

Taking the Indian flavours to the world

ANNUAL REPORT 2012 - 2013





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Registered Office : 201, Vipps Centre, Masjid Moth
Greater Kailash II, New Delhi-110 048
Tel: + 91-11-29220330

Corporate Office and Share Department Pinnacle Business Tower, 10 th Floor,
Surajkund, Faridabad, (Haryana)-121001
Tel: +91-11-424 2222 (30 Lines)
Fax: +91-11-424 2233
E-mail: info@kohinoorfoods.in
Web: www.kohinoorfoods.in

Works : • 50-51 Milestone, G.T. Road
Murthal, Dist. Sonapat (Haryana)

Wholly Owned Subsidiary Companies : Kohinoor Foods USA INC.
40, Northfield Avenue
Edison, NJ 08837

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

: Sachdeva Brothers Private Limited
Pinnacle Business Tower, 10 th Floor,
Surajkund, Faridabad, (Haryana)-121001

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

: Kohinoor Speciality Foods India Pvt. Ltd.
401, Vipps Centre, Masjid Moth
Greater Kailash-II, New Delhi-110048

Listing of Equity Shares

National Stock Exchange of India Ltd.
Bombay Stock Exchange Ltd.

Board of Directors

Mr Jugal Kishore Arora	Chairman
Mr Satnam Arora	Jt. Managing Director
Mr Gurnam Arora	Jt. Managing Director
Mr Vijay Burman	Non-Executive Director
Mr Anil Bhatia	Non-Executive Director (Resign w.e.f 14/08/2012)
Mr Vijay Parkash Aggarwal	Non-Executive Director (Resign w.e.f 13/02/2013)
Mr Sandeep Kohli	Non-Executive Director (Appointed w.e.f 14/08/2012)
Mr M.K. Trisal	Non-Executive Director (Appointed w.e.f 10/11/2012)
Mr S.C. Gupta	Non-Executive Director (Appointed w.e.f 14/08/2013)

Company Secretary & GM (Legal) Mr. Rama Kant

Auditors M/s Nath Ahuja
Chartered Accountants

Cost Auditors M/s H. Tara & Associates
Cost Accountants

Bankers

Oriental Bank of Commerce
State Bank of India
Punjab National Bank
Allahabad Bank
Standard Chartered Bank
Indusland Bank
HDFC Bank Limited
ICICI Bank Ltd.
IDBI Bank Ltd.
Bank of India
Axis Bank Ltd.
Yes Bank

Transfer Agents

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

Depositories

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



Chairman's Message



It gives me great satisfaction on the impressive performance of the Kohinoor Foods Limited this financial year, as your company has delivered promising results compared to the previous year. The company has recorded an increase in revenues of 'Basmati Rice' exports by 40% mainly due to our concerted effort on Kohinoor Brand in international markets. In the similar way our processed food business has grown by 22% in revenues owing to introduction of range of new product variants & market penetration. Our endeavour has been to make 'Kohinoor' as the most preferred Indian food brand globally- though it's an ambitious proposition, but our whole team is focussed passionately and the results are very positive & encouraging.

Your company's export sales value stood at Rs. 6,849 Million as against Rs. 5,618 million last financial year. Our domestic sales recorded a steady top-line (Revenues) at Rs. 4,026 Million.

Your company's growth in the Export markets was due to the major impetus & focussed approach in the Middle East markets coupled with various promotional activities undertaken in key markets. Our Rice business, that includes Private Label as well grew in almost all geographies that we are present

in e.g., Asia Pacific, UK, USA, Africa and Middle East. We have added new product categories in our processed food business portfolio viz, Pure Ghee, Instant Mixes, Indian Sweets, Namkeens, premium Biscuits & Cookies. The said new product categories were successfully launched in select markets of Middle East, Asia Pacific & the US. The response so far has been very exhilarating and in future we intend to drive these categories aggressively. We will continue to expand our product offering in both in Ambient & Frozen range to give wide choice to our customers and add value & excellence to our export Food business operations.

To further augment our presence in Middle East, the company intended to enter into a Joint Venture agreement with Al Dahra International Investment LLC to allot 20% equity shares of our company as preferential issue and also to jointly develop and manage brown to white rice facility in Abu Dhabi with a capacity of approx. 60,000 MTs per annum scalable to 1,00,000 MTs and also to build storage facility of approx. 30,000 MT.

With the vision of bringing authentic Indian flavours to people all over the world, we want your company Kohinoor Foods Ltd., to become one of the leading name, not only in the Rice, but the entire Food category globally. In this endeavour, we would keep developing products to the needs of our consumers and come close to achieve our vision. We will continue to follow our successful strategies and try every step to make our future brighter & better. We would focus on improving our portfolio, increasing efficiency, product innovation and spread our business in order to get close to our ultimate goal of having 'Kohinoor' as the most preferred Indian food brand globally.

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

With best wishes,
Sincerely

Sd/-
Jugal Kishore Arora
Chairman



(The Board of Directors & Other Senior Members of Kohinoor Foods Limited during its Board Meeting)



Notice

Notice is hereby given that the Twenty Fourth Annual General Meeting of Kohinoor Foods Limited will be held at 5 p.m. on Monday, the 30th September, 2013 at the Pearey Lal Bhawan Association, 2, Bahadurshah Zafar Marg, New Delhi-110002, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Burman who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sandeep Kohli, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office until the conclusion of next Annual General Meeting and to fix their remuneration and to pass the following resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 (1) and other applicable provisions, if any, of the Companies Act, 1956, M/s Rajender Kumar Singal & Associates, Chartered Accountants, New Delhi (Firm Registration No. 016379N), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution.

"RESOLVED THAT pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 the Articles of Association of the Company be and are hereby altered, by addition of Article 181 in the Articles of Association as follow:

181. In the event of a conflict between the Articles 1 to 180 and this Article 181, subject to Applicable Law, the provisions of this Article 181 shall govern and prevail.

- i. **Definitions:** "Alternate Director" means a Director duly nominated by an existing Director in his/her place on the Board of the Company for the time being;

"Applicable Law" means all statutes, laws, regulations, ordinances, rules, judgments, notifications, rules of common laws, orders, decrees, bye-laws, government approvals, directives, guidelines, requirements or other governmental restrictions, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any government having jurisdiction over the matter in question, whether in effect as of the date of these Articles or thereafter;

"Board" means the board of directors of the Company;

"Business Day" means a day, except Sundays and public holidays, on which banks are generally open for business in India;

"Charter Documents" means this Articles of Association and the Memorandum of Association of the Company;

"Director" means a duly appointed director for the time being of the Company;

"Equity Securities" means, with respect to the Company, equity Shares, membership interests, partnership interests, registered capital, joint venture or other ownership interest (including the equity Shares) or any options, warrants, convertible preference shares, loans, appreciation rights or other securities that are directly or indirectly convertible into, or exercisable or "exchangeable for equity Shares (whether or not securities are

issued by the Company and whether or not then currently convertible, exercisable or exchangeable and whether with or without payment of additional consideration);

"Investor" means Al Dahra International Investments LLC, or any person to whom Al Dahra International Investments LLC has transferred its rights in relation to the Shares of the Company;

"Investor Director" means the nominee appointed as the director on the Board of the Company; and

"Promoters" means each of (i) Mr Jugal Kishore Arora; (ii) Mr Satnam Arora; (iii) Mr Gumam Arora; (iv) Ms Rani Arora; (v) Mr Nitin Arora; (vi) Ms Madhu Arora; and (vii) Ms Meena Rani Arora.

- ii. **Number of Directors:** The Board shall consist of 8 (eight) directors of which 1 (one) shall be nominated by the Investor. As long as the Investor holds at least 20% (twenty percent) of the paid up share capital of the Company, the Investor shall have the right to nominate a Director on the Board.

- iii. **Removal/Resignation of Directors :** The Investor may require the removal of the Investor Director nominated by it and nominate another individual as a director in his/her place and the Promoters and the Company shall exercise their rights to ensure the appointment of the individual nominated as aforesaid. In the event of the resignation, retirement or vacation of office of the Investor Director, the Investor shall be entitled to nominate another director in place thereof and the Promoters shall exercise their rights to ensure the appointment of the individual nominated as aforesaid.

- iv. **Committees:** The Board may from time to time, constitute committees of the Board (consisting exclusively of directors) and may determine their functions, powers, authorities and responsibilities. The audit committee and the compensation/remuneration committee of the Board shall include at least 1 (one) Investor Director.

- v. **Meetings of the Board:** Notice: At least 15 (fifteen) Business Days' written notice shall be given to each of the Directors and their Alternate Directors in respect of each meeting of the Board, at the address notified from time to time by each Director. For Directors resident outside India, such notice shall be given by facsimile transmission and by e-mail with confirmation copy by courier and a copy of such notice shall also be served at the address within India specified by such Director in writing to the Company. Notice may be waived or a meeting may be called by giving shorter notice with the consent of the majority of the Directors.

Any Director shall be entitled to call a meeting of the Board with at least 15 (fifteen) Business Days' written notice to each member of the Board. An agenda specifying in reasonable detail, the matters to be discussed at the relevant meeting and accompanied by all necessary written information, including the date, time and agenda for such meeting, shall be given to each of the Directors and their Alternate Directors, however, the notice period mentioned above shall not apply in the case of an adjourned meeting of the Board as set out below, provided that such adjourned meeting of the Board does not consider any new matter not on the agenda of the original meeting of the Board.

- vi. **Quorum for Board meetings:** The quorum for meetings of the Board shall be as prescribed under Applicable Law, provided however that any meeting of the Board at which decisions relating to any transaction exceeding INR 25,00,00,000 (Indian Rupees Twenty Five Crores only) is considered, the quorum for such a meeting shall consist of at least 1 (one) Investor Director. A Director represented by his



Alternate Director shall be deemed to be present for the purpose of determining whether a quorum exists. If such quorum is not present within 1 (one) hour from the time appointed for the meeting, the meeting shall adjourn to the same place, same time and same day of the following week, at which meeting ("Adjourned Board Meeting") the Directors then present shall constitute a quorum and take decisions on any or all matters listed in the notice. The Investor may, in writing, waive the requirements of quorum specified in this clause for any meeting of the Board.

- vii. **Electronic participation:** The Directors shall have the option to participate in Board meetings by electronic means or any other means of contemporaneous communication, as may be permitted under the Applicable Law.
 - viii. **Resolution by circulation:** Subject to the provisions of the Act, a written resolution circulated to all the Directors, whether in India or overseas, and signed by a majority of them as approved shall be as valid and effective as a resolution duly passed at a meeting of the Board called and held in accordance with these Articles (provided that it has been circulated in draft form, together with the relevant papers, if any, to all the Directors).
 - ix. **Directors and Officers Insurance Policy:** The Company shall, at its own cost, procure Directors and Officers insurance policy cover for its Directors for INR 5,00,00,000 (Indian Rupees Five crore), which shall be renewed each year at the cost of the Company.
 - x. **Further issue of Equity Securities:** Any future issue of Equity Securities by the Company shall be made pursuant to a unanimous approval of all the Directors on the Board at that time, at a meeting validly and duly held in accordance with the Charter Documents.
6. **To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**
- "RESOLVED That Mr. Maharaj Kishen Trisal, who was appointed as an Additional Director of the Company by the Board of Director pursuant to Section 260 and other relevant provision of the Companies Act, 1956, and Articles of Association of the Company, holds office upto to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.
7. **To Consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**
- "RESOLVED That Mr. Satish Chander Gupta, who was appointed as an Additional Director of the Company by the Board of Director pursuant to Section 260 and other relevant provision of the Companies Act, 1956, and Articles of Association of the Company, holds office upto to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

By Order of the Board
For Kohinoor Foods Limited

Sd/-
Rama Kant
Company Secretary and GM (Legal)

Place: New Delhi
Date: 06.09.2013

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company. Proxies in order to be valid must be received by the company not less than 48 hours before the scheduled time of the meeting. A proxy form is attached.
2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting, on their behalf.
3. The Register of Members and Transfer Books of the Company will remain close from 16th September, 2013 to 30th September, 2013 (both days inclusive) in connection with the Annual General Meeting.
4. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment/re-appointment at the meeting are annexed.
5. Members are requested to bring their copies of Annual Report to the Meeting.
6. Entry in the Meeting Hall shall be strictly restricted to Members/Valid Proxies only, carrying the Attendance Slip.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address, change of name and e-mail address, etc. to their Depository Participant only and not to the company's registrar and share transfer agents, Skyline Financial Services Pvt. Ltd. Changes intimated to the Depository Participants will then be automatically reflect in the Company's records which will help the Company and Registrar and Share Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Skyline Financial Services Pvt. Ltd., having office at D-153A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020.
8. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Skyline Financial Services Pvt. Ltd., for assistance in this regard.
9. Shareholders desiring any information as in relation to Accounts should write to the Secretarial department at the Company's registered office at least seven days before the date of the meeting, so as to enable the management to keep the information ready.
10. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011, dated April 21 and April 29, 2011 respectively), has undertaken a "Green initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/updating their e-mail address, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with Skyline Financial Services Pvt. Ltd.
11. As required under Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1988 as amended, the unpaid/unclaimed dividend for the financial year ended upto 31st March, 2005 was transferred to the General Revenue Account of the Central Government. Members who have not encashed the dividend warrants for the said period are requested to claim the amount from the Registrar of Companies NCT of Delhi and Haryana. In case any assistance is required, members may write to the Registrar and Share Transfer Agent of the Company.



Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend remaining unclaimed and/or unpaid for a period of seven years is to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

12. As required by Ministry of Company Affairs (MCA) vide their Notification No. G.S.R.352 dated 20th May, 2012 (E), the List of Unpaid dividend Shareholders as on the date of last Annual General Meeting is now available at the MCA Portal as well as on the website of the Company www.kohinoorfoods.in.
13. Any document referred to in the accompanying Notice shall remain open for inspection at the registered office of the Company at 201, Vipps Centre, Masjid Moth, Greater Kailash-II, New Delhi- 110048 between 10.00 a.m. to 1.00 p.m. from Monday to Friday, excluding Holiday, prior to the Annual General Meeting.

**INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF
CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK
EXCHANGES**

Mr. Vijay Burman and Mr. Sandeep Kohli, Directors of the company retire by rotation and are eligible for re-appointment at the Annual General Meeting. The brief particulars of the directors proposed to be re-appointed/appointed are as given below:

Mr. Vijay Burman

Age: 82 Year

Qualification: Graduate

Expertise: - Mr. Vijay Burman is a Science Graduate having rich and varied experience of over 42 years in the Textile Industry. He has extensively travelled abroad and had been instrumental in setting up various operations of the company. He is an Independent Director of the Company and also involved in the various committees.

Membership of Committees :

Audit Committee	:	Chairman
Remuneration Committee	:	Chairman
Share Transfer/Investor	:	Member
Grievance Committee		
Shareholding in the Company	:	NIL

(As on 31st March, 2013)

Mr. Sandeep Kohli

Age: 56 Years

Qualification: Post Graduate

Expertise: Mr. Sandeep Kohli is having Twenty five years of blue-chip, MNC management experience in India and parts of Asia and has an in-depth knowledge of finance, marketing, brand building and legal aspects of businesses. He has successfully launched KFC, Pizza Hut and A&W brands in the Indian sub-continent and Indian Ocean countries, also instrumental in successfully establishing and growing businesses in the services, hospitality and real estate industries, currently involved in various projects in the hospitality and services sector in an entrepreneurial and advisory capacity and also developed American Express card member, travellers cheques and travel business base in India and Taiwan.

Membership of Committees :

Share Transfer/Investor	:	Chairman
Grievance Committee		
Audit Committee	:	Member
Remuneration Committee	:	Member
Shareholding in the Company	:	NIL

(As on 31st March, 2013)

EXPLANATORY STATEMENTS (Pursuant to Section 173 of the Companies Act, 1956)

Item No. 5

As per the Agreements entered between the Company and Al Dahra International Investments LLC., it is proposed to alter the Articles of Association of the Company to give effect to the terms of the Agreements.

Your Directors recommend this resolution for approval of the members.

Item No. 6

Mr. M K Trisal was appointed as an additional director by the Board at its meeting held on 10th November, 2012. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of this Annual General Meeting. As required by section 257 of the Act, a notice has been received from a member signifying his intention to propose his appointment as a Director, along with a deposit of rupee five hundred. None of the Directors except Mr. M K Trisal is any way, concerned or interested in the said resolution.

Your Directors recommend this resolution for approval of the members.

Item No. 7

Mr. S. C. Gupta was appointed as an additional director by the Board at its meeting held on 14th August, 2013. According to the provisions of Section 260 of the Companies Act, 1956, he holds that office upto the date of this Annual General Meeting. As required by section 257 of the Act, a notice has been received from a member signifying his intention to propose his appointment as a Director, along with a deposit of rupee five hundred.

None of the Directors except Mr. S. C. Gupta is any way, concerned or interested in the said resolution.

Your Directors recommend this resolution for approval of the members.

By Order of the Board
For Kohinoor Foods Limited

Place: New Delhi
Date: 06.09.2013

Sd/-
Rama Kant
Company Secretary and GM (Legal)



DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

The following report should be read in conjunction with the audited financial statements and notes for the year ended March 31, 2013 and the audited financial statements and notes for the year ended March 31, 2012. This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the company's strategy for growth, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Company – In General

Synonymous with the fine taste of India in its absolute authentic form, the sole objective of Kohinoor Foods Limited, since its inception, has been to make the world experience the true Indian flavour. Just some of the reasons why it offers an extensive range that caters to consumers' need in all parts of the world – a wide variety of Basmati Rice, Wheat Flour, Ready to Eat Curries & Meals, Readymade Gravies, Cooking Pastes, Chutney's, Spices and Seasonings to Frozen Breads, Snacks & Paneer (Indian Cottage Cheese). Today, the most powerful brand of the Company "Kohinoor" is a household name not only in India, but also in the countries like USA, UK, Canada, Australia, Middle East, Singapore, Japan, Mauritius & other European countries. As of now, the brand 'Kohinoor' is known in more than 60 countries worldwide.

Your Directors have pleasure in presenting the --- Annual Report and the Audited Annual Accounts of the Company for the financial year ended 31st March, 2013.

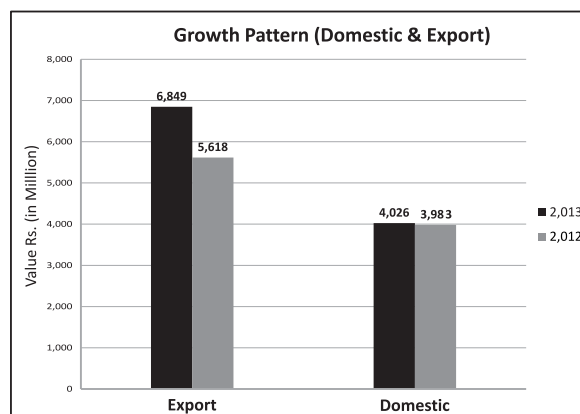
Financial Overview

The year under review has been quite promising and challenging for the Company, with an Overall Turnover growth of 13% (approx) and the Export Sales grew by 22% (approx) vis-a-vis last year's performance. The financial highlights for the year ending 31st March, 2013 are as under:

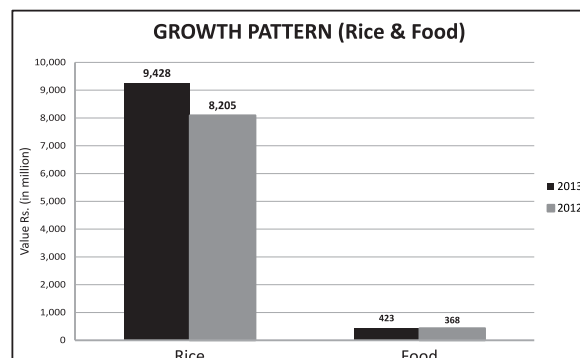
Particulars	FY'13	FY'12
Total Turnover	10896.62	9,649.11
Profit Before Interest, Depreciation and Tax (PBDIT)	1164.63	240.22
Profit/(Loss) Before Exceptional and Extra-Ordinary Items	160.04	(761.15)
Exceptional and Extra Ordinary Items	0.00	2997.79
Profit Before Tax	160.04	2236.64
Less: Tax Expense	62.65	404.14
Profit after Tax	97.40	1832.50
Figures in Rs. Million		

Operations:

For the year under review, the company has exhibited positive growth in the Export market As shown below the Export Sales grew by 21.91% amounting to Rs. 6,849 million against Rs. 5,618 million in previous year while the Domestic Sales stood at Rs. 4,026 million as against Rs. 3,983 million in the previous year.



The contribution made by Rice to the Company's business was Rs. 9,428 millions as against Rs.8,205 millions in the previous year, while the Food Business contributed Rs. 423 million as against Rs. 368 million in the previous year.





This year the major contributors towards the company's growth were:

Focus on Middle East: The year saw increased growth of Basmati Rice sales that includes private label as well in the Middle East markets comprising of Iran, Bahrain, Iraq, Israel, Jordan, Kuwait, Lebanon, Syria & Yemen. The company embarked on major brand promotion campaign in Iraq especially, in Kurdistan (above the line activity) in the first quarter of the year that consists of Television, Print & Radio for its flagship brand Kohinoor. Tremendous consumer awareness was generated through successful media campaign and Kohinoor was able to distinguish itself from the other available brands and emerge as a respectable name for basmati rice in the Iraqi market. In Saudi Arabia, we have given Kohinoor a solid foundation and our products are present in all the leading supermarkets viz., Panda, Carrefour, Danube, Bin Dawood, Lulu, Nesto, Tammimi and Star Markets besides other Retail Chains. In Kuwait, Bahrain, Oman & Lebanon, the company undertook promotional programs and consistent initiative in these markets to drive long-term value to our customers.

New Clients added: In rice business, new clients were added some of them prestigious ones from countries like Benin, Cyprus, Germany, Iran, Israel, Italy, Jordan, Kuwait, Lebanon, Maldives, New Zealand, Poland, Reunion & Saudi Arabia.

New markets added: Some of the highlights of the company's export business comprised addition of new markets such as Benin, Tanzania, Ivory Coast, Algeria, & Ukraine. The company is focussed on spreading its foot prints across the globe and reaching out to new customers. Plan to identify and add new fast growing markets in the next financial year to increase our width of distribution in both Food & Rice products.

Growth across continents: Basmati rice business grew in almost all geographies globally that we are present in e.g., Asia Pacific, Middle East, Africa, United Kingdom & Europe.

Launch of New Products: In our endeavour to offer to new products to our consumers, your company launched Kohinoor Pure Ghee in the select markets of Zambia, Oman, Bahrain, USA, Hong Kong, Kuwait, Australia, New Zealand & Singapore to a positive response. In future this product is expected to contribute to the sales revenue of Food Business Division. In addition to the pure ghee, your company launched Instant Mixes, Namkeens (Indian Savouries), Indian Sweets in the select market globally. Besides we continue to focus on Ambient Range- Cooking Paste, Cooking Sauces & Ready to Eat to cater to the varying tastes and requirements of our consumers across the globe.

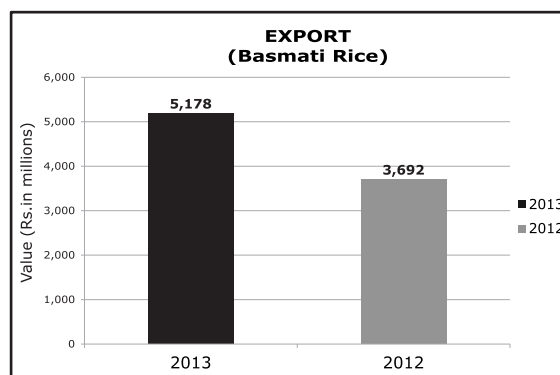
Subsidiaries: Exports of Basmati Rice to our wholly owned subsidiary in United Kingdom- Indo European Foods Limited have recorded an increase in revenue by 17%. We are available in major super markets across United Kingdom such as Booker

Cash & Carry, Tesco, Lidl, Sainsbury, Morrisons & Kerry Foods. Our export to USA subsidiary- Kohinoor Foods USA Inc has posted a decline in revenues due to various challenges being faced by Indian exporters. However, we are reaching close to their expectations but still not there yet, the issue has driven the import cost by almost 12-15% more.

EXPORT MARKETS

Export- Basmati Rice

This year, in the Export of Basmati Rice, the company did the business of around Rs. 5,178 million as against Rs. 3,692 million in the previous financial year. Though the company did business in more than 60 countries this year and recorded a growth of 40.26% in comparison to the last year business. Some of the countries which recorded significant growth in Basmati Rice exports were Australia, Reunion, Angola, Iran, Iraq, Jordan, Israel & United Kingdom.



Export-Food

This year the export of food products of Kohinoor recorded a business of Rs. 440 millions as against Rs. 351 millions in the previous year. The Company maintained the last year achievements through the successful product launch of Kohinoor 'Ghee' and introduction of new range product variants e.g. Namkeens, Instant Mix & Indian Sweets. We expect to notch up good numbers in the next financial year through some exciting product launches and expanding & streamlining the distribution network.

In its commitment to bring authentic Indian Taste in its truest form, Kohinoor brings to the world yet another 100% authentic delicacy Kohinoor Pure Ghee, launched in the first quarter in the select markets of Australia, Hong Kong, Singapore & Bahrain. We further expanded our product bouquet with the successful launch of Kohinoor Namkeens & Instant Mixes in over 4 countries to give our consumers a wide choice. A total of 35 SKUs of Namkeens and Instant Mix were developed in just six months and we expect to garner the market share in times to come.