

Independent Auditor's Report

To the Members of
HIND AGRO INDUSTRIES LTD.

Report on the Financial Statements

We have audited the accompanying financial statements of M/s HIND AGRO INDUSTRIES LIMITED ("the Company") which comprise the balance sheet as at 31st March, 2017, the Statement of Profit & Loss Account and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

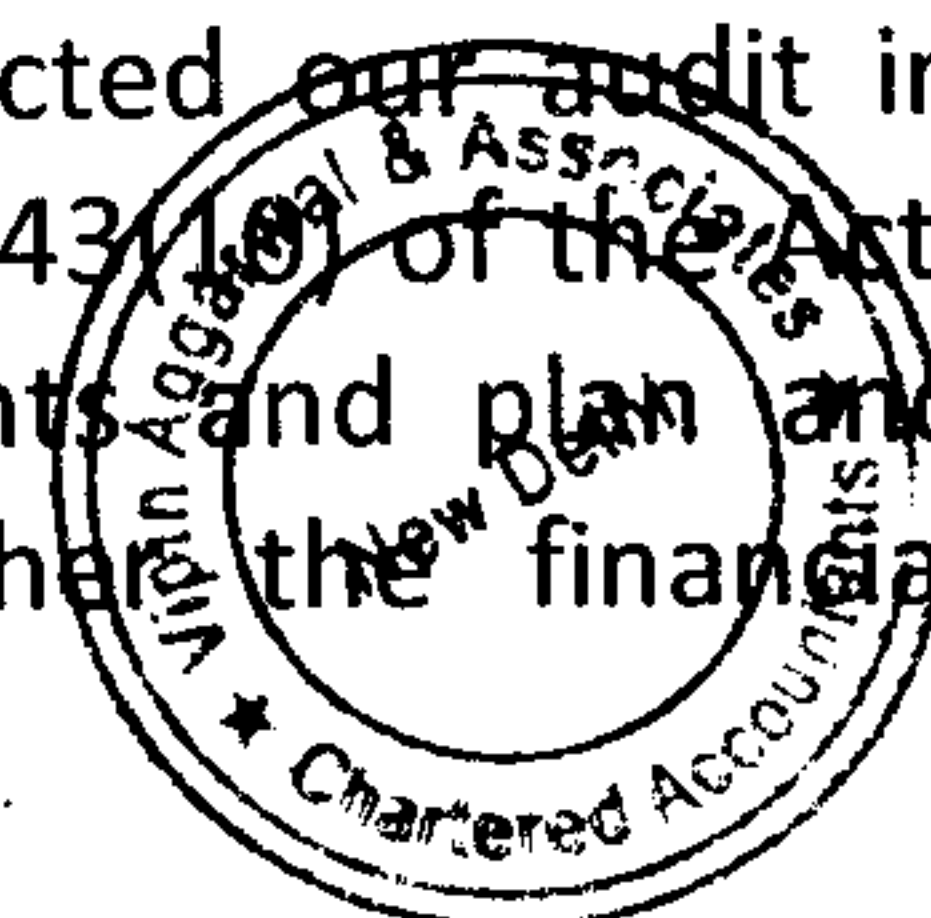
Management's Responsibility for the Financial Statements

The management and Board of Directors of the company are 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 Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 and fair presentation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's management and Board of 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.

Basis of Qualified Opinion

- a) The company has classified advances and security deposit as good in the Balance Sheet, except provision of doubtful debt of Rs. 3.34 crore; however neither the company is getting supplies nor the said advance /security deposits are being refunded for so many years. In view of that we considered such advances of Rs. 87.25 crore is doubtful of recovery.
- b) The financial statement of the company have been prepared on going concern basis, however, in the financial statement indicate that Company's net worth have been fully eroded, the company has incurred a net cash loss during the current year and, the company's current liabilities exceed its current assets as at the balance sheet date and operation have been reduced drastically. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a going concern.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statement 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 31st March 2017, its profit and its cash flows of the year ended on that date.



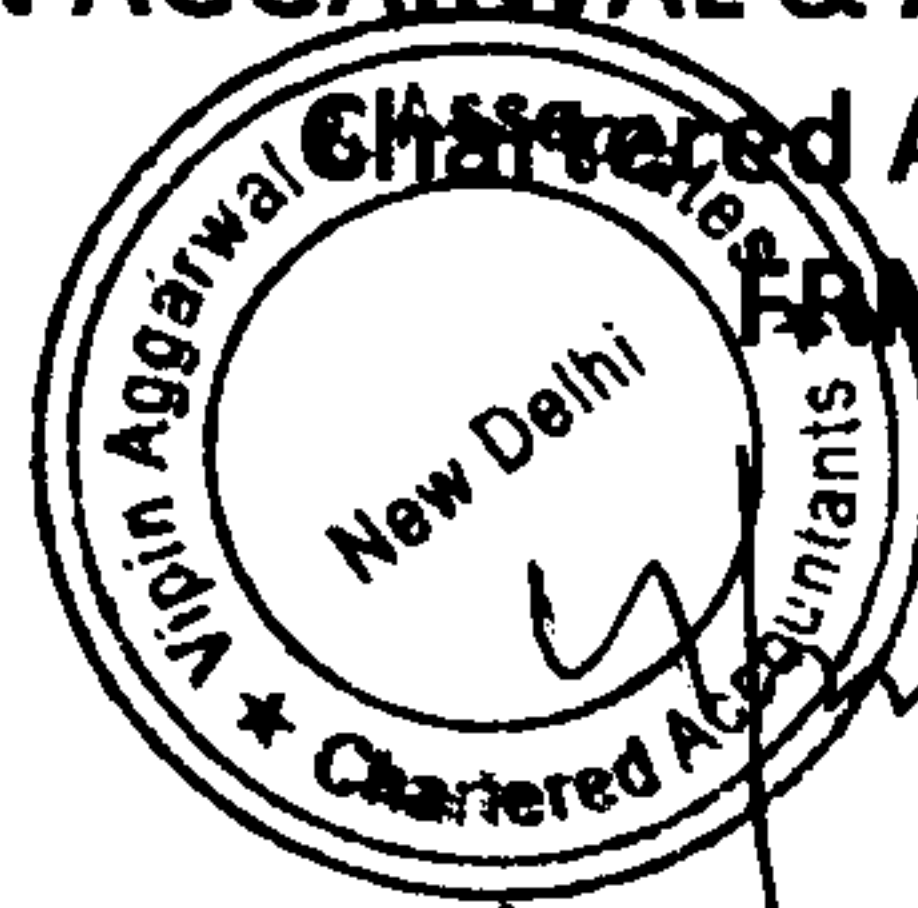
Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, 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 aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014
- e. on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act
- f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014;
 - i. The Company has files legal suit for recovery against two parties which may impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

FOR VIPIN AGGARWAL & ASSOCIATES



Chartered Accountants
FAN - 014454N

(VIPIN AGGARWAL)

Membership No. 016544

Partner

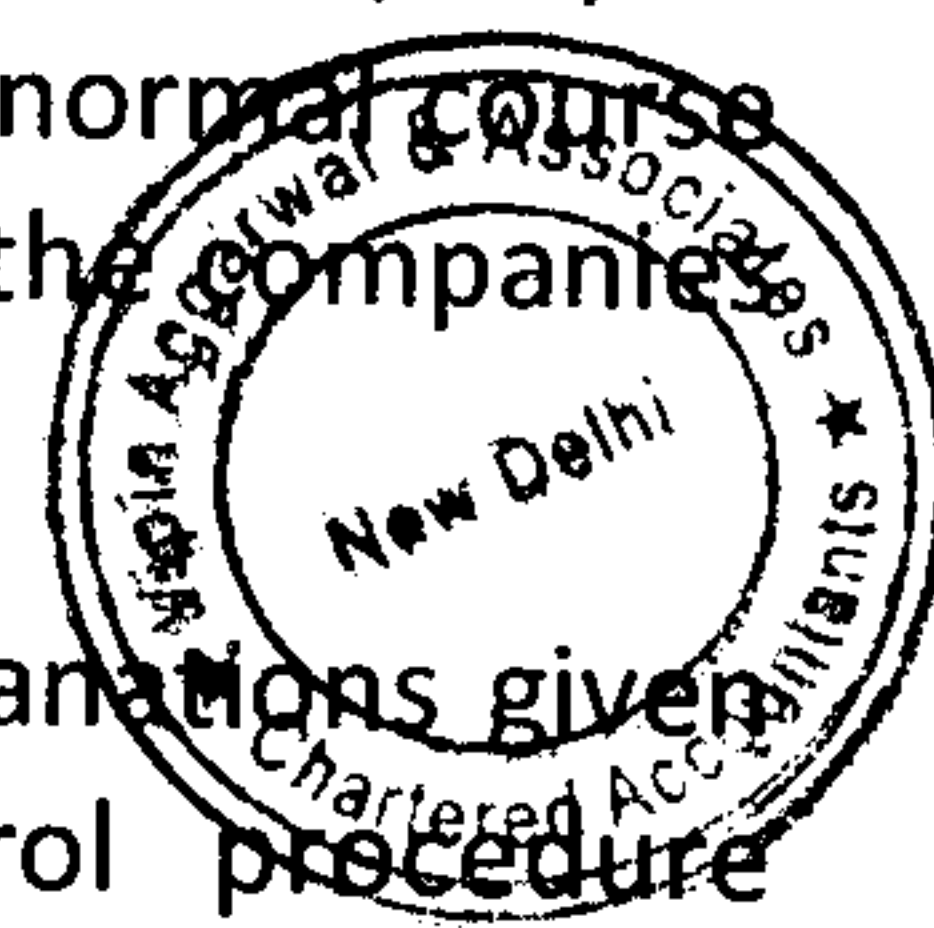
Place : New Delhi

Date : 05-05-2017

The Annexure referred to in our Independent Auditors Report to the members of HIND AGRO INDUSTRIES LIMITED on the accounts of the company for the year ended 31st March, 2017.

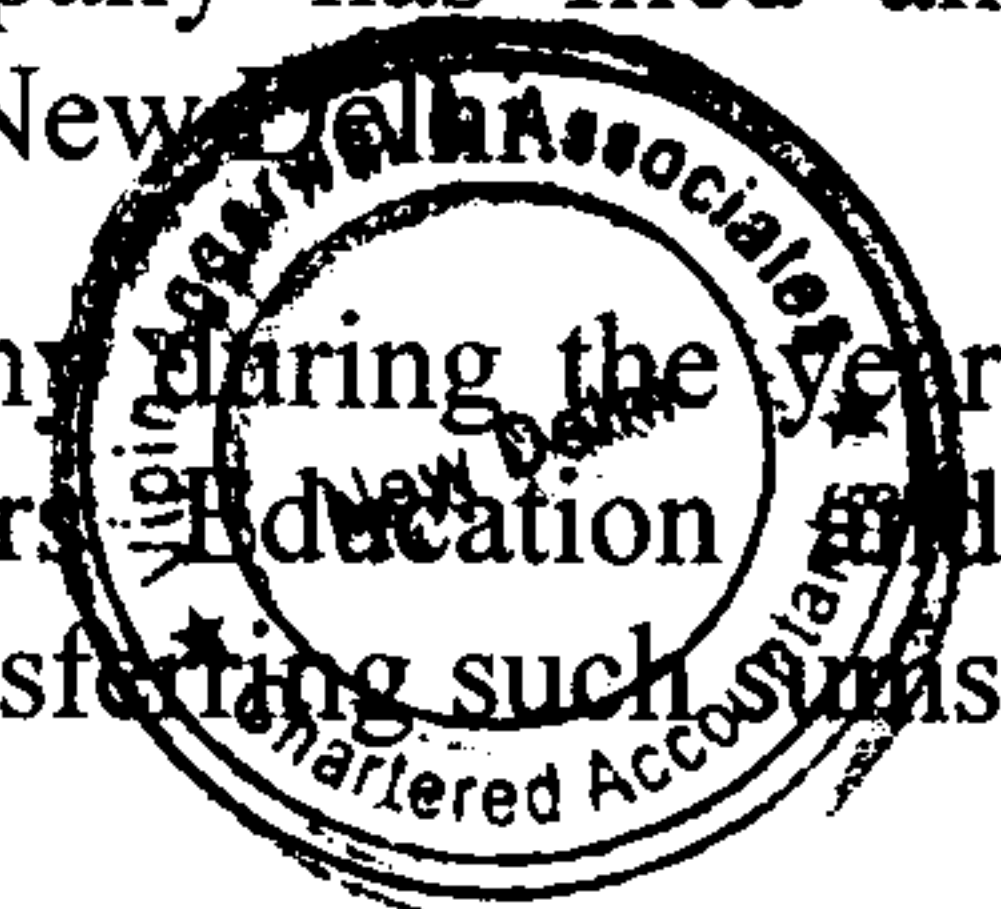
On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As informed to us, most of the fixed assets have been physically verified by the management during the year in accordance with a phased program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification as per explanation and information given to us.
- (c) In our opinion, there was no substantial disposal of fixed assets during the year, which affects the going concern status of the company.
- (ii) (a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals.
- (b) The procedures of physical verification of inventory followed by management are, in our opinion reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory and as explained to us there were no material discrepancies noticed on such physical verification.
- (iii) As informed to us, the company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013, however, total amount of Rs. 1992.83 lacs is outstanding against such 10 parties as interest free advance/ amount recoverable.
- Subject to above comments of not charging interest on the said advances/amount recoverable; the terms and conditions as regard thereto are not prima-facie prejudicial to the interest of the company as it has been explained that the said transactions are in the normal course of business and outstanding from the holding company or the companies in which the directors are interested.
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for sale of



goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

- (v) The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) (a) According to the information and explanations given to us, no undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty were as on 31st of March, 2017 for a period of more than six months from the date they became payable except the following :
1. Income Tax payable of Rs. 45,037/- on the basis of the assessment under section 143(3) for the assessment year 2010-11 has not been deposited by the company.
 2. Income Tax payable of Rs. 2,38,82,006/- (including interest) as per the income tax demand for the assessment year 2012-13, has not been deposited by the Company.
 3. Income Tax payable of Rs. 1,76,31,259/- (excluding interest under section 234B and 234C) on the basis of income tax return for the assessment year 2013-14, has not been deposited by the Company.
 4. Income Tax payable of Rs. 2,87,31,755/- (including interest under section 234B and 234C) on the basis of income tax return for the assessment year 2014-15, has not been deposited by the Company.
 5. Income Tax payable of Rs. 51,94,112/- (including interest under section 234B and 234C) on the basis of income tax return for the assessment year 2015-16, has not been deposited by the Company.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes except payment of custom duty of Rs. 18.00 lacs under protest against the demand of Rs. 42.16 lacs of the Commissioner of Customs (Preventive), Delhi against which the company has filed an appeal before the Commissioner of Customs (Appeal), New Delhi.
- (c) There has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.



- (viii) Based on our audit procedures and according to the information and explanations given by the management, the company has not taken any term loan during the year from the financial institution, however has defaulted in the payment of the dues.
- (ix) According to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (x) Based on the information and explanations given to us by management, term loans were applied for the purposes for which the loans were obtained.
- (xi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.



For and on behalf of
VIPIN AGGARWAL & ASSOCIATES
Chartered Accountants
FRN - 014454N
Vipin Aggarwal
(VIPIN AGGARWAL)
Membership No. 016544
Partner

Place : New Delhi
Date : 05-05-2017

HIND AGRO INDUSTRIES LIMITED

BALANCE SHEET AS AT MARCH, 31, 2017

EQUITY AND LIABILITIES	NOTES	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
Shareholders' Funds			
a) Share Capital	1	45,38,32,700	45,38,32,700
b) Reserves & Surplus	2	(1,77,61,65,116)	(1,64,73,17,659)
		(1,32,23,32,416)	(1,19,34,84,959)
Non-Current Liabilities			
a) Long-Term Borrowings	3	43,44,42,966	55,58,23,367
b) Other Long-Term Liabilities	4	16,07,24,827	60,79,772
c) Long-Term Provisions	5	88,81,174	89,01,940
		60,40,48,967	57,08,05,079
Current Liabilities			
a) Short Term Borrowings	6	2,67,81,52,638	2,61,85,58,259
b) Trade Payables	7	20,71,60,216	19,12,41,416
c) Other Current Liabilities	8	22,94,89,774	27,82,80,084
d) Short Term Provisions	9	6,71,92,985	6,82,11,724
		3,18,19,95,612	3,15,62,91,483
TOTAL LIABILITIES		2,46,37,12,163	2,53,36,11,604
ASSETS			
Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	63,86,60,021	69,97,32,036
ii) Capital Work In Progress	10	5,63,720	5,63,720
		63,92,23,742	70,02,95,756
b) Deferred Tax Assets (Net)	11	5,39,58,271	4,45,41,413
c) Long Term Loans & Advances	12	75,33,58,731	69,07,71,241
d) Other Non-Current Assets	13	26,859	87,34,190
		80,73,43,861	74,40,46,844
Current Assets			
a) Inventories	14	23,40,98,606	43,22,25,507
b) Trade Receivables	15	43,19,75,008	25,36,44,493
c) Cash and Cash Equivalents	16	29,37,892	3,09,98,715
d) Short Term Loans & Advances	17	34,81,33,050	37,24,00,288
		1,01,71,44,557	1,08,92,69,004
TOTAL ASSETS		2,46,37,12,163	2,53,36,11,604

SIGNIFICANT ACCOUNTING POLICIES AND
NOTES ON FINANCIAL STATEMENTS

1 TO 25

For and on behalf of the Board

SIRAJUDDIN QURESHI
Managing Director
DIN-00004536

SAMAR QURESHI
Joint Managing Director
DIN-00005728



As per our report of even date attached
for VIPIN AGGARWAL & ASSOCIATES
Chartered Accountants
FRN No. 014454N

(Signature)
(VIPIN AGGARWAL)
Partner
Membership No. 16544

Place : New Delhi
Date : 05-05-2017

HIND AGRO INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST, 2017

<u>INCOME</u>	<u>NOTES</u>	<u>Year Ended 31.03.2017</u>	<u>Year Ended 31.03.2016</u> (Rs.)
Revenue from Operations	18	79,13,52,483	57,00,38,776
Other Income	19	3,95,58,258	3,87,79,169
TOTAL INCOME		83,09,10,742	60,88,17,945
 EXPENDITURE			
Cost of Material Consumed	20	9,40,80,542	55,46,55,752
Purchase of Stock in Trade		-	-
Changes in Inventories of Finished Goods, Stock in Process and Stock in Trade		19,62,76,726	91,45,64,900
Employees Remuneration & Benefits	21	35,59,696	2,56,17,959
Financial Cost	22	15,47,19,955	43,46,71,260
Depreciation	10	6,26,01,184	7,00,60,681
Other Expenses	23	45,79,36,955	97,48,38,529
TOTAL EXPENDITURE		96,91,75,057	2,97,44,09,081
 PROFIT BEFORE TAX AND EXCEPTIONAL ITEM		 (13,82,64,316)	 (2,36,55,91,135)
Tax Expense			
Current tax	24	-	-
Income tax related to Financial Year 2011-12			
Deferred Tax (Assets)/Liability	11	(94,16,859)	(68,43,885)
		(94,16,859)	(68,43,885)
PROFIT AFTER TAX AND EXCEPTIONAL ITEM		(12,88,47,457)	(2,35,87,47,250)
 Basic and Diluted Earning per Share	25	 (2.84)	 (51.97)

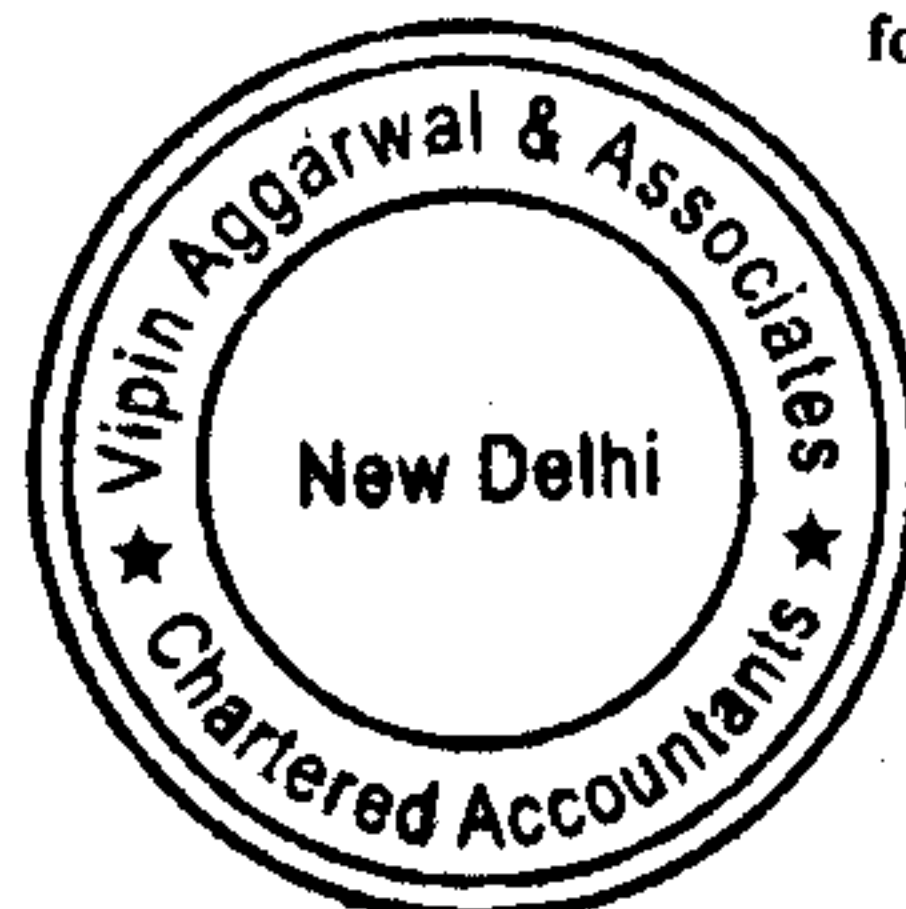
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS 1 TO 25

For and on behalf of the Board

SIRAJUDDIN QURESHI
Managing Director
DIN-00004536

SAMAR QURESHI
Joint Managing Director
DIN-00005728

Place : New Delhi
Date : 05-05-2017



As per our report of even date attached
for VIPIN AGGARWAL & ASSOCIATES
Chartered Accountants
ERN No. - 014454N

(Signature)
(VIPIN AGGARWAL)
Partner
Membership No. 16544

HIND AGRO INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH - 2017

[Amount Rs. In lacs]

Particulars	As at March 31, 2017	As at March 31, 2016
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Taxation as per Profit & Loss Account	(1,382.64)	(23,655.91)
ADJUSTMENTS FOR		
Depreciation	626.01	700.61
Deferred Tax (Income)/ Expense	94.17	68.44
Mat Credit Entitlement		-
F.I.'s Restructuring Account written back		-
Income Tax		-
Interest Paid	1,547.20	4,346.71
Operating Profit Before Working Capital Changes	884.74	(18,540.15)
ADJUSTMENTS FOR		
Sundry Debtors	(1,783.31)	6,476.03
Inventory	1,981.27	9,220.45
Trade Receivable	(390.30)	4,741.71
Trade Payable	1,365.28	(570.39)
NET CASH FROM OPERATING ACTIVITIES.....A	2,057.68	1,327.65
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(15.29)	(54.11)
Capital work in progress	-	5.54
NET CASH USED IN INVESTING ACTIVITIES.....B	(15.29)	(48.57)
C) CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Share Premium	-	-
Secured Loan	(1,371.74)	1,439.05
Unsecured Loan	737.01	462.00
Proceeds from Borrowings	(141.07)	1,344.69
Interest paid	(1,547.20)	(4,346.71)
NET CASH USED IN FINANCE ACTIVITIES.....C	(2,323.00)	(1,100.97)
CASH FLOW DURING THE YEAR.....(A+B-C)	(280.61)	178.11
Cash & Cash Equivalents (Opening Balance)	310.00	131.89
Cash & Cash Equivalents (Closing Balance)	29.39	310.00

For and on behalf of the Board

SIRAJUDDIN QURESHI
Managing Director
DIN-00004536

SAMAR QURESHI
Joint Managing Director
DIN-00005728

As per our report of even date attached
for **VIPIN AGGARWAL & ASSOCIATES**
Chartered Accountants
FRN NO. -014454N



(Signature of Vipin Aggarwal)

(VIPIN AGGARWAL)
Partner
Membership No. 16544

Date : 05-05-2017
PLACE : NEW DELHI

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

24 SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements are prepared under the historical cost convention in accordance with Indian Generally Accepted Accounting Principles (GAAP), on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. USE OF ESTIMATES

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3. REVENUE RECOGNITION:

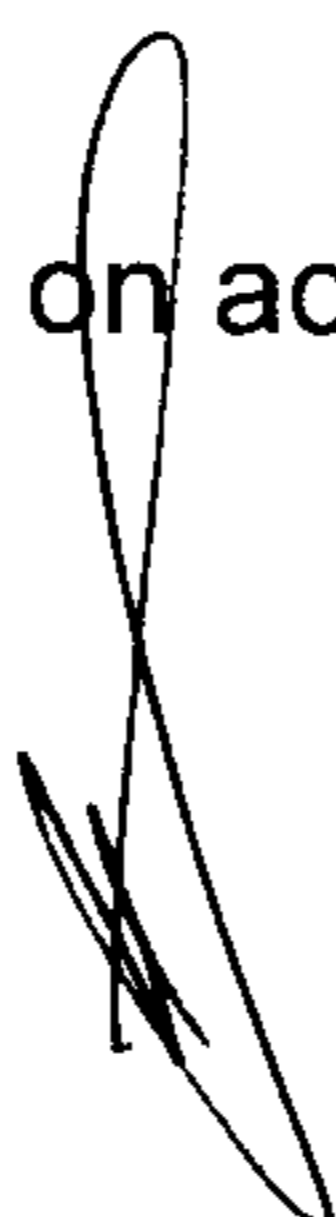

In case of exports, the sale of goods is recognised at the time of shipped on board and in case of by- product, the sale of goods is recognised at the point of dispatch.

Sale of waste/by-products is net of excise duty.

The benefit under Duty Drawback on Raw Material has been reduced from raw material expenses under the head materials consumed on its realisable value.

4. EXPENDITURE

All expenses are accounted for on accrual basis.



5. FIXED ASSETS AND CAPITAL WORK IN PROGRESS:

Fixed assets are stated at cost including those related to acquisition, less accumulated depreciation. The depreciation on fixed assets is provided on the straight line method as prescribed under part C of Schedule II of the Companies Act, 2013. Depreciation on fixed assets purchased during the year is calculated on a pro-rata basis from the date of additions, except in the case of assets costing up to Rs.5,000/- each, where each such asset is fully depreciated in the year of purchase.

Cost includes excise duties, freight & other incidental expenses incurred in relation to acquisition and installation of the same. Direct costs including interest are capitalized until fixed assets are ready for use.

Grants for Fixed Assets are accounted for on earned basis and the amount of grant is deducted from the capital cost of the respective assets.

Capital work in progress comprises of fixed assets acquired and other incidental costs that are not ready for intended use before the balance sheet date.

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, an impairment loss, that is the amount by which the carrying amount of assets exceeds its recoverable amount, is provided in the books of account.

6. IMPAIRMENT OF ASSETS :

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an assets' recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

7. FOREIGN EXCHANGE TRANSACTION :

- a) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.
- b) The relevant monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.

8. RETIREMENT BENEFIT TO EMPLOYEES:

a) GRATUITY AND LEAVE ENCASHMENT:

The liability for Gratuity and Leave Encashment as at the year end is ascertained on the basis of self-estimation made by the company



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b) PROVIDENT FUND:

Eligible employees receive benefit from provident fund, which is defined contribution plan for which both employees and the company make monthly contribution to the provident fund plan equal to a specified percentage. The company has no further obligations under the provident fund plan beyond its monthly contribution.

9. VALUATION OF INVENTORIES:

- a) Raw Material, Consumables and Packing Materials are valued at cost on FIFO basis.
- b) Finished and Semi finished goods are valued at lower of cost or net realisable value. The benefits under Duty Drawback on Raw Material are reduced from the cost for purpose of valuation of closing stock.
- c) By-Products are valued at net realisable value.

10. MISCELLANEOUS EXPENDITURE:

Preliminary expense, if any, will be amortised during the same year.

11. RESEARCH AND DEVELOPMENT:

Research and development expenditure of capital nature has been capitalized and of revenue nature has been charged to the revenue account.

12. PROVISION FOR INCOME TAX AND DEFERRED TAX:

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In consonance with Accounting Standard-22, "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India

13. EXCISE DUTY

Excise Duty is accounted on the basis of payments made in respect of goods cleared. Value added tax paid is charged to Profit and Loss account.

14. CASH FLOW STATEMENT

Cash Flow statement has been prepared using indirect method as set out in the Accounting Standard-3 on "Cash Flow Statements"



PARTICULARS	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
1. SHAREHOLDERS' FUND		
SHARE CAPITAL		
Particulars		
Authorised		
4,60,00,000 (Previous year 4,60,00,000) Equity Shares of Rs. 10/- each	46,00,00,000	46,00,00,000
Issued, Subscribed & Paid - Up		
45383270 (Previous year 45383270) Equity Shares of Rs. 10/- each fully paid up	45,38,32,700	45,38,32,700
Out of the above:		
1. 31991600 (Previous year 31991600) Equity Shares are held by the holding Company - Hind Industries Limited.		
2. 4200000 (Previous year 4200000) Equity Shares allotted to PICUP as fully paid up being 9.25% of Paid Up Capital.		
3. 2000000 (Previous year 2000000) Equity Shares allotted to UPPUNL as fully paid up pursuant to a contract without payment being received in cash.		
TOTAL	45,38,32,700	45,38,32,700

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- Each holder of equity shares is entitled to one vote per share. The Company has not declared any dividend during the current year.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by shareholders.

The details of shareholders holding more than 5% shares:

Name of the Shareholders	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% held	No. of shares	% held
Hind Industries Ltd.	3,19,91,600	70	3,19,91,600	70
Mr. Sirajuddin Qureshi	52,33,320	12	52,33,320	12
The Pradeshiya Indl. & Investment Corp. of U.P. Ltd.(picup)	42,00,000	9	42,00,000	9

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2017 and March 31, 2016 is set out below:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number of Shares	Amount	Number of Shares	Amount
Number of Shares at the beginning	4,53,83,270	45,38,32,700	4,53,83,270	45,38,32,700
Add: Number of Shares issued	-	-	-	-
Number of Shares at the end	4,53,83,270	45,38,32,700	4,53,83,270	45,38,32,700

2. RESERVES & SURPLUS

a) Security Premium Reserve

Share Premium Reserve	2,44,66,400	2,44,66,400
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b) Surplus as per Statement of Profit & Loss

Balance brought forward from previous year	(1,67,17,84,059)	68,69,63,192
Less: Adjustment in Fixed Assets	-	-
Add: Net Profit after tax, during the year	(12,88,47,457)	(2,35,87,47,250)
		(1,67,17,84,059)
TOTAL	(1,77,61,65,116)	(1,64,73,17,659)

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NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

PARTICULARS	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
3. LONG TERM BORROWINGS		
SECURED TERM LOAN		
From Banks:		
i) PNB Term Loan	4,98,06,245	5,05,68,343
ii) IFCI Term Loan	38,07,67,950	50,00,00,000
From Others:		
i) Loan from LIC	-	-
Total (A)	<u>43,05,74,195</u>	<u>55,05,68,343</u>
DEFERRED PAYMENT LIABILITIES		
From Others:		
i) Deferred Payment Liabilities against hypothecation of Vehicles	38,68,770	52,55,024
Total (B)	<u>38,68,770</u>	<u>52,55,024</u>
TOTAL (A+B)	<u>43,44,42,966</u>	<u>55,58,23,367</u>

Term Loan from PNB for ongoing project of the company at Chennai is secured by 1st pari-passu charge on its Current Assets and Fixed Assets at Aligarh Plant and equitable mortgage on the property of M/s Al-Mashriq Exports Pvt. Ltd. and personal guarantees of Mr. Sirajuddin Qureshi and Mrs. Kiran Qureshi. An instalment of Rs.3083333/- per month is being paid towards repayment of loan. The Term Loan from PNB is payable within the period of 5 years commencing from 1st Nov. 2011 bearing rate of interest 15% p.a. However the present outstanding of Rs.5.06 crores has been rescheduled by way of extension of repayment period by two years on the request of the Company for rescheduling/restructuring of Credit Limits.

Term Loan from IFCI for the purpose of Business needs of the Company is secured by Equitable Mortgage on the immovable property at G-21, Maharani Bagh, Ring Road, New Delhi - 110065 which belongs to the related Company M/s Al-Mashriq Exports Pvt. Ltd. & personal guarantees of Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi and Corporate Guarantee of M/s Al-Mashriq Exports Pvt. Ltd and further secured by the registered Mortgage of the immovable property at Khasra No. 42, Killa No. 9, (4-9), 10(4-9), 11/1 MIN (1-14) & 12 MIN North (1-12) Village Mehrauli, New Delhi - 110030 which is in the name of M/s S.R. Landcon Private Limited. The Loan repayment is starting from 30th June, 2017 till the end of financial year 2023-24; bearing rate of interest @ 15.70%.

Deferred Payment Liabilities are secured against hypothecation of Vehicles.

The scheduled maturity of the Long Term Borrowings is summarised as under:

Borrowings Repayable

	As at 31st March, 2017			As at 31st March, 2016		
	Term Loan fm Banks & LIC	Term Loan from Others	Deferred Payment Liabilities (Bank & others)	Term Loan fm Banks & LIC	Term Loan from Others	Deferred Payment Liab. (Bank & others)
In the first year (N)	24,00,83,329	1,16,38,782	75,23,212	25,41,57,329	1,16,38,782	75,23,212
Current Maturities of Long Term Debt	24,00,83,329	1,16,38,782	75,23,212	25,41,57,329	1,16,38,782	75,23,212
In the second year	2,52,87,376	1,17,00,957	42,18,320	2,52,87,376	1,17,00,957	42,18,320
In the third year	-	1,34,48,402	27,56,526	-	1,34,48,402	27,56,526
In the fourth year	-	1,54,56,813	-	-	1,54,56,813	-
In the fifth year	-	1,77,65,165	-	-	1,77,65,165	-
In sixth to tenth year	-	6,37,59,001	-	-	6,37,59,001	-
	<u>2,52,87,376</u>	<u>12,21,30,338</u>	<u>69,74,846</u>	<u>2,52,87,376</u>	<u>12,21,30,339</u>	<u>69,74,845</u>

4. OTHER LONG TERM LIABILITIES

Other Payables	16,07,24,827	60,79,772
	<u>16,07,24,827</u>	<u>60,79,772</u>

5. LONG TERM PROVISIONS

Provision for Employee Benefits		
i) Retirement Benefits	63,13,698	63,31,006
ii) Others	25,67,476	25,70,934
TOTAL	<u>88,81,174</u>	<u>89,01,940</u>



PARTICULARS	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
6. SHORT TERM BORROWINGS		
A. SECURED		
From Banks:		
i) Working Capital Loans	2,55,82,51,638	2,57,23,58,259
TOTAL	2,55,82,51,638	2,57,23,58,259
Working capital loans under Consortium are secured against following securities:		
1. Facilities from PNB are secured against hypothecation of current assets, foreign documentary bills, inward clearing cheques/DD and collateral security of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Ptd. Ltd. The Company has requested for restructuring/reschedulement/renewal of credit limits and the same has been approved by the bank by way of fresh sanction of FITL of Rs. 12.10 Crores, renewal of FB(PC) limit of Rs.44.00 Crore and renewal cum enhancement of PS Limit of Rs.30.40 Crores (existing 8.90 cr and additional Rs.21.50 Cr)		
2. Facilities from Central Bank of India are secured against first pari-passu charge on the current assets of the company and collateral security of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Ptd. Ltd., personal guarantees of directors and Corporate Guarantees of M/s Al-Mashriq Exports Pvt. Ltd., M/s Hind Industries Ltd. & M/s Integrated Live Stock Village Farm Pvt. Ltd.		
3. Facilities from Indian Bank are secured against first pari-passu charge on the current assets of the company, document of title and collateral security of the 1st pari-passu charge on the Fixed Assets of the Company, pledge of 1683450 shares of M/s Hind Industries Ltd., pledge of Fixed Deposits and pari-passu charge with consortium on equitable mortgage of the immovable property situated at Village Karanki, Sohna, Gurgaon in the name of M/s Al-Mashriq Exports Pvt Ltd. and Counter Guarantees by the Company.		
4. Facilities from Dena Bank are secured against hypothecation of current assets, foreign documentary bills, advance under pre-shipment credit to be covered under Whole Turnover Packing Guarantee of ECGC, shipping documents and 100% Counter Guarantee by the company under its Common Seal.		
B. UNSECURED		
Unsecured Loan	11,99,01,000	4,62,00,000
TOTAL	11,99,01,000	4,62,00,000
TOTAL	2,67,81,52,638	2,61,85,58,259
7. TRADE PAYABLES		
i) Related Parties		
ii) Others	20,71,60,216	19,12,41,416
TOTAL	20,71,60,216	19,12,41,416

Amount due to small scale industrial undertakings/suppliers under MSME Act, 2006: The Company has initiated the process and has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act could not be furnished.

8. OTHER CURRENT LIABILITIES

i) Secured		
TERM LOAN		
Current Maturity of Long Term Debts		
- From Banks & Other Govt. Institutions:		
a) PNB Term Loan	-	-
b) BOI Term Loan	-	-
c) Loan from LIC	-	1,40,74,000
- From Others:		
a) India Bulls Financial Services Ltd.	-	-
DEFERRED PAYMENT LIABILITIES		
- From Banks:		
a) Deferred payment Liabilities against hypothecation of Vehicles	-	17,19,861
- From Others:		
a) Deferred payment Liabilities against hypothecation of Vehicles	-	-
ii) Advances from Customers	2,92,11,806	6,41,84,608
iii) Payable to Related Parties	1,48,24,143	15,58,05,016
iv) Interest accrued but not due	-	-
v) Interest accrued and due	15,58,51,553	1,12,08,153
vi) Other Payables		
a) Statutory Dues	94,86,751	93,92,461
b) Employees PF & Others	2,01,15,520	2,18,95,985
TOTAL	22,94,89,774	27,82,80,084

Related Parties amount is due to M/s Hind Air Star, M/s Islamuddin & Co., M/s Al-Mashriq Exports Pvt. Ltd., Mr. Sirajuddin Qureshi, Mrs. Kiran Qureshi, Mr. Samar Qureshi & Hind Air Services Pvt. Ltd. (refer to note no. 25(B) 6)

9. SHORT TERM PROVISIONS

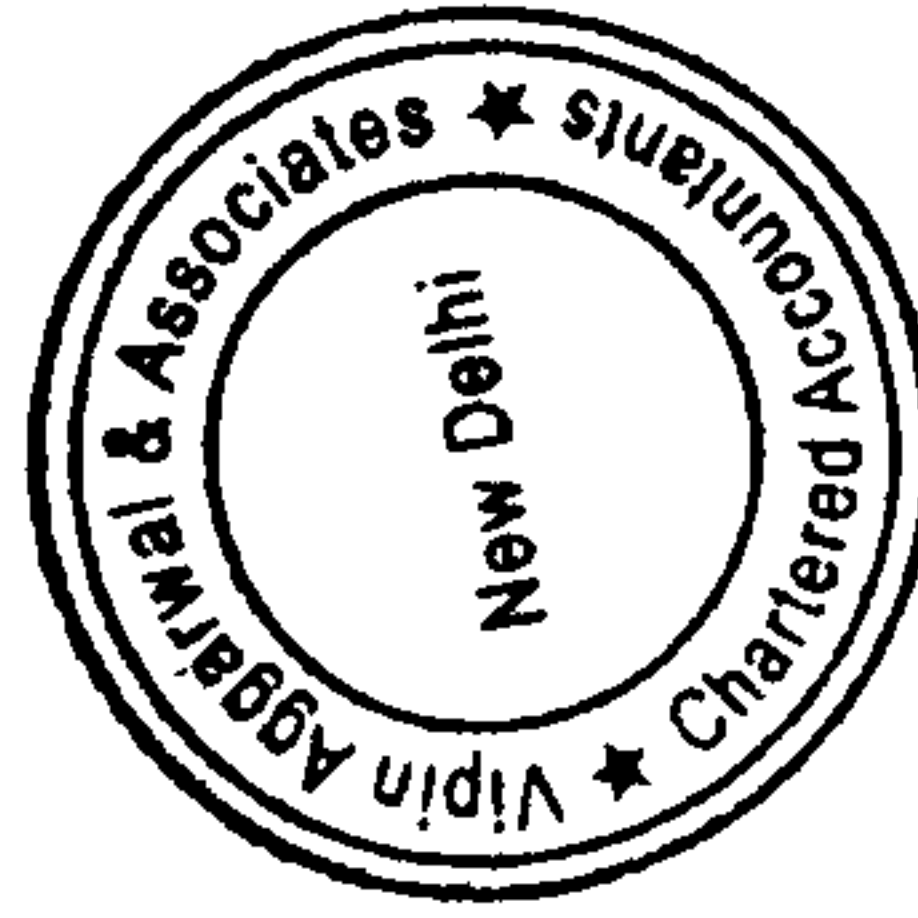
i) Current Portion of Employees Benefits		
a) Retirement Benefits		
b) Others		
ii) Others		
a) Provision for Income taxes	6,65,95,287	6,76,14,026
b) Provision for Wealth Tax	5,97,698	5,97,698
TOTAL	6,71,92,985	6,82,11,724



HIND AGRO INDUSTRIES LIMITED
10. FIXED ASSETS

(in Rupees)

Sl. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		AS AT 01.04.2016	ADDITION DURING THE PERIOD	SALES/ DURING THE YEAR	ADJUST- MENTS	TOTAL AS AT 31.03.2017	UP TO 31.3.2016	FOR THE YEAR	ADJUST- MENTS	UP TO 31.3.2017	AS AT 31.03.2017	AS AT 31.03.2016
1	LAND (Freehold)	8,79,92,015	-	-	-	8,79,92,015	-	-	-	-	8,79,92,015	8,79,92,015
2	BUILDINGS	43,27,88,887	-	-	-	43,27,88,887	14,32,72,972	1,34,48,877	-	15,67,21,848	27,60,67,039	28,95,15,915
3	PLANT & MACHINERY	1,14,72,11,062	15,29,169	-	-	1,14,87,40,231	85,87,79,111	4,04,79,553	-	89,92,58,664	24,94,81,567	28,84,31,951
4	VEHICLES	6,30,20,051	-	-	-	6,30,20,051	4,52,80,638	55,77,968	-	5,08,58,606	1,21,61,445	1,77,39,413
5	TRUCKS	72,50,544	-	-	-	72,50,544	65,61,002	1,69,081	-	67,30,083	5,20,461	6,89,542
6	FURNITURE & FIXTURES	2,63,63,334	-	-	-	2,63,63,334	1,29,74,213	23,90,678	-	1,53,64,890	1,09,98,444	1,33,89,121
7	COMPUTERS	1,34,96,482	-	-	-	1,34,96,482	1,32,00,493	26,054	-	1,32,26,547	2,69,935	2,95,989
8	OFFICE EQUIPMENTS	94,64,661	-	-	-	94,64,661	77,86,573	5,08,973	-	82,95,546	11,69,115	16,78,088
	TOTAL	1,78,75,87,036	15,29,169	-	-	1,78,91,16,205	1,08,78,55,000	6,26,01,184	-	1,15,04,56,184	63,86,60,021	69,97,32,036
	CAPITAL WORK IN PROGRESS	5,63,720	-	-	-	5,63,720	-	-	-	-	5,63,720	5,63,720
	PREVIOUS YEAR	1,78,29,61,233	63,18,604	16,92,801	-	1,78,75,87,036	1,01,85,79,214	7,00,60,681	7,84,895	1,08,78,55,000	69,97,32,036	76,43,82,019



HIND AGRO INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

PARTICULARS	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
11. DEFERRED TAXES		
Deferred Tax Assets		
i) Depreciation on Fixed Assets	4,03,57,072	3,67,02,442
ii) Provision for Doubtful Debts	1,03,35,006	44,45,771
iii) Provision for Leave Encashment	4,57,102	4,81,080
iv) Provision for Gratuity	19,50,933	20,54,095
v) Provision for Bonus		
vi) Provision for Cess U/S 441A	3,36,248	3,53,060
vii) Provision for Service Tax Payable	4,29,398	4,13,031
viii) Provision for EPF Payable	80,520	84,552
ix) Provision for ESI Payable	-	-
x) Provision for UP VAT on purchase from Unregd. Dealers	11,993	7,381
TOTAL	5,39,58,271	4,45,41,413
Deferred Tax Liabilities		
i) Depreciation on Fixed Assets	-	-
ii) Provision for Gratuity & Bonus	-	-
iii) Provision for Leave Encashment	-	-
TOTAL	-	-
Net Deferred Tax Assets	5,39,58,271	4,45,41,413
Less: Deferred Tax Asset (Previous Year)	4,45,41,413	3,76,97,528
Net Deferred Tax Asset/(Liability)	94,16,859	68,43,885

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off Current Tax Assets against Current Tax Liabilities and where the Deferred Tax Assets and Deferred Tax Liabilities relate to income taxes levied by the same Taxation Authority

12. LONG TERM LOANS & ADVANCES

Unsecured, Considered Good

i) Capital Advance (for Chennai Plant)		
a) To Related Parties		
b) To Others	13,64,300	11,74,299
ii) Security Deposits & Earnest Money		
a) To Related Parties	3,00,00,000	3,00,00,000
b) To Others	6,80,07,912	6,95,28,058
iii) Other Loans & Advances		
a) Advances to suppliers	67,16,95,258	58,81,87,750
b) Balance with Excise & Customs	34,45,901	34,45,901
c) Receivable from Sales Tax Deptt	29,09,997	29,09,997
d) Grant from APEDA	-	-
e) FBT Advance FY 2006-2007	18,348	18,348
f) Tax Deducted at Source	8,79,333	7,25,069
g) MAT Credit Entitlement	84,84,303	84,84,303
TOTAL	78,68,05,351	70,44,73,725
Less: Provision for Doubtful Debts	(3,34,46,620)	(1,37,02,484)
	75,33,58,731	69,07,71,241

Related Parties include M/s Hind Infra Engineers Ltd. & Al Mashriq Exports Pt. Ltd

13. OTHER NON CURRENT ASSETS

Others:

Secured, Considered Good

i) Fixed Deposits with the Bank	26,859	87,34,190
	26,859	87,34,190

Amount of Fixed Deposits include Interest accrued thereon and also FDR's held under lien in lieu of waiver of ECGC Policy.



HIND AGRO INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

PARTICULARS	AS AT 31.03.2017 (Rs.)	AS AT 31.03.2016 (Rs.)
14. INVENTORIES		
i) Finished Goods	21,61,83,594	41,24,60,320
ii) Semi Finished Goods		
ii) Stores & Spares	1,79,15,012	1,97,65,187
TOTAL	23,40,98,606	43,22,25,507

Raw material, consumables and packing materials are valued at cost on FIFO basis

Finished and Semi finished goods are valued at lower of cost or net realisable value. The Duty Drawback benefits are reduced from the cost for the purpose of valuation of closing stock

By-products are valued at net realisable value.

15. TRADE RECEIVABLES

Unsecured, considered good

i) Related Parties		
ii) Debts outstanding for a period exceeding six months	13,11,97,568	23,57,63,153
iii) Other debts	20,39,58,603	1,78,81,340

Unsecured, considered Doubtful

i) Debts outstanding for a period exceeding six months	9,68,18,837	
ii) Debts outstanding for a period exceeding six months	77,00,22,054	78,03,91,539
Less: Provision for Doubtful Debts	77,00,22,054	78,03,91,539
TOTAL	43,19,75,008	25,36,44,493

Related Parties include receivable from M/s Hind Industries Limited.

16. CASH AND CASH EQUIVALENTS

i) Balance with Banks:		
a) Balance in Margin Money Accounts	4,93,333	4,93,609
b) Balance in EEFC accounts	120	5,01,428
c) Balance in Current accounts	20,46,016	2,91,65,908
ii) Cash in hand	3,98,424	8,37,771
iii) Cheques & DD in hand		
TOTAL	29,37,892	3,09,98,715

17. SHORT TERM LOANS & ADVANCES

Unsecured, considered good

i) Related Parties	19,92,82,944	21,49,05,201
ii) Advance to Suppliers	14,64,33,140	15,44,97,801
iii) Other Loans & Advances		
a) Prepaid Expenses	3,21,763	7,67,662
b) Export Incentives	2,01,000	2,01,000
c) Loans & Advances to Staff	18,94,203	19,28,625
d) DRT-Mumbai (Underprotest)		1,00,000
TOTAL	34,81,33,050	37,24,00,288

Related Parties include M/s M/s Hind Live Stock Development Foundation, M/s Prime Packaging and M/s Fast Trax Foods Pvt. Ltd., and Integrated Live Stock Village Farm.



PARTICULARS	Year Ended 31.03.2017 (Rs.)	Year Ended 31.03.2016 (Rs.)
18. REVENUE FROM OPERATIONS		
Export Sales	58,25,370	34,59,18,026
Domestic Sales	73,59,58,810	20,09,42,000
Sale of Waste & By-Products- Factory	-	2,31,78,750
Slaughtering Fees	4,95,68,303	-
TOTAL	79,13,52,483	57,00,38,776
19. OTHER INCOME		
Misc. Income	39,760	2,71,037
Commission Income	-	5,85,370
Duty Drawback received	74,715	1,14,82,619
Interest on Duty Drawback recd.	-	16,560
Interest on FDR	24,81,169	71,54,957
Professional Income	-	-
Maturity of Keyman Policy	1,87,82,872	1,92,34,259
Amount Written Back	1,13,48,950	-
Bank Interest Reversal	68,30,792	-
Profit on Sale of Fixed Assets	-	34,367
TOTAL	3,95,58,258	3,87,79,169
20. COST OF MATERIAL CONSUMED		
Purchases	9,40,80,542	55,46,55,752
TOTAL	9,40,80,542	55,46,55,752
PURCHASE OF STOCK IN TRADE		
Raw Material Taxfree Purchase	-	-
TOTAL	-	-
CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE		
Inventories (at Close)	21,61,83,594	41,24,60,320
Finished Goods/Stock in Trade and Stock in Process	-	-
Inventories (at Commencement)	41,24,60,320	1,32,70,25,220
Finished Goods/Stock in Trade and Stock in Process	-	-
NET CHANGE	(19,62,76,726)	(91,45,64,900)

PARTICULARS	Year Ended 31.03.2017 (Rs.)	Year Ended 31.03.2016 (Rs.)
21. EMPLOYEES REMUNERATION & BENEFITS		
Salaries & Other Benefits	35,59,696	2,32,95,449
Contribution to Provident Fund	-	23,22,510
TOTAL	35,59,696	2,56,17,959

EMPLOYEE BENEFITS :

Defined Benefit Plan : The company provides for its liability towards gratuity as per the actual basis.

FINANCIAL ASSUMPTION :

- Discount Rate : The rate used to discount post employment benefit obligations (both funded and unfunded) has been determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post employment benefit obligations
- Salary Increase : Salary increase is taken in to account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market
- Rate of Return on Plan Assets : The liability is not funded and rate of return on plan assets is not relevant to this report.



PARTICULARS	Year Ended 31.03.2017 (Rs.)	Year Ended 31.03.2016 (Rs.)
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TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS DURING THE PERIOD

	As on 31.03.17	As on 31.3.16
Present Value of Obligation as at the beginning of the period	-	-
Acquisition Adjustment	-	-
Interest cost	-	-
Past Service Cost	-	-
Current Service Cost	-	-
Curtailment Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Benefit Paid	-	-
Actuarial (gain)/ Loss on obligations	-	-
Present Value of Obligation as at the end of the period	-	-

TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLAN ASSETS DURING THE PERIOD

Fair Value of Obligation as at the beginning of the period	-	-
Acquisition Adjustment	-	-
Expected Return on Plan Assets	-	-
Contributions	-	-
Benefit Paid	-	-
Actuarial (gain) / Loss Plan Assets	-	-
Fair Value of Obligation as at the end of the period	-	-

THE TABLE SHOWING FAIR VALUE OF PLAN ASSETS

Fair Value of Obligation as at the beginning of the period	-	-
Acquisition Adjustment	-	-
Actuarial Return on Plan Assets	-	-
Contributions	-	-
Benefit Paid	-	-
Fair Value of Obligation as at the end of the period	-	-
Funded Status	-	-
Excess of Actual over Expected Return on Plan Assets	-	-

ACTUARIAL GAIN / LOSS RECOGNISED FOR THE PERIOD

Actuarial (gain) / Loss for the Period-Obligation	-	-
Actuarial (gain) / Loss for the Period-Plan Assets	-	-
Total (gain)/loss for the Period	-	-
Actuarial (gain)/loss recognized in the period	-	-
Unrecognised Actuarial (gain)/loss at the end of Period	-	-

22. FINANCIAL COSTS

Interest on Term Loans	14,89,51,140	16,26,69,521
Interest on Working Capital, Other Bank Interest & Charges	57,68,816	27,20,01,739
TOTAL	15,47,19,955	43,46,71,260

23. OTHER EXPENSES

A. Manufacturing Expenses

Power and Fuel	43,95,166	4,62,22,859
Packing Material Consumed	1,95,790	1,05,48,637
Consumable Stores Consumed	28,06,429	66,71,446
Repairs & Maintenance:-		
-Plant & Machinery	30,93,008	63,73,268
-Building	9,85,375	7,70,588
Wages	2,34,865	2,98,91,384
Labour Welfare	3,03,374	8,76,416
Insurance	6,32,863	7,81,347
Inward Freights/Cartage	70,260	2,16,977
Inspection Charges	-	3,72,449
Truck Running & Maintenance	12,59,650	8,76,600
Security Charges	24,55,278	20,00,020
Horticulture	32,849	2,96,176
Research & Development Expenses	136	9,89,782
Cess Water & UPCCB	-	-
Others	85,820	3,58,039
TOTAL	1,65,50,863	10,72,45,988



HIND AGRO INDUSTRIES LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	Year Ended 31.03.2017	Year Ended 31.03.2016 (Rs.)
B. Logistics and other Marketing Expenses		
Freight, Clearing & Forwarding	42,734	2,42,96,388
Business Promotion	7,89,992	55,32,309
Commission		
TOTAL	8,32,726	2,98,28,697
C. Administrative and other expenses		
Rent	34,64,572	3,00,73,597
Vehicle Running	92,710	9,28,825
Conveyance & Travelling	26,15,968	59,82,133
Rates, Taxes, Subscription and Fees	12,48,631	46,65,119
Electricity & Water	15,36,007	18,77,334
Security Service Charges	2,44,612	8,18,908
Printing & Stationery	1,53,993	9,30,197
Audit Fee	4,60,000	7,67,150
Legal & Professional Charges	96,53,041	87,83,681
Repair & Maintenance Office	5,37,698	5,32,710
Insurance	46	27,835
Telephone, Postage & Telegram	5,79,634	12,19,892
Amount write off	39,96,06,459	78,03,91,540
Bad Debts	1,97,44,136	
Miscellaneous Expenses	6,15,859	7,64,922
TOTAL	44,05,53,366	83,77,63,843
TOTAL (A + B + C)	45,79,36,955	97,48,38,529

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25 NOTES TO ACCOUNTS

Additional Notes to the Financial Statements

1. Amounts due to small scale industrial undertakings / suppliers under the MSME Act, 2006 :

The Government of India promulgated the Micro, Small and Medium Enterprises Development Act, 2006, which came into force with effect from October 02, 2006. As per the Act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on overdues beyond the specified period, irrespective of the terms agreed upon with those suppliers.

The company has initiated the process and has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act could not be furnished.

2. EARNING PER SHARE

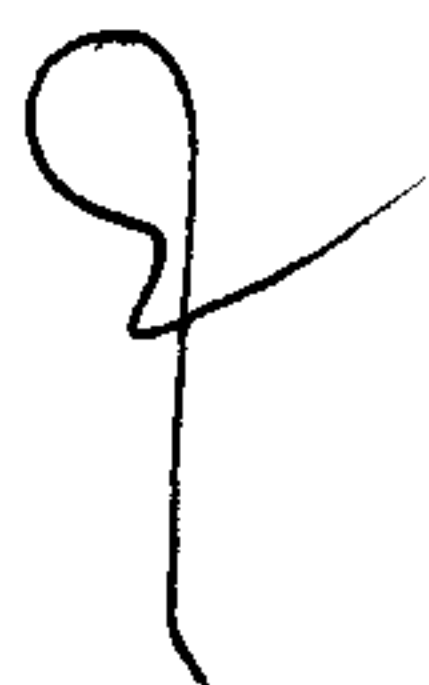
	For the year ended 31-03-2017	For the year ended 31-03-2016
Profit After Tax	(1288.47) lacs	23587.47 lacs
Weighted No. of Shares	45383270	45383270
Basic Earning per Share	(2.84)	(51.97)
Diluted Earning per Share	(2.84)	(51.97)

3. REMUNERATION TO AUDITORS :

	For the year ended 31-03-2017	For the year ended 31-03-2016
Statutory Audit Fees	3,00,000	7,88,235
Tax Audit Fees	1,00,000	
Total (Rupees)	4,00,000	7,88,235

4. SEGMENT REPORTING

The Management of the affairs of the company and its internal reporting is only on the basis of the significant product line, i.e. meat. Hence, as per the opinion of management, segment reporting is not required. Accordingly, the disclosure requirements of Accounting Standard (AS-17) on "Segment Reporting", issued by the Institute of Chartered Accountants of India is not applicable.



5. CONTINGENT LIABILITIES NOT PROVIDED FOR (Rs. in Lacs)

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	As at 31.03.17	As at 31.03.16
Outstanding guarantee & counter guarantee to various banks.	00.25	00.25
Corporate Guarantee given for Associate Company	8074.00	8074.00

6. RELATED PARTIES DISCLOSURES

A. PARTICULARS OF RELATED PARTIES

SN	NAME OF THE RELATED PARTY	NATURE OF RELATIONSHIP	NATURE OF TRANSACTION	DEBIT Rs in lacs	CREDIT Rs in lacs	BALANCE AMOUNT AS ON 31.03.2017 (Rs. In Lacs)	BALANCE AMOUNT AS ON 31.03.2016 (Rs. In Lacs)
1.	Hind Industries Ltd	Company in which Directors are interested.	Business Transactions	3182.16	42.57	1677.58 dr	1462.01 dr
2.	Al-Mashriq Exports Pvt. Ltd.	Company in which Directors are interested.	Business Transaction	26.62	49.00	21.37 cr	1.01 dr
3.	Hind Natural Resources Pvt. Ltd.	Company in which Directors are interested.	Business Transactions	5.08	NIL	5.08 dr	NIL
4.	Islamuddin & Company	Firm in which Director is Partner.	Rent	3.44	3.44	3.97 Dr	3.97 Dr
5.	Hind Air Link Pvt Ltd	Company in which Directors are interested.	Loan Transactions	4.49	74.06	157.23 dr	226.8 dr
6.	Hind Air Star Pvt Ltd	Company in which Directors are interested.	Loan Transactions	9.01	29.00	42.66 cr	22.68 cr
7.	Hind Air Services Pvt Ltd	Company in which Directors are interested.	Loan Transactions	0.00	11.00	42.20 dr	53.19 dr
8.	Fast Trax Food Pvt Ltd	Company in which Directors are interested.	Raw Material Purchase	25.60	Nil	85.12 dr	59.53 dr
9.	Hind Biopharmaceuticals Ltd.	Company in which Directors are interested	Business Transactions	0.93	NIL	0.93 dr	NIL
10.	Neptune Capital Mgt.Co.Pvt.Ltd.	Company in which Directors are interested	Business Transactions	.10	1.60	1.50 cr	NIL
11.	Integrated Live Stock Village Farm Pvt Ltd.	Company in which Directors are interested	Raw Material Purchase	0.27	NIL	1722.11 dr	1721.85 dr
12.	Prime Packaging	Firm in which Directors are interested.	Supply of Packing Material.	NIL	NIL	67.29 dr	67.29 dr
13.	Hind Infra Engineers Ltd	Company in which Directors are interested	Business Transactions	Nil	Nil	4.03 dr	4.03 dr
14.	Hind Live Stock Development Foundation	Society in which Directors are interested	Research & Development	NIL	NIL	0.66 dr	0.66 dr

Related Party relationship is identified by the company and relied upon by the Auditors.



B. KEY MANAGEMENT PERSONNEL AND DETAIL OF TRANSACTIONS

S.N	NAME OF THE PERSONS	NATURE OF RELATIONSHIP	NATURE OF TRANSACTION	AMOUNT (Rs. In Lacs)
1.	Shri Sirajuddin Qureshi	Managing Director	Rent	NIL
2.	Smt. Kiran Qureshi	Director	Rent	6.00
3.	Dr. S. K. Ranjhan	Director	Professional	NIL
4.	Mr. Samar Qureshi	Whole Time Director	Salary	31.20

7. There are no disputed dues of wealth tax, service tax, income tax which have not been deposited by the Company.
8. In the opinion of the management, the "Current Assets, Loans and Advances" have a value on realisation in the ordinary course of business, atleast equal to the amount at which they are stated in the Balance Sheet.
9. Due to realignment of the value of Trade Receivables, to make it commensurate with the closing exchange rate, Sales & Trade Receivables have accordingly been increased by Rs. 537.92 lacs. (Previous year increase - Rs. 369.43 lacs).
10. In compliance of the Companies Act, 2013 the depreciation has to be calculated on the basis of useful life of the assets. During the year Depreciation of Rs. 626.01 lacs. were charged to profit and loss account.
11. Balances appearing under the head Current & Non-Current Loans & Advances, Trade Receivables and Trade Payables are subject to reconciliation and confirmation.
12. As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activities are to work for the educational advancement of people and for the general betterment of the society. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.
13. The meat slaughtering plant at Chennai was capitalized on 31-03-2012. The said plant is ready for its intended use but due to some local problems the company could not start the production. However, in accordance with the Accounting Standard-16 (AS-16) the administrative expenditure and the borrowing cost have been charged to the revenue account. Further, in



accordance with the Accounting Standard-16 (AS-16) depreciation on the said assets has also been charged, as the said assets were expected to be used in the current financial year.

14. There exists no indication for the management to conclude that any of its cash generating units are impaired and accordingly no provision for impairment is required to be made in the financial statement.

15. **Additional information pursuant to paragraph 5(viii) of the general instructions for preparation of statement of profit and loss as per schedule III of the Companies Act 2013.**

I) Value of Imports calculated on C.I.F. basis :

A) In respect of Capital Goods – NIL (Previous Year– NIL).

B) In respect of Spares – NIL (Previous Year – NIL)

II) Expenditure in foreign currency:

Travelling Expenses-Rs. 1,11,632/- (Previous Year - Rs. 18,39,270/-)

Commission - Rs. NIL (Previous Year – NIL)

Advertisement, Exhibition & Business Promotion - Rs. 41,706/-

(Previous Year – Rs. 4,45,795/-)

III) Earning in Foreign Currency :

FOB value of goods exported Rs. 41.88 lacs

(Previous Year- Rs. 3567.17 lacs)

IV) DETAILS OF RAW MATERIAL CONSUMED

Particulars	Opening Stock	Purchase		Processed	Closing Stock	
	Qty in MT	Qty in MT	Value (Rs.)	Qty in MT	Qty in MT	Value (Rs.)
BUFFALO	0.000	1001.097	90603578	1001.097	0.000	0.00
(Previous Year)	(0.000)	(4232.43)	(599106147)	(4232.43)	(0.000)	(0.00)
FRESH	0.000	12.950	3476964	12.950	0.000	0.00
(Previous Year)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.00)

V) DETAILS OF FINISHED / SEMI FINISHED STOCK

Particulars	Opening Stock	Production	SALES		CLOSING STOCK	
	Qty in MT	Qty in MT	Qty in MT	Value (Rs.)	Qty in MT	Value (Rs.)
BUFFALO	6520.094	594.251	4119.14	735958810	2995.201	216183594
(Previous Year)	(6555.704)	(2512.390)	(2548.000)	(557659845)	(6520.094)	(412460320)
FRESH	0.000	12.950	12.950	5867096	0.000	0.00
(Previous Year)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.00)



16. In the financial year 2015-16 the company has written off debtors of Rs. 77 crores by debited to the profit and loss account. The said amount pertains to bills outstanding against the export. Though it appears to the company the said amount is not recoverable as parties have been absconding. In view of that necessary FIR was filed with the police and also embassy of the respective countries were informed, however for the said written off in the accounts sanction/permission of the Reserve Bank of India has been solicited and pending.

17. Previous year figures have been re-grouped, re-casted to make them comparable with those of the current year.

For and on behalf of the Board


SIRAJUDDIN QURESHI
Managing Director
DIN-00004536


SAMAR QURESHI
Joint Managing Director
DIN-00005728

As per our report of even date attached

VIPIN AGGARWAL & ASSOCIATES
Chartered Accountants
(FRN - 014454N)




VIPIN AGGARWAL
Partner
(Membership No. 16544)

Place : New Delhi
Date : 05.05.2017

