of operations and geographical spread. These systems will