

**Kore Foods Limited**  
(Formerly known as Phil Corporation Ltd.)

Registered Office: Vision House, Tivim Industrial Estate, Mapusa Goa 403 526  
Tel No. (0832) 2257347 / 2257899 / 2257726. Fax No. (0832) 2257729

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CIN L33208GA1983PLC000520

Date: 11<sup>th</sup> September, 2018

To  
Bombay Stock Exchange Limited,  
PJ Towers, 25<sup>th</sup> Floor,  
Dalal Street, Mumbai - 400001

Dear Sir,

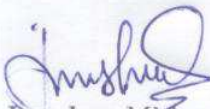
Sub: Annual Report for the year ended 31<sup>st</sup> March, 2018, approved and adopted at 35<sup>th</sup> AGM.

Please find attached the copy of Annual Report of Kore Foods Limited under Regulation 34(1) of SEBI(Listing Obligation and Disclosure Requirements), Regulations, 2015, for the Financial Year ended on 31<sup>st</sup> March, 2018, approved and adopted at our 35<sup>th</sup> AGM hold on Tuesday, 04<sup>th</sup> September, 2018 at 3.00 P.M.

Kindly acknowledge the receipt.

Thanking You.

For Kore Food Limited,

  
Jayashree Mishra

(Company Secretary)



***KORE FOODS LIMITED***

(Formerly known as Phil Corporation Limited)

**ANNUAL REPORT**

**2017-2018**

**Board of Directors**

|                      |                     |
|----------------------|---------------------|
| Sadashiv V Shet      | - Chairman          |
| Abdullah Y Fazalbhoj | - Director          |
| Kundapoor D Bhat     | - Director          |
| Sayed Abbas          | - Director          |
| Sharon Carvalho      | - Director          |
| John Silveira        | - Managing Director |

**Company Secretary & Compliance Officer**

Pouras N. Rane

**Chief Finance Officer**

Shalini Lobo

**Registered Office**

Vision House, Tivim Industrial Estate,  
Mapusa, Goa 403 526

**Factory**

Mauxi Road, Valpoi, Sattari - Goa

**Auditors**

S V Shah & Associates  
Chartered Accountants, Mumbai

**Secretarial Auditor**

Girija G Nagvekar  
Goa

**Solicitors**

Vigil Juris-Mumbai

**Registrars & Share Transfer Agents**

Datamatics Business Solutions Ltd.,  
Plot No. B-5, Part B, Cross Lane, MIDC  
Marol, Andheri (E), Mumbai 400 093

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**IMPORTANT COMMUNICATION TO MEMBERS**

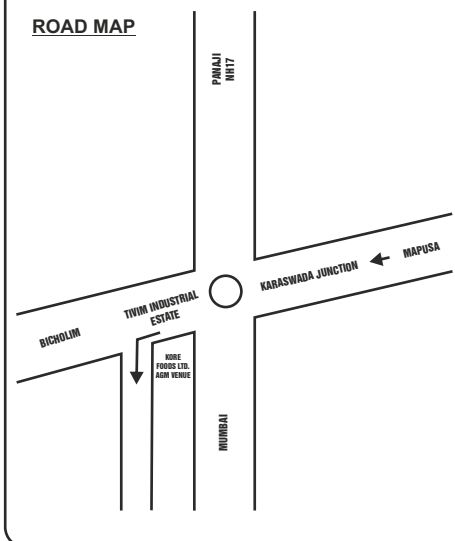
The Ministry of Corporate Affairs has taken a "Green Initiative" in the Corporate Governance by allowing paperless compliance's by the Companies, and issued circulars stating that service of notices/documents including Annual Reports can be effected to its members in electronic form.

In order to fully support this Green Initiative of the Ministry, members are requested to come forward and register their email addresses, and update the same from time to time.

Members holding their shares in demat form may please register their email addresses with their concerned Depository Participants.

Members holding their shares in physical form may intimate their email addresses either to the Company by sending a mail to [companysecretary@korefoods.in](mailto:companysecretary@korefoods.in) or to the Company's Registrar & Share Transfer Agents, mentioning their Folio Numbers.

Company's Website : [www.korefoods.in](http://www.korefoods.in)

**ROAD MAP**

**BOARD'S REPORT****TO THE MEMBERS OF KORE FOODS LIMITED**

The Directors of your company present their 35th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2018

**FINANCIAL HIGHLIGHT**

| Particulars   | Amount in Lacs |           |
|---|----------------|-----------|
|   | 2017-18        | 2016-17   |
| Income from operation (Gross)                             | 0.99           | 59.05     |
| Other income  | 38.74          | 23.47     |
| Profit/(Loss) before Depreciation and Tax                 | (21.89)        | (87.97)   |
| Depreciation for the year                                 | (9.25)         | (9.36)    |
| Profit/(Loss) before Tax                                  | (31.14)        | (97.33)   |
| Extra Ordinary Items                                      | 0.00           | (81.71)   |
| Balance of Profit/(Loss) brought forward                  | (3068.06)      | (2889.02) |
| Balance of Profit/(Loss) carried forward to Balance Sheet | (3099.20)      | (3068.06) |
| Earning Per Share   | (0.27)         | (1.54)    |

**DIVIDEND**

In view of the loss made during the year and the accumulated losses, the Directors do not recommend any dividend for the financial year 2017-18.

**MATERIAL CHANGES AND COMMITMENTS**

Company has leased out Food Processing business to Nutty Treats & Foods Pvt Ltd.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed analysis of Company's performance is discussed in the Management Discussion & Analysis Report attached as - **Annexure I**.

**CORPORATE GOVERNANCE**

Report on Company's Corporate Governance is appended as Annexure II and compliance certificate from auditors which forms part of this Annual Report.

The Company is in compliance with the requirements stipulated under [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] entered into with the Stock Exchange with regard to Corporate Governance.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act 2013, the Board of Directors, to the best of their knowledge and ability confirm :

- that in the preparation of the Annual Accounts the applicable Accounting Standards have been followed and there has been no material departure;
- that the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit and loss of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Poursram Padmanabhan resigned from the position of Managing Director w.e.f. 31st May 2017 and Mr. John Silveira was appointed as Managing Director w.e.f. 07th July 2017 to hold office till 31st March 2019.

Mrs. Anisia D'souza resigned from the position of Company Secretary and Compliance Officer w.e.f. 31st October 2017 and Mr. Pouras N. Rane was designated as Company Secretary vide offer letter dated 15/01/2018, and he resigned w.e.f. 28/04/2018.

Company's Independent Director Dr. J.C. Almeida passed away on 28/11/2017, Company appointed Mr. Sayed Abbas on 29/01/2018 to fill in the vacancy of Independent Director.

Details of remuneration drawn by the Key managerial personnel are mentioned in MGT-9.

**EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3)**

As provided under section 92(3) of the Act, extract of the Annual Return in form MGT 9 is available on the Company's website.

URL: [www.korefoods.in/sites/default/files/docs/Annual%20Report%202017-18.pdf](http://www.korefoods.in/sites/default/files/docs/Annual%20Report%202017-18.pdf)

**MEETINGS**

During the year 6 Board Meetings and 3 Audit Committee Meetings were convened and held. The details of the same are given in the Corporate Governance Report.

**AUDIT COMMITTEE**

The details of the composition of the Audit Committee are given in the Corporate Governance Report.

**AUDITORS:****1. Statutory Auditors**

The Company's auditor M/s. S.V. Shah and Associates (Firm Registration No. 139517W) were appointed as statutory auditors for 5 years at the 34th Annual General meeting subject to ratification by shareholders every year.

However, pursuant to the amendment of Section 139(1) of Companies Act, 2013, vide the Companies second amendment rules 2018, effective 7th May 2018, every Company shall, at each Annual General Meeting ('AGM') appoint an individual or a firm as Auditor to hold office from the conclusion of first AGM until the conclusion of sixth AGM and thereafter till the conclusion of every sixth AGM. So as per the modified provision the ratification is not required in every AGM.

The Auditor's Report of the statutory Auditor does not contain qualification or adverse remark. The Emphasis of Matter in the Auditor's Report has been explained in Note No.22 to the Annual Accounts in the Annual Report.

**2. Secretarial Auditor**

Pursuant to Section 204 of the Companies Act 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Ms. Girija Nagvekar (C.P No 10335 / Membership No. 28111), a Practising Company Secretary to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report is annexed herewith to the Annual Report - Annexure III. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**3. Cost Auditor**

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendment Rules, 2014.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company does not fulfill the criteria for undertaking CSR activity under Section 135, of the Companies Act, 2013 (hereinafter referred as 'the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

**THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment policy in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy is gender neutral. There were no complaints received during the financial year.

**INDIAN ACCOUNTING STANDARD (IND-AS) IFRS CONVERGED STANDARD**

The Ministry of Corporate Affairs vide its Notification dated 16/02/2015 has notified the Companies (Indian Accounting Standard) Rules, 2015. In pursuance of this notification the Company has adopted IND-AS with effect from 01/04/2017 with the comparative for year ended 31/03/2018.

**RISK MANAGEMENT**

The Company business is exposed to many internal and external risks and it has consequently put in place a robust risk management framework to identify and evaluate business risks and opportunities. The risk management process consists of risk identification, risk assessment and risk mitigation.

The Board periodically reviews the risk management plan for the Company including identification of elements of risks if any, which in the opinion of the Board may affect the operations of the Company.

**REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of Remuneration Policy is stated in the Corporate Governance report.

**INTERNAL FINANCIAL CONTROL**

The Company has an Internal Finance Control System, commensurate with the size, scale and complexity of its operations. The Audit Committee of the Board periodically reviews the internal control system with the Management, Internal Auditor and Statutory Auditor and the adequacy of internal audit functions significant internal audit findings and follow up thereon.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Section 134 (3)(M) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is forming part of the Director's Report for the year ended 31st March, 2018.

**A. Conservation of Energy:**

Energy conservation is a continuous programme and the Company has laid emphasis on creating awareness amongst employees for optimizing operations and improving efficiency of machinery and equipment. Steps

taken for energy conversion were - heat reflective paint, adoption of efficiency light fittings, adoption of efficiency pumps and motors and LED lamps for common areas. The measures taken by the Company have resulted in saving in energy consumption.

**B. Technology Absorption:**

1. Expenditure incurred on Research & Development - Nil
2. Imported technology during last 3 years - None

**C. Foreign Exchange Earnings and Outgo: Nil**

**PUBLIC DEPOSITS**

During the financial year 2017-18, your Company had not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act 2013 read together with the Companies (Acceptance and Deposits) Rules, 2014.

**PARTICULARS OF LOANS / ADVANCES / INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR**

Company does not have any loans / advances / investments outstanding during the year and hence provisions of Section 186 of the Companies Act are not applicable.

**EMPLOYEE REMUNERATION**

The ratio of remuneration of each Director to the median employees remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are forming part of this Report - **Annexure IV**.

Particulars of the employees as required under Section 197 (12) of the

Companies Act, 2013, read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are not applicable as the Company did not have any employee drawing remuneration in excess of the sums prescribed.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

During the year of review there was no significant and material orders passed by the Regulators or Court or Tribunal which can impact the going concern status of the Company and its operations in future.

**EMPLOYEE STOCK OPTION SCHEME**

The Company has no Employee Stock Option Scheme.

**AWARDS & RECOGNITION**

Company has not received any awards and recognitions.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the continuing support and co-operation from the customers, vendors, dealers, distributors, bankers, shareholders, Goa Industrial Development Corporation, State Industries Electricity and other Government departments.

The Directors also take this opportunity to thank the employees for their dedicated service throughout the year.

For and on behalf of the Board  
Chairman

Place : Mapusa  
Date : 05th May, 2018

**ANNEXURE I**

**MANAGEMENT ANALYSIS AND DISCUSSION**

**Financial Results of Operations :**

The Company losses has been reduced from Rs.179.03 lacs to Rs.31.14 lacs.

The Board had identified a strategic partner comprising of a group of industry professionals. The strategic partner has taken on lease the Kore manufacturing facilities that has a fixed monthly leased payments plus variable profit component and also taken over the factory staff and associated running costs.

**Industry structure overview :**

The Indian snacks food industry is full of opportunities, however the company has not been able to take advantage of this opportunity. To augment the resources, the Board had decided to work with a strategic partner.

**Short term borrowings :**

Short Term borrowing at the year end was Rs. 139.69 lacs (Rs. 55.50 lacs previous year). The increase is primarily on account of funding of losses incurred during the year.

**ANNEXURE II**

**REPORT ON CORPORATE GOVERNANCE**

**Company's Philosophy on Corporate Governance:**

Kore Foods Limited is committed in following best Corporate Governance practices by inculcating culture of ethical business conducts in all its operations. Our corporate governance framework ensures effective engagement with our stakeholders by ensuring timely disclosures and sharing of accurate information regarding our financials and performance, as well as the leadership and governance of the Company.

**Board of Directors – Composition:**

The present Board comprises of 6 Directors as on 31st March 2018. The Board has a combination of 1 Managing Director and 5 Non-Executive Directors out of which 2 are Independent Directors. The Board of Directors of your Company is led by an Independent Non-Executive Chairman Mr. Sadashiv V Shet. The composition of the Board of Directors is in conformity with regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The name and category of each Director is given below:

| Name of the Director | Category          | Executive/Non Executive/<br>Independent | **Directorship of<br>Public Companies | Other Committees |            |
|----------------------|-------------------|---|---------------------------------------|------------------|------------|
|                      |                   |   |                                       | Chairmanship     | Membership |
| Sadashiv Shet        | Chairman          | Non-Executive - Independent Director    | 2                                     | 3                | -          |
| Sayed Abbas          | Director          | Non-Executive - Independent Director    | 1                                     | -                | 2          |
| Abdullah Fazalbhoy   | Director          | Non-Executive Director                  | 1                                     | -                | 2          |
| Sharon Carvalho      | Director          | Non-Executive Director                  | 1                                     | -                | -          |
| Damodhar K Bhat      | Director          | Non-Executive Director                  | 1                                     | -                | -          |
| John Silveira        | Managing Director | Executive Director                      | 1                                     | -                | -          |

**NOTES:**

- 1) Except the Managing Director, the other Directors retire by rotation.
- 2) \*Excludes Directorships in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and Government Bodies.
- 3) \*\* None of the Directors is a Director in more than 10 Public Limited Companies or act as Independent Director in more than 7 Listed Companies.
- 4) \*As required by Regulation 26 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the disclosure includes membership/Chairmanship of the Audit Committee and Stakeholders Relationship Committee in Indian Public Companies (Listed and Unlisted).
- 5) None of the Directors is holding Membership of more than 10 Committees and Chairmanship of more than 5 committees as specified by Regulation 26 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**Number of Board Meetings, Attendance at Board Meetings and previous Annual General Meeting:**

During the year 6 Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Number of Board Meetings, Attendance at Board Meetings and previous Annual General Meeting:

Dates of Board Meeting: 09th May 2017, 29th May 2017, 05th July 2017, 31st October 2017, 29th Jan 2018 & 29th March 2018

| Name of the Director                              | Board Meeting attended during the year | AGM : 05/09/2017 |
|---|--|------------------|
| Sadashiv Shet                                     | 6                                      | Attended         |
| Sayed Abbas (appointed on 29/01/2018)             | 2                                      | NA               |
| Abdullah Fazalbhoy                                | 5                                      | Attended         |
| Sharon Carvalho                                   | 5                                      | Attended         |
| Damodhar Kundpoor Bhat                            | 6                                      | Attended         |
| John Silveira (Appointed as MD w.e.f. 07/07/2017) | 4                                      | Attended         |
| Pursram Padmanabhan (Resigned on 31/05/2017)      | 2                                      | No               |
| JC Almeida (Vacated by death on 28/11/2017)       | 3                                      | No               |

**Shareholding of Non-Executive Directors:**

The shareholding of the Non-Executive Directors as on 31st March 2018 is as follows:

| Name of Non-Executive Director | No. of Equity Shares held | % of paid up capital |
|--------------------------------|---------------------------|----------------------|
| Sadashiv Shet                  | 210                       | -                    |
| Sayed Abbas                    | -                         | -                    |
| Abdullah Fazalbhoy             | -                         | -                    |
| Sharon Carvalho                | 10                        | -                    |
| Damodhar Kundpoor Bhat         | 19600                     | 0.17%                |

**Code of Conduct:**

The Board has laid down a Code of Conduct ("Code"), for all the Board Members and for Senior Level Executives and Employees of the Company. The Code has been posted on the Company's website. All the Board Members and Senior Level Management have affirmed compliance to this code.

The Code of Conduct for the Board Members of the Company has been amended in line with the provisions of the Companies Act, 2013, which includes Code for Independent Directors, which is a guide to professional conduct for Independent Directors of the Company pursuant to section 149 (8) and Schedule IV of the Companies Act, 2013. A declaration signed by the Managing Director to this effect forms part of this report. Company's policy is available at <http://www.korefoods.in/sites/default/files/docs/CODE%20OF%20CONDUCT.pdf>

**Code of Conduct - Insider Trading:**

A code of conduct to regulate, monitor and report trading by insiders under Regulation 9(1) and (2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 approved by the Board is uploaded on the Company's website at <http://www.korefoods.in/sites/default/files/docs/Code%20of%20conduct%20to%20regulate,%20monitor%20and%20report%20trading%20by%20insiders.pdf>

Policies adopted as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policy on preservation of documents in terms of Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Policy on Archival in terms of Regulation 30(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Policy for determining materiality of events/ information by company for disclosure to stock exchange under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Policy on Familiarization programme for Independent Directors under Regulation 25 under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted and the same has been uploaded on the Company's website at <http://www.korefoods.in/sites/default/files/docs/POLICY%20ON%20PRESERVATION%20OF%20DOCUMENTS%20AND%20ARCHIVAL.pdf>

**CEO/CFO Certification:**

As required by [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015], the Managing Director and Chief Finance Officer of the Company have certified to the Board regarding the Financial Statements, cash flow and other matters related to internal control for financial reporting in the prescribed format for the year ended 31st March 2018. This Certificate is annexed to the Annual Report - Annexure V.

**Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015], the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The Chairman circulated amongst and before the Board for their kind perusal, Performance Evaluation Report prepared after taking into account Questionnaire prepared mainly for evaluating performance.

- The performance evaluation of the Non- Independent Directors and the Board as a whole was carried out by the Independent Director.
- The performance evaluation of the Chairman of the Company was carried out by the Independent Directors taking into account the views of the Executive Director and Non- Executive Directors.
- Performances of Independent Director were evaluated by Executive Director, Non-Executive Director.

**Remuneration Policy:**

Non-Executive Directors: Presently no commission or any other remuneration except the sitting fees are paid to the Non-Executive Directors. Sitting fees are paid for attending the Board Meetings, Audit Committee Meetings, Nomination and Remuneration Committee Meetings. No sitting fees are paid for Stakeholders Relationship Committee and Share Transfer Committee Meetings.

The Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors.

**Managing Director:**

As approved by the Shareholders, the Company has paid remuneration to Managing Director by way of salary. No commission or incentive is paid or payable to the Managing Director. No sitting fees for attending Board Meetings or any other Committee Meetings of the Company are paid to Managing Director. The Board approves the appointment and the terms and conditions of appointment and remuneration of Managing Director on the basis of recommendations of the Remuneration Committee. The terms and conditions and remuneration payable to the present Managing Director are within the ceilings prescribed as per the Schedule V of the Companies Act, 2013.

**Remuneration paid to the Directors:**

During the Financial year ended 31st March 2018 the sitting fees paid to Non-Executive Directors are as follows:

| Name of the Director    | Remuneration | Amount in Rs.          |          |
|-------------------------|--------------|------------------------|----------|
|                         |              | Detail of Sitting Fees | Total    |
| Sadashiv Shet           | -            | 36,000/-               | 36,000/- |
| Sayed Abbas             | -            | 12,000/-               | 12,000/- |
| Abdullah Fazalbhoy      | -            | 30,000/-               | 30,000/- |
| Sharon Carvalho         | -            | 15,000/-               | 15,000/- |
| Kundapoor Damodhar Bhat | -            | 18,000/-               | 18,000/- |
| JC Almeida              | -            | 18,000/-               | 18,000/- |

The details of Remuneration paid to Managing Director/s are given below:

| Managing Director | Salary     | Contribution to PF & other funds | Allowances / Perquisites | Total      |
|-------------------|------------|----------------------------------|--------------------------|------------|
| P. Padmanabhan*   | 1,50,000/- | -                                | -                        | 1,50,000/- |
| John Silveira**   | 4,40,323/- | -                                | -                        | 4,40,323/- |
| Total             | 5,90,323/- | -                                | -                        | 5,90,323/- |

\*Resigned as Managing Director on 31st May 2017

\*\*Appointed as Managing Director on 07th July 2017

**Committees of the Board****Composition of Audit Committee:**

The Board has constituted the Audit Committee of the following members:  
Mr. Sadashiv V Shet - Chairman  
Mr. Abdullah. Y. Fazalbhoy - Member  
Mr. Sayed Abbas - Member\*

\*(Note: Mr. Sayed Abbas was inculcated as member in the committee w.e.f 29th Jan 2018, in place of Mr. JC Almeida who passed on 28th Nov 2017)

The composition of the Audit Committee is in conformity with [Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015].

Mr. Sadashiv V. Shet, Chairman of the Committee is a member of the Institute of Company Secretaries of India. The Committee deals with all matters indicated with [Part C of Schedule II of the Listing Regulations] in all, 3 Meetings of the Audit Committee were held during the year and the attendance at the Meeting was as follows:

Date of Meeting: 29th May 2017, 05th Jul 2017 and 29th Jan 2018.

| Name of members    | No of Audit Committee meetings held during the period: 3 |
|--------------------|--|
|                    | Attended   |
| Sadashiv Shet      | 3  |
| Sayed Abbas        | 1  |
| Abdullah Fazalbhoy | 3  |
| JC Almeida         | 2  |

All recommendations of the Audit Committee were accepted by the Board.

**Composition of Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee of the following members:

Mr. Sayed Abbas – Chairman\*  
Mr. Abdullah. Y. Fazalbhoy – Member  
Mr. Sadashiv Shet – Member

\*(Note: Mr. Sayed Abbas was inculcated as member in the committee w.e.f 29th Jan 2018, in place of Mr. JC Almeida who passed on 28th Nov 2017)

The Committee is responsible for revising remuneration packages to Managing Director, Senior Executives and Managers. No stock options are issued to the Directors or Employees.

Date of Meeting: 05th July 2017 & 31st Oct 2017

| Name of members    | No of Nomination Committee meetings held during the period: 2 |
|--------------------|---|
|                    | Attended  |
| Sadashiv Shet      | 2   |
| Abdullah Fazalbhoy | 2   |
| JC Almeida         | 1   |

**Stakeholders Relationship Committee:**

The Board has constituted the Committee of the following members:

Mr. Sadashiv Shet – Chairman  
Mr. Sayed Abbas – Member\*  
Mr. Abdullah Y Fazalbhoy – Member

\*(Note: Mr. Sayed Abbas was inculcated as member in the committee w.e.f 29th Jan 2018, in place of Mr. JC Almeida who passed on 28th Nov 2017)

Date of Meetings: 9th May 2017, 5th July 2017, 31st Oct 2017 and 29th Jan 2018.

During the financial year 2017-18, meetings were held and the attendance was as follows:

| Name of members          | No of SRC meetings held during the period: 4 |
|--------------------------|--|
|                          | Attended                                     |
| Mr. Sadashiv Shet        | 4  |
| Mr. Sayed Abbas          | -  |
| Mr. Abdullah Y Fazalbhoy | 4  |
| Mr. JC Almeida           | 2  |

**Independent Directors Meeting:**

During the financial year 2017-18, one meeting of Independent Directors was held on 29/03/2018.

| Name of members   | No of Independent Director meetings held during the period: 1 |
|-------------------|---|
|                   | Attended  |
| Mr. Sadashiv Shet | 1   |
| Mr. Sayed Abbas   | 1   |

**Share Transfer Committee & Share Transfer System:**

The Board has constituted the Committee of the following members :

Mr. John Silveira  
Mr. K. D. Bhat

The Share Transfer Committee consists of two Directors of the Company. The Share Transfer Committee meets regularly. The Registrars and Share Transfer Agents process the physical Share Transfers and any defects while processing the Share Transfer Deeds are immediately intimated by objection letters by the Registrars and Share Transfer Agents to the concerned Transferor / Transferee. In all 4 Meetings of Share Transfer Committee were held during the year.

**General Body Meetings:**

| Particulars               | 2016-17  | 2015-16   | 2014-15   |
|---------------------------|--|---|---|
| Location and Time         | Regd Office -11 am   | Regd Office- 11am                                 | Regd Office-11 am   |
| Special resolution passed | a. Reclassification of shareholders from promoter to public category.<br>b. Approval for related party transaction of 5 Cr | a. Approval for related party transaction of 5 Cr | a. Limit of Borrowing to Board upto 9 Cr<br>b. Approval for related party transaction of 5 Cr |

- Details of voting results for Special resolution passed by Postal Ballot

| Resolution  | Members voted in Favor | Members Voted Against | Result                         |
|---|------------------------|-----------------------|--------------------------------|
| Reclassification of Shareholding of Promoter Group to Public Category | 47                     | 6                     | Passed with requisite Majority |
| Approval for related party transaction of 5 Cr                        | 46                     | 7                     | Passed with requisite Majority |

- Person who conducted the postal ballot exercise - **Shivaram Bhat - Practicing Company Secretary**
- Special Resolution proposed to be conducted through postal ballot:
  1. Adoption of Memorandum and Articles of Association
  2. Reclassification of Shareholding of Promoter Group to Public Category

**Status of Shareholders' Complaints/Service Requests received and attended during the period:**

As per the quarterly reports received from Registrars and Share Transfer Agents the status of complaints and service requests received and attended during the year is as follows:

|                                     | Complaints | Service requests |
|-------------------------------------|------------|------------------|
| Pending as on 1st April, 2017       | 0          | 0                |
| Received during the year            | 2          | 10               |
| Resolved / Attended during the year | 2          | 10               |
| Pending as on 31st March, 2018      | 0          | 0                |

**SUBSIDIARY/ ASSOCIATE/ JOINT VENTURES**

The Company has no Subsidiary, Association or Joint Venture.

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has established a Vigil Mechanism/Whistle Blower Policy to provide a formal mechanism to the employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Company code of conduct. The policy provides for adequate safeguard against victimization of employees and also provides for direct access to Chairman of the Audit Committee. The Audit Committee and the Board of Directors have approved the Whistle Blower Policy and the details of this policy are available on the website of the Company (<http://www.korefoods.in/sites/default/files/docs/VIGIL%20MECHANISM%20POLICY.pdf>). The provisions of the policy are in accordance with the provisions of Section 179 of the Act and [SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**RELATED PARTY TRANSACTIONS**

Transactions entered into with Related Parties during the financial year were in ordinary course of business and at arms-length basis. Details of related party transactions are prescribed in Notes to Accounts 22 (12) to Annual Accounts in the Annual Report.

The materially significant Related Party transactions entered into during the year as disclosed in the Annual Account did not have potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. The Company has developed a Related Party Transactions Policy, for purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <http://www.korefoods.in/sites/default/files/docs/POLICY%20ON%20RELATED%20PARTY%20TRANSACTION.pdf>

Particulars required of contracts / arrangement with related parties in Form AOC-2 is annexed and forms part of the report - **Annexure VI**.

**GENERAL SHAREHOLDER INFORMATION**

35th Annual General Meeting – Day, Date, Time and Venue

| Day     | Date               | Time      | Venue   |
|---------|--------------------|-----------|---|
| Tuesday | 4th September 2018 | 3.00 p.m. | Vision House<br>Tivim Industrial Estate,<br>Mapusa, Goa - 403 526 |

There are Special Resolutions for approval of the members at the 35th Annual General Meeting.

**Financial Calendar:**

Financial Year: 1st April to 31st March

Financial reporting for 2018-19 (tentative)

Unaudited Results: 1st Quarter - (April - June, 2018) By 14th August, 2018

Unaudited Results: 2nd Quarter - (July - September, 2018) By 15th November, 2018

Unaudited Results: 3rd Quarter - (October - December, 2018) 15th February, 2019

Accounts Approval /: By 31st May, 2019 Audited Results.

**LISTING WITH STOCK EXCHANGES:**

The Company's Equity Shares are listed on the Bombay Stock Exchange

The Bombay Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001

**Stock Code:** 500458**ISIN No. of Equity Shares:** INE601A01017

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE where the Company's shares are listed.

Dates of Book Closure (Both days inclusive) &amp; Dividend payment date:

| Book Closure  | Dividend Payment |
|---|------------------|
| From Wednesday, 29th August 2018 to Tuesday, 4th September 2018 (both days inclusive) | Not Applicable   |

**Means of Communication:**

The Unaudited quarterly results of the Company are taken on Record by the Directors and are communicated to the Bombay Stock Exchange where the Shares of the Company are listed. The Unaudited quarterly results are published as per [Regulation 47 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Goa Doot (Konkani)

2. The Goan Everyday (English)

which are Local and National dailies respectively.

The Company's results and official news releases are displayed on the company's website

<http://www.korefoods.in>

Market price data (Bombay Stock Exchange)

All prices are in Rs.

|        | High | Low  |
|--------|------|------|
| Apr-17 | 2.85 | 2.16 |
| May-17 | 3.59 | 2.61 |
| Jul-17 | 3.42 | 3.42 |
| Aug-17 | 3.42 | 3.25 |
| Sep-17 | 3.1  | 2.95 |
| Oct-17 | 3.6  | 2.81 |
| Nov-17 | 3.42 | 3.42 |
| Jan-18 | 3.54 | 3.21 |
| Feb-18 | 3.46 | 3.04 |
| Mar-18 | 3.60 | 3.60 |

**Share holding Pattern as on 31st March 2018**

| Category  | No. of Shares | % of Shareholding |
|---|---------------|-------------------|
| Directors, their relatives and Promoter Group   | 5,860,505     | 50.30             |
| Mutual Fund and UTI   | 5,300         | 0.05              |
| Banks, Financial Institutions, Insurance Companies (Central/State Govt.) Institutions/ Non-Governmental Insurance | 42,600        | 0.37              |
| Foreign Institutional Investors   | 1,000         | 0.01              |
| Private Corporate Bodies  | 187,424       | 1.61              |
| Indian Public   | 5,498,178     | 47.19             |
| Non-resident Indians/OCBs   | 54,993        | 0.47              |
| Total   | 11,650,000    | 100.00            |

**Distribution of Shareholding as on 31st March 2018**

| Shares Range  | No. of Shareholders | No. of Shares Shareholders | % of Shareholding held |
|---------------|---------------------|----------------------------|------------------------|
| 001-500       | 12953               | 2267593                    | 19.46                  |
| 501-1000      | 1002                | 825528                     | 7.09                   |
| 1001-2000     | 390                 | 634263                     | 5.44                   |
| 2001-3000     | 149                 | 387371                     | 3.33                   |
| 3001-4000     | 58                  | 207370                     | 1.78                   |
| 4001-5000     | 49                  | 235201                     | 2.02                   |
| 5001-10000    | 71                  | 523143                     | 4.49                   |
| 10001-50000   | 34                  | 680842                     | 5.84                   |
| 50001 & above | 09                  | 5888689                    | 50.55                  |
| Total         | 14715               | 11650000                   | 100.00                 |

**DEMATERIALIZATION OF SHARES:**

77.27% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2018 and balance 22.73% is in physical form. The Company's ordinary shares are not regularly traded on the Bombay Stock Exchange.

**Address for Correspondence**

Shareholders may correspond with the Registrar and Transfer Agent at:

**Datamatics Business Solutions Ltd.**

Plot No. B-5, Part B Cross Lane,

MIDC, Andheri (East),

Mumbai 400 093.

For all matters relating to transfer / dematerialisation of shares, payment of dividend and any other query related to Equity Shares of your Company.

Shareholders would have to correspond with the respective Depository Participant for shares held in dematerialised form for transfer/ transmission of Shares, change of address, change in Bank details, etc.

For all investor related matters you can also write to us at [companysecretary@korefoods.in](mailto:companysecretary@korefoods.in) Your Company can also be visited at its website <http://www.korefoods.in>

**AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

To

The Shareholders  
Kore Foods Limited

We have examined the compliance of conditions of Corporate Governance by Kore Foods Limited, for the financial year ended 31st March 2018, as per Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special purpose (Revised 2016) issued by The Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by The Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control ( SQC ) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg. No. 139517W

Place : Mumbai  
Date : 05th May, 2018

Sheetal V. Shah  
Partner  
Membership No. 102140

**Certificate of Compliance with Code of Conduct Policy (Regulation 34(3) read with Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to confirm and certify that the Company has adopted a Code of Conduct for the Board Members and Senior Managerial Personnel as provided under Sub Regulation (3) of Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board Members and Senior Management have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March, 2018.

The said Code of Conduct has also been posted on the Investors page of the Company website [www.korefoods.in](http://www.korefoods.in)

For KORE FOODS LIMITED  
sd/  
John Silveira  
Managing Director

Place: Mapusa, Goa.  
Dated: 5th May, 2018



ANNEXURE III

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018**

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

To,  
**The Members,  
KORE FOODS LIMITED  
(Formerly known as PHIL CORPORATION LIMITED)  
Vision House, Tivim Industrial Estate,  
MAPUSA – GOA 403526**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KORE FOODS LIMITED (formerly known as PHIL CORPORATION LIMITED)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **KORE FOODS LIMITED (formerly known as PHIL CORPORATION LIMITED)** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **KORE FOODS LIMITED (formerly known as PHIL CORPORATION LIMITED)** ("the Company") for the financial year ended on **31st March, 2018** according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;..... (Not Applicable under the period of audit)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - © The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;..... (Not Applicable under the period of audit)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ..... (Not Applicable under the period of audit)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ..... (Not Applicable under the period of audit) and
  - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998; ..... (Not Applicable under the period of audit)
- (vi) Trade Mark Act, 1999
- (vii) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
- (viii) The Payment of Bonus Act, 1965
- (ix) The Payment of Gratuity Act, 1972
- (x) Indian Stamp Act, 1999 and The Indian Stamp (Goa, Daman and Diu Amendment) Act, 1968
- (xi) Negotiable Instrument Act, 1881
- (xii) Income Tax Act, 1961 and Indirect Tax Law
- (xiii) Weekly Holidays Act, 1942
- (xiv) Registration Act, 1908 and The Registration (Goa, Daman and Diu Amendment) Act, 1985
- (xv) The Goa, Daman and Diu Shops and Establishments Act, 1973
- (xvi) Goods and Service Tax Act, 2016 and as amended.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India and as revised.
- ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- a) The Company has filed various e-forms as required however some of the forms have been filed beyond the stipulated date. Where the forms are filed with late fees, these shall be reported as compliance by reference of payment of additional fees.
- b) The Company has leased out its manufacturing facilities and thereby the relevant acts as applicable earlier are not applicable under the period of Audit.
- c) The company has made an application for registration under Trade Marks Act, 1999 and the application is still under process due to pendency of case in the appropriate court.

The Company is in due process of appointment of Company Secretary in order to fill casual vacancy caused by previous Company Secretary.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions are taken unanimously after taking into consideration views, opinions expressed by all the members.

**I further report that**

The Company has complied with the requirements under SEBI (Listing Obligations and Disclosure) Regulations, 2015 and timely yearly payment of renewal fees with Bombay Stock Exchange Limited.

The Company has also complied with SEBI (Prohibition of Insider Trading) Regulations, 2015

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

Date: 30.04.2018  
Place: Panaji Goa

CS Girija G. Nagvekar  
Practising Company Secretary  
ACS : 28111 , COP: 10335

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

**'Annexure A'**

To,  
**The Members,  
KORE FOODS LIMITED  
(Formerly known as PHIL CORPORATION LIMITED)  
Vision House, Tivim Industrial Estate,  
MAPUSA - GOA 403526**

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

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

Date: 30.04.2018  
Place: Panaji Goa

CS Girija G. Nagvekar  
Practising Company Secretary  
ACS : 28111 , COP: 10335

**ANNEXURE IV**

**EMPLOYEE REMUNERATION**

Details pertaining to remuneration under of each Director to the median employees remuneration and other details in terms of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- I. The ratio of remuneration of each director to the median employees remuneration for the financial year: - **NOT APPLICABLE\*\***
- II. There is no increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary during the financial year:
- III. The percentage increase in the median remuneration of employees in the Financial Year – **NOT APPLICABLE\*\***
- IV. The number of permanent employees on the rolls of Company – **NOT APPLICABLE\*\***  
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - **NOT APPLICABLE\*\***
- VI. Statement showing the names of the top ten employees in terms of remuneration drawn: **NOT APPLICABLE\*\***
- VII. Comparison of average percentile increase in the salaries of employees other than managerial personnel and the percentage increase in the managerial remuneration.  
Average increase in salary of employees (other than managerial personnel) - **NOT APPLICABLE\*\***  
Average increase in remuneration of managerial personnel 2.20%.
- VIII. Affirmation that the remuneration is as per remuneration policy of the company-  
Yes

\*\* Note: Company leased out its Food processing operations since July 2017 and all employees except for Key Managerial Personnel have resigned.

## ANNEXURE V

**CEO / CFO Certification**  
**[Under Regulation 17(8) of SEBI (LODR) Regulation, 2015]**

We the undersigned to the best of our knowledge & belief certify that:

- (A) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief we state that:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee:
- Significant changes, if any, in internal control over financial reporting during the year;
  - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - Instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

John Silveira                      Shalini Lobo  
 (Managing Director)              (Chief Finance Officer)

Place: Mapusa, Goa.  
 Dated: 5th May, 2018.

## ANNEXURE VI

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

| Sr. No. | Particulars  | Details |
|---------|--|---------|
| 1.      | Name (s) of the related party & nature of relationship   |         |
| 2.      | Nature of contracts/arrangements/transaction   |         |
| 3.      | Duration of the contracts/arrangements/transaction   |         |
| 4.      | Salient terms of contracts or arrangements or transactions including the value, if any                               | NA      |
| 5.      | Justification for entering into such contracts or arrangements or transactions                                       |         |
| 6.      | Date of approval by the Board  |         |
| 7.      | Amount paid as advances if any   |         |
| 8.      | Date on which Special resolution was passed at the General Meeting as required by the first provision to section 188 |         |

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

| Sr. No. | Particulars  | Details  |
|---------|--|--|
| 1.      | Name (s) of the related party & nature of relationship                                 | Cherish Specialties Ltd /Associate Company   |
| 2.      | Nature of contracts/arrangements/transaction   | Purchase/sale of goods   |
| 3.      | Duration of the contracts/arrangements/transaction                                     | Transactions are on-going and repetitive in nature   |
| 4.      | Salient terms of contracts or arrangements or transactions including the value, if any | The Transactions are entered into the ordinary course of business and are at arms length price basis |
| 5.      | Date of approval by the Board  | 5.7.2017/31.10.2017/29.1.2018  |
| 6.      | Amount paid as advances if any   | N.A  |

## INDEPENDENT AUDITOR'S REPORT

**To**  
**The Members of**  
**KORE FOODS LIMITED**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of KORE FOODS LIMITED (Formerly known as PHIL CORPORATION LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section

134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and The Companies (Accounting Standards) Amendment Rules 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Emphasis of Matters**

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

- Note 22 (1) (ii) to the financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Company.
- Note 22 (2) in the financial statement which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss during the year and cash loss during the current and previous year and, the Company's current liabilities exceeded its current assets as at the Balance sheet date. These conditions, along with other matters set forth in Note 22, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note and consequently no adjustments have been made to carrying values or classification of Balance sheet accounts

© The financial statement has been prepared as per the IND AS Gaap except for the borrowing from Director as referred in Note 22(12)(3).  
 Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

- As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in exercise by powers conferred by sub-section (11) of Section 143 of Companies Act, 2013 we enclosed in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said order.
- As required by Section 143(3) of the Act, we report that:
  - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - It is informed by the Company that it does not have any Branch office required to be audited under section 143(8) of the Act.
  - The Balance sheet, the statement of profit and loss including Other Comprehensive Income, and the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and The Companies (Accounting Standard) Amendment Rules, 2016.
  - The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to adequacy of the internal financial controls over financial

reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 22(1) to the financial statements.

(ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg. No. 139517W

Place : Mumbai  
Date : 05th May, 2018

Sheetal V. Shah  
Partner

Membership No. 102140

**ANNEXURE TO THE AUDITOR'S REPORT**

(Referred to in Report on Other Legal and Regulatory Requirements of our Report of even date)

(I) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) A substantial portion of the fixed assets has been physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.

(ii) (a) The inventories have been physically verified at reasonable interval by the management. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been properly dealt with in the books of account.

(iii) The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, Sub-clause (a), (b) and (c) are not applicable.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and security covered under section 185 and 186 of the Companies Act, 2013.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public during the year.

(vi) We are informed that the Central Government has not prescribed maintenance of cost records under sub-section (l) of Section 148 of the Companies Act, 2013 for any of the products of the Company.

(vii) (a) According to the records of the Company, in respect of Provident Fund, employees state insurance Fund, Income Tax, Sales Tax Wealth Tax, Service Tax, Cess have been generally, regularly deposited during the year with the appropriate authorities. As per the explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at 31st March 2018 for a period of more than six months from the date on which they became payable except the following:-

| Name of the statute                 | Nature of dues     | Amount (Rs.) | Period to which the amount relates |
|-------------------------------------|--------------------|--------------|------------------------------------|
| Central Sales Tax Act, 1956         | Assessment Dues    | 2,01,383     | 2011-12                            |
| Goa Value Added Tax Act, 2005       | Assessment Dues    | 26,106       | 2011-12                            |
| Goa Tax on Entry of Goods Act, 2000 | Assessment Dues    | 24,430       | 2011-12                            |
| State Sales Tax-Gujarat             | Decision of Appeal | 6,75,000     | 1996-99                            |
| Excise duty payable                 | Assessment Dues    | 31,747       |                                    |
| Works contract                      | Assessment Dues    | 79,53,173    | 1988-89 to 2004-05                 |

(b) According to the records of the Company, Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute are given below:

| Name of the statute (nature of dues)                | Period to which the amount relates | A Forum where dispute is pending | Amount (Rs.) |
|---|------------------------------------|----------------------------------|--------------|
| Duty Drawback Rules                                 | 1989-1990                          | High Court, Mumbai               | 7,04,000     |
| Foreign Trade (Development and Regulation) Act 1992 | 1999-2000                          | DGFT/Jt. DGFT                    | 86,58,000    |
| State Sales Tax\ Central Sales Tax                  | 1993-2004                          | Appellate Authorities            | 2,42,92,531  |
| Central Excise\ Service Tax                         | 1990-2004                          | Appellate Authorities            | 18,70,380    |

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to a Bank.

(ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer and term loans during the year.

(x) During the course of our examination of books and records of the Company carried out in accordance with generally accepted accounting practices followed in India, and based on the audit procedures performed to report the true and fair view of the financial statements and as per the information and explanation given by the management, we report that we have neither come across any material fraud on or by the company noticed or reported during the year, nor we have been informed of such case by the management.

(xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a chit fund or a Nidhi/mutual benefit fund/society. Therefore, the provisions of Nidhi Rules, 2014 are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 as applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore the requirement of section 42 of the Companies Act, 2013 is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg. No. 139517W

Place : Mumbai  
Date : 05th May, 2018

Sheetal V. Shah  
Partner  
Membership No. 102140

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KORE FOODS LIMITED (Formerly known as PHIL CORPORATION LIMITED)**

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

1. We have audited the internal financial controls over financial reporting of KORE FOODS LIMITED (Formerly known as PHIL CORPORATION LIMITED) ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

8. In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place : Mumbai  
Date : 05th May, 2018

For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg. No. 139517W

Sheetal V. Shah  
Partner  
Membership No. 102140

#### BALANCE SHEET AS AT 31ST MARCH, 2018

| Particulars   | Note No. | As at              | As at              |
|---|----------|--------------------|--------------------|
|   |          | 31st March, 2018   | 31st March, 2017   |
|   |          | Rs.                | Rs.                |
| <b>I. ASSETS</b>  |          |                    |                    |
| <b>1. Non-current Assets</b>  |          |                    |                    |
| Property, Plant and Equipment   | 2        | 14,000             | 1,24,13,485        |
| Investment Property   | 2        | 1,14,74,856        | -                  |
| Other Non-Current Assets  | 3        | 7,40,000           | 7,40,000           |
| <b>2. Current Assets</b>  |          |                    |                    |
| Inventories   | 4        | -                  | 7,97,618           |
| Financial Assets  |          |                    |                    |
| Trade Receivables   | 5        | 2,42,623           | 5,16,771           |
| Cash and Cash Equivalents   | 6        | 56,496             | 97,002             |
| Loan and advances   | 7        | 3,99,178           | 2,40,905           |
|   |          | <b>1,29,27,153</b> | <b>1,48,05,782</b> |
| <b>II. EQUITY AND LIABILITIES</b>   |          |                    |                    |
| <b>1. EQUITY</b>  |          |                    |                    |
| Share Capital   | 8        | 11,65,00,000       | 11,65,00,000       |
| Other Equity  | 9        | -16,88,03,802      | -16,56,89,483      |
| <b>LIABILITIES</b>  |          |                    |                    |
| <b>2. Non-current Liabilities</b>   |          |                    |                    |
| Financial Liabilities   |          |                    |                    |
| Provisions  | 10       | 3,85,234           | 10,49,641          |
| <b>3. Current Liabilities</b>   |          |                    |                    |
| Financial Liabilities   |          |                    |                    |
| Borrowings  | 11       | 5,50,36,114        | 4,10,39,980        |
| Trade Payables  | 12       | 5,04,735           | 20,64,093          |
| Other Current Liabilities   | 13       | 90,27,372          | 1,89,11,828        |
| Provisions  | 14       | 2,77,500           | 9,29,722           |
| <b>TOTAL</b>  |          | <b>1,29,27,153</b> | <b>1,48,05,782</b> |
| Significant Accounting Policies   | 1        |                    |                    |
| Notes to the Financial Statements   | 22       |                    |                    |
| The accompanying Notes form an integral part of the Financial Statements. |          |                    |                    |

In terms of our report attached  
For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg No. 139517W

For and on behalf of the Board of Directors

S. V. Shah  
Partner  
Membership No. 102140

John Silveira  
Managing Director

SADASHIV V. SHET - Chairman  
SAYED ABBAS - Director  
A. Y. FAZALBHOY - Director  
K. D. BHAT - Director  
SHARON CARVALHO - Director  
SHALINI LOBO - CFO

Date : 05th May, 2018

Company Secretary

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

| Particulars  | Note No. | For the year ended | For the year ended  |
|--|----------|--------------------|---------------------|
|  |          | 31st March, 2018   | 31st March, 2017    |
|  |          | Rs.                | Rs.                 |
| I. Revenue From Operations   | 15       | 98,553             | 59,05,133           |
| II. Other Income   | 16       | 38,73,977          | 23,47,336           |
| III. Total Revenue (I + II)  |          | 39,72,530          | 82,52,469           |
| IV. Expenses:  |          |                    |                     |
| Cost of materials consumed   | 17       | 7,93,987           | 48,84,524           |
| Changes in inventories of finished goods   | 18       | 3,631              | 3,37,692            |
| Employee benefits expense  | 19       | 17,14,076          | 51,24,161           |
| Finance Cost   | 20       | 8,45,881           | 9,23,814            |
| Depreciation and amortization expense  | 2        | 9,24,629           | 9,35,816            |
| Other expenses   | 21       | 28,04,645          | 1,39,50,210         |
| <b>Total Expenses</b>  |          | <b>70,86,849</b>   | <b>2,61,56,217</b>  |
| V. Profit before tax (III-IV)  |          | -31,14,319         | -1,79,03,748        |
| VI. Tax Expense:   |          |                    |                     |
| (a) Current tax  |          | -                  | -                   |
| (b) Deferred tax   |          | -                  | -                   |
| VII. Profit for the year (V-VI)  |          | -31,14,319         | -1,79,03,748        |
| VIII. Prior year adjustment of Income Tax  |          | -                  | -                   |
| Balance of Profit/-Loss carried to Balance Sheet (VII-VIII)                        |          | -31,14,319         | -1,79,03,748        |
| <b>Other Comprehensive Income</b>  |          |                    |                     |
| A (i) Items that will not be reclassified to profit or loss.                       |          | -                  | -                   |
| (ii) Income tax relating to items that will not be reclassified to profit or loss. |          | -                  | -                   |
| B (i) Items that will be reclassified to profit or loss.                           |          | -                  | -                   |
| (ii) Income tax relating to items that will be reclassified to profit or loss.     |          | -                  | -                   |
| <b>Total Comprehensive Income for the Period (IX + X)</b>                          |          | <b>-31,14,319</b>  | <b>-1,79,03,748</b> |
| VIII. Basic & Diluted Earnings per equity share                                    |          | (0.27)             | (1.54)              |
| [ Nominal value of shares ` 10 (Previous year: ` 10)]                              |          |                    |                     |
| Significant accounting policies  | 1        |                    |                     |
| Notes To The Financial Statements  | 22       |                    |                     |

The accompanying Notes form an integral part of the Financial Statements.

For and on behalf of the Board of Directors

In terms of our report attached  
For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg No. 139517W

S. V. Shah  
Partner  
Membership No. 102140

John Silveira  
Managing Director

Date : 05th May, 2018

Company Secretary

SADASHIV V. SHET - Chairman  
SAYED ABBAS - Director  
A. Y. FAZALBHOY - Director  
K. D. BHAT - Director  
SHARON CARVALHO - Director  
SHALINI LOBO - CFO

## NOTE 1

## A) Company Overview.

Kore Foods Limited (formerly known as Phil Corporation Limited) is engaged in the business of Food Processing. Kore Foods Limited shares are listed on Bombay Stock Exchange.

## B) SIGNIFICANT ACCOUNTING POLICIES

## A. Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2017 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable and the applicable guidelines issued by the Securities and Exchange Board of India (SEBI) ("Previous GAAP").

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2017. All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

## (I) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The preparation of financial statements requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

**(ii) INVENTORIES**

The raw material & components, stores, packing materials and work-in-progress are valued at cost and finished goods are valued at lower of cost or net realizable value on "First in First out" basis. Excise and Custom Duties payable in respect of finished goods/imported material held in bond are provided for and consequently include cost of conversion and other cost incurred in bringing the inventories to their present location and conditions. Obsolete unserviceable and slow moving inventories are duly recognized and provided.

**(iii) CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for effects of transactions of a non-cash nature, any deferrals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**(iv) EVENTS OCCURRING AFTER THE DATE OF BALANCE SHEET**

Events occurring after the date of the Balance Sheet, wherever material, are considered up to the date of approval of accounts by the Board of Directors.

**(v) PROPERTY, PLANT AND EQUIPMENT**

Property Plant and Equipment are stated at cost net of modvat/cenvat. The cost includes all pre-operative expenses and the financing cost of borrowed fund relating to the construction period in the case of new projects. Depreciation has been provided on Useful life basis as prescribed in Schedule II of the Companies Act 2013.

**Impairment of Assets:**

The carrying amounts of assets / cash generating units at each balance sheet date are reviewed for impairment of assets. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is indication that an Impairment loss recognised for an asset no longer exists or has decreased.

**Depreciation:**

Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.

**(vi) RECOGNITION OF INCOME AND EXPENDITURE:**

a) All income and expenditure are accounted on accrual basis.

**b) INCOME FROM SALES:**

Revenue is recognized when significant risks and rewards of ownership of the goods sold are transferred to the customer and the commodity has been delivered to the shipping agent/Customer.

Sales are net of Sales tax, Excise duty, Goods return & trade discount.

**c) INCOME FROM SERVICES:**

Revenue in respect of contracts for services is recognised on when the service are rendered and related costs are incurred.

**(vii) FOREIGN CURRENCY TRANSACTIONS**

Transactions in Foreign Currencies are recorded at the exchange rate prevailing at the date of transaction. Foreign currency denominated Current Assets and Current Liabilities at year end exchange rates. The resulting gains or losses are recognised in the Statement of Profit and Loss. The premium or gain/losses arising from forward cover transactions are recognised in the Statement of Profit & Loss over the life of the forward contract.

**(viii) INVESTMENT**

Long term investment are stated at cost, provision is made to recognize a decline, other than temporary, in the value of long term investments.

**(ix) RETIREMENT BENEFITS**

a) Contribution to Provident Fund is made to Regional Provident Fund Commissioner. Contributions towards Gratuity are made to the schemes of life Insurance Corporation of India based on premium actuarially assessed and intimated in terms of the policies taken with them. These contributions are charged to Profit & Loss Account.

b) Provision for incremental liability in respect of encashable privilege leave is made on the basis of independent actuarial valuation at the year end.

**(x) EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(xi) TAXES ON INCOME**

Income tax expenses comprises of Current Tax and Deferred Tax charge or credit. Provision for Current Tax is made on the assessable income at the tax rate applicable to the relevant Assessment Year. The Deferred Tax Asset and Deferred Tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of Deferred Tax Assets are reviewed to reassure realization.

**(xii) TRADE RECEIVABLES**

Trade Receivables are stated after making adequate provision for doubtful debts/advances.

**NOTE 2 Property Plant & Equipments as on 31.03.2018**

| A. Tangible Assets                 | Balance as at<br>1st April, 2017 | Additions | Disposals       | Other<br>Adjustments | Balance as at<br>31st March, 2018 |
|------------------------------------|----------------------------------|-----------|-----------------|----------------------|-----------------------------------|
|                                    | Rs.                              | Rs.       | Rs.             | Rs.                  | Rs.                               |
| (a) Land<br>Freehold               | 2,20,050                         | -         | -               | -                    | 2,20,050                          |
| (b) Buildings<br>Own use           | 2,63,72,728                      | -         | -               | -                    | 2,63,72,728                       |
| © Plant and Equipment<br>Owned     | 3,74,63,331                      | -         | -               | -                    | 37,46,331                         |
| (d) Furniture and Fixture<br>Owned | 8,14,695                         | -         | -               | -                    | 8,14,695                          |
| <b>INVESTMENT PROPERTY</b>         | <b>6,48,70,804</b>               | <b>-</b>  | <b>-</b>        | <b>-</b>             | <b>6,48,70,804</b>                |
| <b>Others</b>                      |                                  |           |                 |                      |                                   |
| (a) Vehicles<br>Owned              | 13,95,295                        | -         | 2,24,295        | -                    | 11,71,000                         |
| (b) Computers<br>Owned             | 1,26,369                         | -         | -               | -                    | 1,26,369                          |
|                                    | <b>15,21,664</b>                 | <b>-</b>  | <b>2,24,295</b> | <b>-</b>             | <b>12,97,369</b>                  |
| <b>Total</b>                       | <b>6,63,92,468</b>               | <b>-</b>  | <b>2,24,295</b> | <b>-</b>             | <b>6,61,68,173</b>                |
| <b>Previous year</b>               | 6,81,94,238                      | -         | 18,01,770       | -                    | 6,63,92,468                       |

**Note 2 Property Plant & Equipments (contd.) as on 31.03.2018**

| Tangible assets                  | Accumulated depreciation and impairment    |   |                                     |                                   |  |   | Net Block                      |                                |                                |
|----------------------------------|--|---|-------------------------------------|-----------------------------------|--|---|--------------------------------|--------------------------------|--------------------------------|
|                                  | Depreciation Balance as on 1st April, 2018 | Impairment Loss Balance as on 1st April, 2018 | Total Balance as at 1st April, 2017 | Depreciation expense for the year | Deduction on disposal of assets/ Adjustment-Depreciation | Deduction on disposal of assets/ Adjustment- Impairment | Balance as on 31st March, 2018 | Balance as on 31st March, 2018 | Balance as on 31st March, 2017 |
|                                  | Rs.  | Rs.   | Rs.                                 | Rs.                               | Rs.  | Rs.   | Rs.                            | Rs.                            | Rs.                            |
| (a) Land Freehold                | -  | -   | -                                   | -                                 | -  | -   | -                              | 2,20,050                       | 2,20,050                       |
| (b) Buildings Own use            | 1,13,63,352                                | 30,49,669                                     | 1,44,13,021                         | 8,79,090                          | -  | -   | 1,52,92,111                    | 1,10,80,617                    | 1,19,59,707                    |
| (c) Plant and Equipments Owned   | 3,59,29,352                                | 13,64,585                                     | 3,72,93,937                         | 25,205                            | -  | -   | 3,73,19,142                    | 1,44,189                       | 1,69,394                       |
| (d) Furniture and Fixtures Owned | 7,78,695                                   | -   | 7,78,695                            | 6,000                             | -  | -   | 7,84,695                       | 36,000                         | 36,000                         |
| <b>INVESTMENT PROPERTY</b>       | <b>4,80,71,399</b>                         | <b>44,14,254</b>                              | <b>5,24,85,653</b>                  | <b>910295</b>                     | -  | -   | <b>5,33,95,948</b>             | <b>1,14,74,856</b>             | -                              |
| <b>Others</b>                    |  |   |                                     |                                   |  |   |                                |                                |                                |
| (e) Vehicles Owned               | 13,77,795                                  | -   | 13,77,795                           | 3,500                             | -  | 2,24,295  | 11,57,000                      | 14,000                         | 17,500                         |
| (f) Computers Owned              | 1,15,534                                   | -   | 1,15,534                            | 10,834                            | -  | -   | 1,26,368                       | -                              | 10,834                         |
|                                  | <b>14,93,329</b>                           | -   | <b>14,93,329</b>                    | <b>14,334</b>                     | -  | <b>2,24,295</b>   | <b>12,83,368</b>               | <b>14,000</b>                  | <b>1,24,13,485</b>             |
| <b>Total</b>                     | <b>4,95,64,728</b>                         | <b>44,14,254</b>                              | <b>5,39,78,982</b>                  | <b>9,24,629</b>                   | -  | <b>2,24,295</b>   | <b>5,46,79,316</b>             | <b>1,14,88,856</b>             | <b>1,24,13,485</b>             |
| <b>Previous year</b>             | 4,92,62,935                                | 44,14,254                                     | 5,36,77,189                         | 9,35,816                          | 6,34,022   | -   | 5,39,78,983                    | 1,24,13,485                    | 1,451,7,049                    |

**3 OTHER NON-CURRENT ASSETS  
(Unsecured, Considered Good)**

| Particulars                     | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---------------------------------|-------------------------------|-------------------------------|
| Deposits with Govt. Authorities | 7,40,000                      | 7,40,000                      |
| <b>TOTAL</b>                    | <b>7,40,000</b>               | <b>7,40,000</b>               |

**4 INVENTORIES**

| Particulars   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| (a) Raw Materials at cost                                   | -                             | 7,82,725                      |
| (b) Work-in-progress  | -                             | 11,262                        |
| © Finished goods (At lower of cost or net realisable value) | -                             | 3,631                         |
| <b>TOTAL</b>  | <b>-</b>                      | <b>7,97,618</b>               |

**5 TRADE RECEIVABLES**

| Particulars   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| (a) Trade receivables outstanding for a period exceeding six months from the date from the date they were due for payment |                               |                               |
| Unsecured, considered good  | 2,29,623                      | 2,34,110                      |
| Unsecured, considered Doubtful  | -                             | 1,94,166                      |
|   | 2,29,623                      | 4,28,276                      |
| <b>Less: Provision made for Doubtful debts</b>  | <b>-</b>                      | <b>1,94,166</b>               |
|   | 2,29,623                      | 2,34,110                      |
| (b) Other Trade receivables   |                               |                               |
| Unsecured, considered good  | 13,000                        | 2,03,927                      |
| © Private company in which any director is a director   | -                             | -                             |
| New Vision Printing Services Private Limited  | -                             | 78,734                        |
| <b>TOTAL</b>  | <b>242,623</b>                | <b>516,771</b>                |

**6 CASH AND CASH EQUIVALENTS**

| Particulars  | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--|-------------------------------|-------------------------------|
| (a) Balance with Scheduled Banks in Current Accounts | 50,092                        | 86,409                        |
| (b) Cash on hand                                     | 6,404                         | 10,593                        |
| <b>TOTAL</b>   | <b>56,496</b>                 | <b>97,002</b>                 |

**7 SHORT TERM LOANS & ADVANCES**

| Particulars                         | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|-------------------------------------|-------------------------------|-------------------------------|
| Balance with government authorities | 3,41,641                      | 71,641                        |
| Prepaid Expenses                    | -                             | 63,825                        |
| Advance to Vendors for Expenses     | -                             | 12,902                        |
| Loans and Advances - Others         | 57,537                        | 92,537                        |
| <b>TOTAL</b>                        | <b>3,99,178</b>               | <b>2,40,905</b>               |

**8 SHARE CAPITAL**

| Particulars   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| <b>Authorised</b>   |                               |                               |
| Equity Shares of Rs. 10/- each  | 1,50,00,000                   | 150,00,000                    |
| 13.75% Cumulative Redeemable Non Convertible preference shares of Rs. 100 | 10,00,000                     | 10,00,000                     |
| <b>Issued, Subscribed &amp; Paid up</b>                                   |                               |                               |
| Equity Shares of Rs. 10/- each  | 11,65,00,000                  | 11,65,00,000                  |
| <b>TOTAL</b>  | <b>11,65,00,000</b>           | <b>11,65,00,000</b>           |

**(a) Reconciliation of the number of Shares outstanding at beginning and at end of the reporting period**

| Particulars                                     | As at 31st March, 2018<br>Number | As at 31st March, 2017<br>Number |
|---|----------------------------------|----------------------------------|
| <b>Equity Shares</b>                            |                                  |                                  |
| Shares outstanding at the beginning of the year | 1,16,50,000                      | 11,65,00,000                     |
| Shares Issued during the year                   | -                                | -                                |
| Shares bought back during the year              | -                                | -                                |
| Shares outstanding at the end of the year       | 1,16,50,000                      | 11,65,00,000                     |

(I) The Company has Equity Shares having a par value of Rs. 10 per Share. Each Holder of Equity Shares is entitled to one vote per Share.

**(b) Details of Shareholders holding more than 5% Shares in the Company**

| Particulars                        | As at 31st March, 2018<br>No. of Shares held | % of Holding |
|------------------------------------|--|--------------|
| <b>Equity Shares</b>               |  |              |
| New Vision Group Holding Pvt. Ltd. | 16,52,860                                    | 14.19%       |
| Yasmin Abdullah Fazalbhoy          | 25,31,023                                    | 21.73%       |
| Polaroid Corporation*              | 9,00,000                                     | 7.73%        |

\* Ownership of Shares owned by Polaroid Corporation are undetermined as the Company has been wound up in USA Court.

**9 OTHER EQUITY**

| Particulars                                  | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--|-------------------------------|-------------------------------|
| <b>(a) Capital Reserve</b>                   |                               |                               |
| Opening Balance                              | 35,06,438                     | 35,06,438                     |
| Addition / Transfer during the year          | -                             | -                             |
| <b>Closing Balance</b>                       | <b>35,06,438</b>              | <b>35,06,438</b>              |
| <b>(b) Capital redemption reserve</b>        |                               |                               |
| Opening Balance                              | 4,20,00,000                   | 4,20,00,000                   |
| Addition / Transfer during the year          | -                             | -                             |
| <b>Closing Balance</b>                       | <b>4,20,00,000</b>            | <b>4,20,00,000</b>            |
| <b>© Securities premium account</b>          |                               |                               |
| Opening Balance                              | 9,56,09,909                   | 9,56,09,909                   |
| Addition / Transfer during the year          | -                             | -                             |
| <b>Closing Balance</b>                       | <b>9,56,09,909</b>            | <b>9,56,09,909</b>            |
| <b>(d) Surplus</b>                           |                               |                               |
| Opening Balance                              | -30,68,05,830                 | -28,89,02,082                 |
| (+) Net Profit/(-) Loss for the current year | -31,14,319                    | -1,79,03,748                  |
| INDAS Adjustment                             | -                             | -                             |
| <b>Closing Balance</b>                       | <b>-30,99,20,149</b>          | <b>-30,68,05,830</b>          |
| <b>TOTAL</b>                                 | <b>-16,88,03,802</b>          | <b>-16,56,89,483</b>          |

**10 LONG TERM PROVISIONS**

| Particulars  | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--|-------------------------------|-------------------------------|
| Provision for employee benefits<br>Gratuity (Unfunded) | 3,85,234                      | 10,49,641                     |
| <b>TOTAL</b>   | <b>3,85,234</b>               | <b>10,49,641</b>              |



**11 SHORT TERM BORROWING**

| Particulars   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| Secured Loan  |                               |                               |
| (A) From Banks - (Secured by pledge of Fixed deposit of a Director)   | 95,17,214                     | 94,90,446                     |
| (B) Other   |                               |                               |
| Other than Related Parties  | -                             | -                             |
| From Related parties<br>(Secured by Charge on Factory Building)   | 3,55,18,900                   | 2,15,49,534                   |
| Unsecured Borrowings  | -                             | -                             |
| Preference Shares   | 1,00,00,000                   | 1,00,00,000                   |
| These shares were due for redemption on 9th June 2003. Proposal for settlement of redemption of the said preference share and waiver of right to cumulative dividend has been submitted by the company. Dividend on non-convertible cumulative preference shares amounting to Rs. 4125000 upto the due date of redemption has not been provided since there have been no profits. |                               |                               |
| <b>TOTAL</b>  | <b>5,50,36,114</b>            | <b>4,10,39,980</b>            |

**12 TRADE PAYABLES**

| Particulars   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| Trade Payables  |                               |                               |
| (A) Total Outstanding dues of micro enterprises and small enterprises | -                             | -                             |
| (B) Other   |                               |                               |
| Other then Related parties  | 5,04,735                      | 20,46,093                     |
| With Related parties  | -                             | 18,000                        |
| <b>TOTAL</b>  | <b>5,04,735</b>               | <b>20,64,093</b>              |

**13 OTHER CURRENT LIABILITIES**

| Particulars                  | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|------------------------------|-------------------------------|-------------------------------|
| (Unsecured, Considered good) |                               |                               |
| (a) Statutory dues payable   | 89,30,227                     | 92,50,870                     |
| (b) Salary payable           | 97,145                        | 4,78,548                      |
| © Advance from Customers     | -                             | 91,82,410                     |
| <b>TOTAL</b>                 | <b>90,27,372</b>              | <b>1,89,11,828</b>            |

**14 SHORT TERM PROVISIONS**

| Particulars                            | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--|-------------------------------|-------------------------------|
| <b>Provision for employee benefits</b> |                               |                               |
| Bonus                                  | 24,375                        | 1,28,259                      |
| Leave Encashment (Unfunded)            | -                             | 77,255                        |
| Provision for Other<br>Expenses        | 24,375<br>2,53,125            | 2,05,514<br>7,24,208          |
| <b>TOTAL</b>                           | <b>2,77,500</b>               | <b>9,29,722</b>               |

**15 REVENUE FROM OPERATIONS**

| Particulars      | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|------------------|-------------------------------|-------------------------------|
| Sale of Products | 98,553                        | 54,92,646                     |
| Sale of Services | -                             | 4,12,487                      |
| <b>TOTAL</b>     | <b>98,553</b>                 | <b>59,05,133</b>              |

**16 OTHER INCOME**

| Particulars                                   | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---|-------------------------------|-------------------------------|
| (a) Profit on Sale of Assets                  | 16,950                        | 20,50,252                     |
| (b) Lease Rentals                             | 27,00,000                     | -                             |
| © Interest Income                             | -                             | 83,000                        |
| (d) Interest on Income Tax Refund             | 840                           | -                             |
| (e) Provision for doubtful debts written back | 1,94,166                      | 1,07,386                      |
| (f) Excess Provision of Expense written back  | 3,50,763                      | 1,06,698                      |
| (g) Sundry Credit Balances Written back       | 6,11,258                      | -                             |
| <b>TOTAL</b>                                  | <b>38,73,977</b>              | <b>23,47,336</b>              |

**17 COST OF MATERIALS CONSUMED**

| Particulars         | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|---------------------|-------------------------------|-------------------------------|
| Opening Stock       | 7,93,987                      | 19,97,892                     |
| Add: Purchases      | -                             | 36,80,619                     |
| Less: Closing Stock | -                             | 7,93,987                      |
| <b>TOTAL</b>        | <b>7,93,987</b>               | <b>48,84,524</b>              |

**18 CHANGE IN INVENTORIES OF FINISHED GOODS**

| Particulars                          | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--------------------------------------|-------------------------------|-------------------------------|
| <b>Inventories (at close)</b>        | -                             | -                             |
| Finished goods / Stock-in-Trade      | -                             | 3,631                         |
| <b>Inventories (at commencement)</b> | -                             | -                             |
| Finished Goods / Stock-in-Trade      | 3,631                         | 3,41,323                      |
| <b>TOTAL</b>                         | <b>3,631</b>                  | <b>3,37,692</b>               |

**19 EMPLOYEE BENEFITS EXPENSE**

| Particulars                                  | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|--|-------------------------------|-------------------------------|
| (a) Salaries and Wages                       | 15,88,661                     | 44,46,818                     |
| (b) Contribution to Provident and other Fund | 94,223                        | 5,19,686                      |
| © Staff Welfare Expenses                     | 31,192                        | 1,57,657                      |
| <b>TOTAL</b>                                 | <b>17,14,076</b>              | <b>51,24,161</b>              |

**20 FINANCE COSTS**

| Particulars                 | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|-----------------------------|-------------------------------|-------------------------------|
| (a) <b>Interest Expense</b> | <b>8,45,881</b>               | <b>9,23,814</b>               |
| <b>TOTAL</b>                | <b>8,45,881</b>               | <b>9,23,814</b>               |

**21 OTHER EXPENSES**

| Particulars                         | As at 31st March, 2018<br>Rs. | As at 31st March, 2017<br>Rs. |
|-------------------------------------|-------------------------------|-------------------------------|
| Stores consumed                     | -                             | 3,000                         |
| Rent                                | 36,000                        | 1,76,000                      |
| Power, fuel and lightings           | 11,627                        | 2,09,285                      |
| Rates and taxes                     | 1,36,491                      | 74,998                        |
| Freight and forwarding              | 158                           | 2,05,682                      |
| Insurance                           | 63,825                        | 73,162                        |
| Printing and stationery             | 7,772                         | 2,38,301                      |
| Security and housekeeping charges   | -                             | 2,09,316                      |
| Vehicle expenses                    | 1,54,058                      | 5,34,572                      |
| Tavel expenses and conveyance       | 2,32,007                      | 5,99,988                      |
| Repairs and Maintenance - Buildings | -                             | 5,220                         |
| Repairs and Maintenance - Machinery | 2,530                         | 49,212                        |
| Repairs and Maintenance - Others    | 8,110                         | 47,386                        |
| Legal and professional fees         | 5,68,873                      | 14,29,594                     |
| Auditor's remunerations             | -                             | -                             |
| Audit fees                          | 2,00,000                      | 2,00,000                      |
| GST / Service Tax on above          | 36,000                        | 30,000                        |
| Postage and telephone               | 35,202                        | 1,79,930                      |
| Statutory fees                      | 6,14,213                      | 5,31,461                      |
| Sales tax paid                      | 1,935                         | 81,74,660                     |
| Service Tax paid                    | -                             | 1,54,553                      |
| Excise Tax paid                     | -                             | 1,69,288                      |
| Directors fees                      | 1,29,000                      | 87,000                        |
| Bad debts                           | 1,92,104                      | 1,13,267                      |
| Provision for Doubtful debts        | -                             | 1,94,166                      |
| AGM expenses                        | 3,30,961                      | 2,13,707                      |
| Miscellaneous expenses              | 43,779                        | 46,462                        |
| <b>TOTAL</b>                        | <b>28,04,645</b>              | <b>1,39,50,210</b>            |

## SCHEDULES TO THE BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

## NOTE NO 22

## NOTES TO THE FINANCIAL STATEMENTS

|   | 2018<br>Rs.    | 2017<br>Rs.    |
|---|----------------|----------------|
| 1. Contingent Liabilities not provided for:   |                |                |
| (i) Claims for Sales tax/Excise/Service tax not accepted by the Company for which appeals are pending.  | 26,162,911     | 33,328,144     |
| (ii) Claims against the Company not acknowledged as debts.  | 1,002,740      | 1,002,740      |
| (iii) Export obligations not fulfilled against EPCG licences.   | 8,658,000      | 8,658,000      |
| (iv) Duty drawback claim granted and later revoked.   | 704,000        | 704,000        |
| (v) The Income Tax Assessments have been completed upto the Assessment year 2015-2016 and there is no demand raised by Income tax Department.   |                |                |
| 2. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably necessary. The financial statements indicate that the Company has accumulated losses and the net worth has been fully eroded. The final accounts have been prepared. On the basis of going concern as the company has identified a strategic partner to develop a viable business and it has given temporarily its manufacturing unit on lease and income therefore is treated as lease rentals.  |                |                |
| 3. The Liability of Works contract in Karnataka state has arisen due to supreme court order in respect of material used for printing in respect of year's 1998-99 to 2004-2005 was provided for in the year 2016-2017 for full tax demand of Rs. 69,57,054/- and Rs. 12,13,606/- being 10% of interest demand ( Rs. 1,21,36,064/- ) aggregating to Rs. 81,70,660/- considering that the company will take benefit of kara samadhana scheme, 2017 introduced by the Govt. of Karnataka.<br><br>The Company made part payment under the scheme and the liability of full tax demand now stands reduced to Rs. 67,76,934/- and interest demand to Rs. 1,18,28,017/-.<br><br>No further provision for differential interest of Rs. 1,06,51,778/- is provided in Accounts as the company has represented before the Authority and necessary rectification orders reducing the demand are expected. |                |                |
| 4. In respect of Non Current Assets the provision for Impairment loss has been continued at Rs. 44,14,254/- (Previous year Rs. 44,14,254/-) on existing Non Current Assets.   |                |                |
| 5. The Company has provided for incremental liability in respect of encashable Privilege leave on Ascertainment of actual determination of liability  |                |                |
| 6. The company has continued the Gratuity Scheme of LIC and has made provision for Gratuity, after considering the corpus with LIC under the scheme, on actual ascertainment of liability.  |                |                |
| 7. The Company has unabsorbed depreciation and carried forward losses etc available for set off under Income Tax Act 1961. However in view of present uncertainty regarding generation of sufficient future taxable income, Net Deferred Tax Asset in respect of related credit for the year has not been recognised in the accounts on prudent basis.  |                |                |
| 8. The names of Micro, Small and Medium Enterprises to whom the company owes sums exceeding Rs.1 Lakh each and which are outstanding for more than 30 days as at 31st March 2016 are NIL as the vendors of the company have not filed intimation about their recognition as " Supplier" under the provisions of The Micro Small & Medium Enterprises Development Act 2006.  |                |                |
| 9. EMPLOYEE BENEFITS  |                |                |
| Defined Contribution Plans  |                |                |
| Particulars   | 2017-18        | 2016-17        |
| Employers Contribution to Provident Fund  | -              | -              |
| Total   | -              | -              |
| Defined Benefit Plan  |                |                |
| i) Gratuity (funded)  |                |                |
| ii) Leave Encashment (Non-funded)   |                |                |
| i) Gratuity (funded)  |                |                |
| a) (a) The amounts recognized in the balance sheet are as follows:  |                |                |
| <b>Particulars</b>  | <b>2017-18</b> | <b>2016-17</b> |
| Total Actual Gratuity   | 491,785        | 1,265,365      |
| Current service Cost  | 8,654          | 58,276         |
| Corpus available with LIC   | 115,205        | 274,000        |
| Amount in balance sheet Liabilities   | 385,234        | 1,049,641      |
| 10. The Company has given the Factory Premises on Lease and details being as follows:   |                |                |
| a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:   | 2017-18        | 2016-17        |
| (i) Not later than one year (beginning July 2017 upto March 2018)   | 2,700,000      | -              |
| (ii) Later than one year from the balance sheet date  | 3,600,000      | -              |
| (iii) Amount receivable in period between one year and five year  | 7,200,000      | -              |
| TOTAL   | 13,500,000     | -              |
| 11. Earning Per Share Calculation   | 2017-18        | 2016-17        |
| Net Profit (Loss) after Tax   | (3,114,319)    | (17,903,748)   |
| No of Equity Shares   | 11,650,000     | 11,650,000     |
| Earning Per share(Basic)  | (0.27)         | (1.54)         |
| Diluted   | (0.27)         | (1.54)         |

12. "Related party disclosures as required under AS18, "Related party Disclosures" are given below Related party relationships have been identified by the management and relied upon by the auditors."

**Transaction with Related Parties**

**a) List of Related Parties**

**With whom transaction have taken place during the year**

**Associate Company**

New Vision Imaging Private Limited  
New Vision Printing Services Private Limited  
La Costa Enterprises Private Limited  
Cherish Specialties Limited

**Key Management Personnel**

A. Y. Fazalbhoy  
P. Padmanabhan  
John Silveira

**b) Sales**

|                             |        |          |
|-----------------------------|--------|----------|
| Cherish Specialties Limited | 50,589 | 9,60,571 |
|-----------------------------|--------|----------|

**c) Purchases**

|  |         |          |
|--|---------|----------|
| Cherish Specialties Limited                  | -       | 10,230   |
| New Vision Printing Services Private Limited | 153,720 | 4,49,249 |

**d) Loan Taken**

|                 |            |           |
|-----------------|------------|-----------|
| A. Y. Fazalbhoy | 13,969,366 | 5,549,534 |
|-----------------|------------|-----------|

**e) Advance Against Supplies**

|                             |   |           |
|-----------------------------|---|-----------|
| Cherish Specialties Limited | - | 5,221,385 |
|-----------------------------|---|-----------|

**f) Advance Received**

|                              |        |   |
|------------------------------|--------|---|
| New Vision Imaging Pvt. Ltd. | 81,792 | - |
|------------------------------|--------|---|

**g) Advance Repaid**

|                              |           |   |
|------------------------------|-----------|---|
| Cherish Specialties Limited  | 5,221,385 | - |
| New Vision Imaging Pvt. Ltd. | 81,792    | - |

**h) Expenses**

|  |          |          |
|--|----------|----------|
| New Vision Printing Services Private Limited | -        | 25,712   |
| New Vision Imaging Private Limited<br>(Rent) | 36,000   | 36,000   |
| A. Y. Fazalbhoy<br>(Rent)                    | -        | 1,26,000 |
| P. Padmanabhan<br>(Director's Remuneration)  | 1,50,000 | 9,00,000 |
| John Silveira<br>(Director's Remuneration)   | 4,40,323 | -        |

**l) Closing balance**

|  |                |                |
|--|----------------|----------------|
| New Vision Imaging Private Limited           | -              | 18,000 Cr      |
| New Vision Printing Services Private Limited | -              | 78,734 Dr      |
| Cherish Specialties Limited                  | -              | 91,82,410 Cr   |
| A. Y. Fazalbhoy – Loan                       | 3,55,18,900 Cr | 2,15,49,534 Cr |

13. FIRST TIME ADOPTION OF Ind AS

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). There are no adjustment or restatement required in the following

- Balance Sheet as at 31st March, 2017
- Statement of Profit and Loss for the year ended 31st March, 2017; and
- Statement of Cash flows for the year ended 31st March, 2017.

14. EXEMPTIONS AVAILED: Ind AS 101- First-time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

- The Company has elected not to apply Ind AS 103- Business Combinations, retrospectively to past business combinations that occurred before 1st April, 2017.
- The Company has elected to consider the carrying value of all its items of property, plant and equipment recognised in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.
- In respect of secured interest free loan from a related party the carrying amount at the year end is the principal amount is outstanding.

15. Previous year's figures have been regrouped where necessary.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

| Particulars  | For the year ended<br>31st March, 2018 |                     | For the year ended<br>31st March, 2017 |                   |
|--|--|---------------------|--|-------------------|
|  | Rs.                                    | Rs.                 | Rs.                                    | Rs.               |
| <b>A. Cash flow from operating activities</b>                        |  |                     |  |                   |
| Net Profit/(Loss) before extraordinary items and tax                 |  | -31,14,319          |  | -1,79,03,748      |
| <i>Adjustments for:</i>  |  |                     |  |                   |
| Depreciation and amortisation  | 9,24,629                               |                     | 9,35,816                               |                   |
| Bad Debts  | 1,92,104                               |                     | 1,13,267                               |                   |
| Provision for Doubtful debts   | -                                      |                     | 1,94,166                               |                   |
| Interest Income  | -                                      |                     | -83,000                                |                   |
| Interest Expenses  | 8,45,881                               |                     | 9,23,814                               |                   |
| Provision for doubtful debts written back                            | -1,94,166                              |                     | -1,07,386                              |                   |
| Excess Provision written back  | -3,50,763                              |                     | -1,06,698                              |                   |
| Profit on sale of Fixed Assets                                       | -16,950                                |                     | -20,50,252                             |                   |
| Sales tax provision made   | -                                      |                     | 81,70,661                              |                   |
|  |  | 14,00,735           |  | 79,90,388         |
|  |  | <b>-17,13,584</b>   |  | <b>-99,13,360</b> |
| Operating Profit/(Loss) before working capital changes               |  |                     |  |                   |
| <i>Changes in working capital :</i>                                  |  |                     |  |                   |
| <i>Adjustments for (increase)/decrease in Operating Assets:</i>      |  |                     |  |                   |
| Inventories  | 7,97,618                               |                     | 15,41,598                              |                   |
| Trade receivables  | 2,76,212                               |                     | 28,29,964                              |                   |
| Short-term advances  | -1,71,175                              |                     | -26,450                                |                   |
| Long-term advances   | -                                      |                     | 2,17,000                               |                   |
| Other current assets   | 12,902                                 |                     | 74,173                                 |                   |
| <i>Adjustments for increase/(decrease) in Operating Liabilities:</i> |  |                     |  |                   |
| Trade payables   | -15,59,358                             |                     | -64,77,457                             |                   |
| Other current liabilities  | -98,84,457                             |                     | 35,24,527                              |                   |
| Short-term provisions  | -6,52,222                              |                     | -2,17,058                              |                   |
| Long-term provisions   | -3,13,644                              |                     | 2,69,455                               |                   |
|  |  | <b>-1,14,94,124</b> |  | <b>17,35,301</b>  |
| Cash generated from / (used in) operations                           |  | <b>-13207708</b>    |  | <b>-81,78,059</b> |
| Net income tax (paid) / refunds                                      |  | -                   |  | -                 |
| <b>Net Cash Flow from / (used in) operating activities</b>           |  | <b>-1,32,07,708</b> |  | <b>-81,78,059</b> |
| Cash Flow from Investing Activity                                    |  |                     |  |                   |
| Purchase of Fixed Assets   | -                                      |                     |  |                   |
| Sale of Fixed Assets   | 16,950                                 |                     | 32,18,000                              |                   |
| Net Cash From / (used in) Investing Activities                       | 16,950                                 |                     | 32,18,000                              |                   |
| Net Cash Flow From / (used in) Investing Activities                  |  | <b>16,950</b>       |  | <b>32,18,000</b>  |
| Cash Flow From Financing Activity                                    |  |                     |  |                   |
| Short Term Borrowings  | 1,39,96,133                            |                     | 55,51,058                              |                   |
| Interest Paid  | -8,45,881                              |                     | -9,23,814                              |                   |
| Interest Received  | -                                      |                     | 83,000                                 |                   |
| Net Cash from / (used in) Financing Activities                       | -                                      | <b>1,31,50,252</b>  | 47,10,244                              |                   |
| Net Cash Flow from / (used in) Financing Activities                  |  | -                   |  | 47,10,244         |
| Net Increase / Decrease in Cash & Cash Equivalents                   |  | <b>-40,506</b>      |  | <b>-2,49,814</b>  |
| Cash and Cash Equivalent at the beginning of the year                |  | <b>97,002</b>       |  | <b>3,46,816</b>   |
| Cash and Cash Equivalent at the end of the year                      |  | <b>56,496</b>       |  | <b>97,002</b>     |

For S. V. Shah & Associates  
Chartered Accountants  
Firm Reg No. 109818W

S. V. Shah  
Partner  
Membership No. 102140

Date : 05th May, 2018

For and on behalf of the Board of Directors

John Silveira  
Managing Director

Company Secretary

SADASHIV V. SHET - Chairman  
SAYED ABBAS - Director  
A. Y. FAZALBHOY - Director  
K. D. BHAT - Director  
SHARON CARVALHO - Director  
SHALINI LOBO - CFO

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 35th Annual General Meeting of Kore Foods Limited will be held at Vision House, Tivim Industrial Estate, Mapusa Goa- 403526 on Tuesday, 4th September 2018 at 3.00 p.m. to transact the following business:

## ORDINARY BUSINESS

- Item no 1:- Adoption of financial statements  
To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2018 and the Reports of Directors' and Auditors' thereon.
- Item no 2:- Re-appointment of Director retiring by rotation  
To appoint a Director in place of Shri. Kundapoor Damodhar Bhat (DIN: 01685944), who retires by rotation and, being eligible, offers himself for re-appointment.
- Item no 3:- To take note of the validity of appointment of Statutory auditors till the conclusion of AGM for financial year ending 2021-22 pursuant to the amendment of Section 139(1) of Companies Act, 2013 vide the Companies (Amendment) Act, 2017 and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
"RESOLVED THAT in furtherance of the resolution passed by the Members at the 34th Annual General Meeting (AGM) held on 05th September, 2017 in respect of appointment of the Auditors, M/S. S.V Shah and Associates, Chartered Accountants (ICAI Firm Registration No. 139517W) till the conclusion of the AGM for the financial year 2021-22, shareholders of the Company hereby takes note that the office of the Statutory auditors shall be valid as such during their unexpired tenure, till the conclusion of AGM for Financial year 2021-22 and shall no longer require further ratification by shareholders at every AGM.

**SPECIAL BUSINESS****Item no 4:- Appointment of Mr. Sayed Abbas as Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof Mr. Sayed Abbas (DIN: 08057330), who was appointed as an Additional Independent Director of the Company with effect from 29th January 2018, be and is hereby re-appointed as an Independent Director of the Company and he shall hold office for a term up to five consecutive years commencing from 29th January 2018."

**Item no 5: Approval on Related Party Transactions (RPT) under Companies Act, 2013 and clause 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.**

To consider and if thought fit, to pass with or without modification(s), the following resolution for approval of Related Party Transactions for Financial Year 2018-19 as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of as per Companies Act, 2013 and Clause 23 of the SEBI (Listing Obligations & Disclosure Requirements (LODR)), Regulations, 2015 entered into with Stock Exchange, the consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into contracts / arrangements / transactions with related parties in the ordinary course of business and on arm's length basis and which are of repetitive nature for (a) sales, purchase or supply of any goods or materials directly or indirectly; (b) availing or rendering of any services whether technical and/or financial and/or both; (c) reimbursement of expenses incurred; and (d) acceptance / repayment of advances against supply for an aggregate maximum amount not exceeding Rs. 5,00,00,000/- (Rupees Five Crores Only) for the financial year 2018-19 on such terms and conditions as may be mutually agreed between the Company and the respective related party."

**"FURTHER RESOLVED THAT** any one Director be and is hereby authorised to do all such acts, deeds and things as may be required and taken all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors

John Silveira  
(Managing Director)  
DIN - 06411293

Mapusa, Goa.  
Dated :03/08/2018

CIN # : L33208GA1983PLC000520  
Registered Office :  
Vision House, Tivim Industrial Estate,  
Mapusa, Goa 403 526.

**NOTES :****Note to Item No. 03:**

Pursuant to the amendment of Section 139(1) of Companies Act, 2013 vide the Companies (Amendment) Act, 2017, the office of the statutory auditors shall be valid as such till the whole unexpired term of their tenure and shall no longer require ratification by shareholders at every AGM. Accordingly, the annual ratification of auditors shall not form part of the notice of the subsequent Annual General Meetings.

- A member entitled to attend and vote at the Annual General Meeting (the meeting) is entitled to appoint a proxy to attend and vote on poll instead of himself and the proxy need not be a member of the Company. The instrument appointing proxy should however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.  
A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such a proxy shall not act as a proxy for any other person or shareholders.
- Corporate Members intending to send their authorised representatives to attend the meeting, are requested to send to the Company a certified true copy of Board Resolution authorising their representatives to attend and vote on their behalf at the meeting.
- Information regarding appointment / reappointment of Directors and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted are annexed hereto.
- The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 29th August 2018 to Tuesday, 4th September 2018 (Both days inclusive) for the purpose of AGM.
- The Companies Registrar and Share Transfer Agents (RTA) are :  
Datamatics Financial Services Limited  
Plot No.B-5, Part B, Cross Lane,  
MIDC Marol, Andheri (East), Mumbai 400 093
- The Securities Exchange Board of India 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 the PAN to their Depository Participants with whom they are maintaining the demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
- Electronic copy of the Notice convening the 35th Annual General Meeting, Annual Reports along with Attendance Slip and Proxy Form are being sent to the members who have registered their email ids with the Company/ Depository Participants. For members who have not registered their email ids, physical copies of the aforementioned documents are being sent in the permitted mode. Members may also note that Notice and Annual Report will also be available on Company's website www.korefoods.in for downloading.
- Members who have not registered their email addresses so far are requested to do so for receiving all communications including annual reports, notice, circulars, etc from the Company electronically.
- Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. (Attendance Slip attached separately).
- Members holding shares in electronic form are requested to intimate immediately any change in address to their Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form are requested to advise any changes in their address immediately to the Company / RTA.
- All documents referred to in the accompanying Notice and explanatory statement will be kept open for inspection at the registered office of the Company on all working days between 10.00a.m. to 5 p.m prior to date of AGM.
- Route map giving directions to reach the venue of the Annual General Meeting is given at the beginning of the Annual Report.
- In compliance with the provisions of section 108 of the Companies Act, 2013, process and manner for members for opting through electronic means:  
(i) Read with Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through electronic means is provided through the e-voting platform of Central Depository Services (India) Ltd. ("remote e-voting").  
(ii) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 28th August, 2018 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the cut-off date, shall treat this Notice as intimation only.  
(iii) A member who has acquired the shares and has become a member of the Company after the despatch of the Notice of the AGM and prior to the cut-off date i.e. 28th August, 2018, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.

(iv) The e-voting will commence on Friday 31st August, 2018 at 9.00 a.m. and will end on Monday 3rd September 2018 at 5.00 p.m. During this period the members of the Company holding shares either in physical form or in demat form as on the cut-off date i.e. 28th August 2018 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

(v) Once the vote on a Resolution is cast by the member, he / she shall not be allowed to change it subsequently or cast the vote again.

(vi) The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their rights at their meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting but shall not be entitled to cast their vote again.

(vii) The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. 28th August, 2018.

(viii) The Company has appointed CS Shivaram Bhat Practising Company Secretary (ACS 10454; CP No 7853), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

(ix) The procedure and instructions for remote e-voting are as follows:

EVSN (e-voting sequence number) **180704005**

(i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(ii) Click on Shareholders / Members

(iii) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form |  |
|--|--|
| PAN  | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter Ra00000001 in the PAN field.</li> </ul> |
| Dividend Bank Details OR Date of Birth (DOB)               | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>  |

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT :**

[Information required to be furnished under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

Name : Mr. K D Bhat  
 Age : 68 Years  
 Qualification : B.E in Electronics and Communication ; PGDM.  
 Experience : Over four decades of Industrial experience in managing Company's multi location manufacturing operations along with Quality Systems, Industrial Engineering, Supply Chain, Project Planning and Sales and Distribution network. Additional exposure acquired in Corporate matters, Debt restructuring, resolving IR issues and dealing with Strategic Alliance partners. Companies interacted – Polaroid USA, UK, Konica , Japan Visiting Faculty for Goa University (Dept of Management Studies) and Centre for Incubation and Business Acceleration( CIBA)

Directorship in other Listed Entities : Nil  
 Membership/Chairmanship across Public Companies : Nil  
 Shareholding in the Company : 19600

**NOTE :**

Pursuant to Regulation 23 of the SEBI Listing Regulations, for the purpose of determination of limit, Chairpersonship and Membership of the Audit and Stakeholders Relationship Committees alone has been considered.

**None of the Directors is related to each other or other Directors of the Company.**

By Order of the Board of Directors  
 John Silveira  
 (Managing Director)  
 DIN - 06411293

Mapusa, Goa.  
 Dated :05/05/2018  
 CIN # : L33208GA1983PLC000520  
 Registered Office :  
 Vision House, Tivim Industrial Estate,  
 Mapusa, Goa 403 526.

**ANNEXURE TO NOTICE**

Explanatory Statement setting out material facts under the Companies Act, 2013 in respect of items of Special Business as per the Notice.

Item no 4:-

Based on the recommendation of the Board of Directors/ Remuneration Committee, the Company has appointed Mr. Sayed Abbas as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

As an Additional Director, Mr. Abbas holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a declaration from Mr. Abbas confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Sayed Abbas is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Mr. Abbas fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

Mr. Sayed Abbas is a lawyer by profession and his expertise and experience in the areas of his practice will add significant value to the company. A copy of the letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available on the website of the Company [www.korefoods.in](http://www.korefoods.in)

Item no 5:-

Company in its ordinary course of its business has entered or may enter into Contracts / arrangements / transactions (Related Party Transactions) with Cherish Specialties Limited, New Vision Printing Services Private Limited, New Vision Imaging Private Limited and other related parties within the meaning of Section 2(76) of the Companies Act, 2013 read with the Companies (Meeting of the Board and its powers) Rules, 2014 (the "Act") and Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that all Related Party Transactions i.e transactions entered into during the financial year exceeding 10% of the annual consolidated turnover of the Company as per the latest audited financial statements require prior approval of shareholders through special resolution.

The Company has entered into contracts/ arrangements/ transactions with Cherish Specialties Limited, New Vision Printing Services Private Limited, New Vision Imaging Private Limited relating to sales, purchases or supply of any goods, materials and availing or rendering of services, expenses incurred such as rent, advances against supply, repayment of advances which are likely to continue beyond 31st March 2018. In the opinion of the Board, the transactions/ contracts/ arrangements by the Company entered with Cherish Specialties Limited and New Vision Printing Services Private Limited and other related parties are in ordinary course of business, at arm's length basis and of repetitive nature. However, considering the facts that the aggregate value of the said transactions with Cherish Specialties Limited, New Vision Printing Services Private Limited, New Vision Imaging Private Limited and other related party entered during the financial year exceeded and/ or may exceed in future the threshold limit for 'materiality' as defined under Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 consequent to future basis projection, approval of the Company by special resolution is required for the aforesaid arrangements/ contracts/ transactions for an aggregate maximum amount of Rs. 5,00,00,000/- ( Rupees Five Crores Only) for the financial year 2018-19.

None of the Directors or Key Managerial Person of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice, except Mr. Abdullah Y Fazalbhoy – Non executive Director of the Company and his relatives.

The Board is of the opinion that the above transactions are in the best interest of the Company and have approved the same in their meeting after the prior approval of audit committee.



If undelivered, please return to:  
Kore Foods Ltd., Vision House, Tivim Industrial Estate, Mapusa, Goa - 403 526.

**KORE FOODS LIMITED**  
 CIN: L33208GA1983PLC000520  
 Vision House, Tivim Industrial Estate, Mapusa, Goa 403 526

**ATTENDANCE SLIP**  
 35th Annual General Meeting

Reg. Folio/DP & Client No: \_\_\_\_\_ No. of Shares Held: \_\_\_\_\_

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the 35th Annual General Meeting of the Company at Vision House, Tivim Industrial Estate, Mapusa, Goa 403 526 at 3.00 p.m. on Tuesday, 4th September, 2018.

Member's Name : \_\_\_\_\_

Proxy's Name : \_\_\_\_\_

Member's / Proxy's Signature

- Note: 1. Please fill this attendance slip and hand it over at the entrance of the Hall.  
 2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting .  
 3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.  
 4. Joint holders may obtain additional slip at the venue of the meeting.



| <b>Proxy Form</b>   |  |
|---|--|
| <i>[Pursuant to section 105(6) of Companies Act 2013 &amp; rule 19(3) of the Companies Management and Administration) rules 2014</i>  |  |
| CIN   | : L33208GA1983PLC000520  |
| Name of the company   | : KORE FOODS LIMITED   |
| Registered office   | : Vision House, Tivim Industrial Estate, Mapusa  |
| I/We,<br>being<br>the   | Name of the member (s) :<br>Registered address :<br>E-mail Id :<br>Folio No / Client Id :<br>DP ID : |
|   | Affix revenue stamp of not less than Rs. 1   |
| I / We being the member (s) of ..... shares of the above named company, hereby appoint  |  |
| 1. Name: .....  | 2. Name: .....   |
| Address: .....  | Address: .....   |
| E-mail Id: .....  | E-mail Id: .....   |
| Signature: ....., or failing him  | Signature: ....., or failing him   |
| 3. Name: .....  |  |
| Address: .....  |  |
| E-mail Id: .....  |  |
| Signature: ..... or failing him   |  |
| as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the company, to be held on the _____ at _____ at _____ in respect of such resolutions as are indicated below: |  |
| Resolution No.  |  |
| 1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31 <sup>st</sup> 2018  |  |
| 2. Re-appointment of Mr. Kundapoor Damodhar Bhat as a Director of the Company   |  |
| 3. To take note of the validity of appointment of Statutory auditors till the conclusion of AGM for financial year ending 2021-22   |  |
| 4. Appointment of Mr. Sayed Abbas as Independent Director   |  |
| 5. Approval on related party transactions (RPT) under Companies Act, 2013 and Clause 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.   |  |
| Signed this ..... day of ..... 20 .....   |  |
| Signature of shareholder _____  |  |
| Signature of Proxy holder(s) _____  |  |
| <b>Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.</b>                           |  |