

RCL FOODS LIMITED

Registered Office: No.16,Ranganathan Avenue,
Ground Floor,Kilpauk,Chennai- 600 010.
E:desk@rcloffoods.in Web:rcloffoods.in



Date: 17.10.2017

To,

The Deputy General Manager - CRD
The Bombay Stock Exchange Limited
PJTowers
Dalal Street
Mumbai - 400 001

Sub: Submission of a copy of annual report

Dear Sir,

Pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the copy of Annual Report for the financial year ended 31.03.2017 for your kind information and records.

Kindly acknowledge the receipt.

Thanking You,

Yours Sincerely

For RCL Foods Limited

A handwritten signature in black ink, appearing to be a stylized name.

Director

Encl: As above

**25th Annual Report & Accounts
For the year ended
31st March 2017**



RCL FOODS LIMITED
(Formerly Known As Passari Cellulose Limited)

❖ **BOARD OF DIRECTORS**

Mr. Nitesh R Lodha	- Chairman & Director
Mr. Kushal Jain	- Director
Mr. Vimal Chand Chordia	- Director (w.e.f 03.09.2016)
Mrs. Kushbu	- Director
Mr. Shreyans Lodha	- CFO

❖ **AUDITORS**

M/s. Krishnan & Giri,
Chartered Accountants,
72, 2nd Floor Thatha Muthaippan Street
Chennai- 600 001.

❖ **BANKERS**

ICICI Bank Ltd,
Madhavaram Branch,
Chennai

❖ **LISTING INFORMATION**

The Bombay Stock Exchange Ltd

❖ **REGISTERED OFFICE**

RCL Foods Limited
Old No. 28, New No.16
Ranganathan Avenue, Kilpauk,
Chennai-600 010.

❖ **REGISTRAR & SHARE TRANSFER AGENT**

Cameo Corporate Services Limited
No.2, Club House Road,
Chennai-600 002.

NOTICE

Notice is hereby given that the TWENTY FIFTH ANNUAL GENERAL MEETING of the members of M/s. RCL FOODS LIMITED will be held at Paras Guest House, 141, Perambur Barrakcs Road, Purasaiwalkam, Chennai - 600007 on Friday, the 29th day of September, 2017 at 11.00 A.M to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2017, the Profit and Loss Account and Cash Flow Statement of the Company for the period ending 31.03.2017 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Mr. Nitesh Ratanchand Lodha, (DIN: 01748000), Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Krishnan & Giri., Chartered Accountants (FRN: 001512S) as Statutory Auditors of the Company for the year 2017-18 and to fix their remuneration.

Place: Chennai
Date: 01.09.2017

By Order of the Board
For RCL FOODS LIMIEDT

SD/-
NITESH R LODHA
Chairman & Director
DIN: 01748000

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy and proxy need not be a member. The proxies should be lodged with the company not later than 48 hours before the time fixed for the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.

3. Revenue stamp should be affixed on the Proxy form. Forms which are not stamped are liable to be considered invalid. It is advisable that the Proxy holder's Signature may also be furnished in the Proxy Form, for identification purpose.

4. Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.

5. The register of members and share transfer of the company will remain closed from 23.09.2017 to 29.09.2017 (Both days inclusive).

6. The members are requested to intimate to the Company and or to its Registrar & Share Transfer Agent M/s. Cameo Corporate Services Limited, No.2, Club House Road, Chennai – 600 002 for changes, if any, in their registered address along with Pin Code Number.

7. Members are informed that copy of annual report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the annual report to the meeting.

8. Members are requested to quote their Folio Number, email ID, mobile numbers in all correspondences with the Company.

9. Details under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the notice. The Director has furnished the requisite declarations for their re-appointment.

10. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions as set forth in this Notice.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Monday the 25th day of September 2017 (09.00 a.m. IST) and ends on Thursday the 28th day of September, 2017 (05.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday the 22nd day of September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on Shareholders.

(v) 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.

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

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

(viii) 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">• 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.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label• 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.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If 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).
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(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x) Members holding shares in physical form will then directly reach 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.

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

(xii) Click on the EVSN for the relevant “RCL FOODS LIMITED” on which you choose to vote.

(xiii) 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.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

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

(xix) 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 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.
- 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 should be mailed to 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.

(xx) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other instructions:

- (a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday 22nd September, 2017.
- (b) Mr. Balu Sridhar, Practicing Company Secretary (Membership No.F5869) has been appointed as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (c) The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same and shall declare the results forthwith.
- (d) The results declared along with the Scrutinizer’s Report shall be placed on the website of CDSL and shall be immediately forwarded to the Stock exchange in which the shares of the Company are listed.

Information about director seeking re-appointment in this Annual General Meeting in respect of Item No.02 above (in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name Of The Director	Mr. Nitesh R Lodha
Date of Birth	18.07.1986
Date of Appointment on the Board as a Director	20.02.2008
Qualification	B.B.A, M.B.A
List of Outside Directorships held	RCL Retail Limited RCL Enterprises Private Limited Kinjal Foods Limited
Chairman / Member of the committees of the Board of Directors of other company	Member in a) Audit Committee, and b) Stakeholders Relationship Committee
No of shares held in company	1,68,691

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Fifth Annual Report together with Audited accounts for the year ended 31.03.2017.

1. FINANCIAL RESULTS:

The financial results for the year ended 31.03.2017 and for the previous year 31.03.2016 are as under:

PARTICULARS	March 31, 2017	March 31, 2016
Income	1,34,40,471	1,56,26,387
Less: Expenditure	1,27,41,021	1,73,17,377
Profit before depreciation & Tax	6,99,450	(16,90,990)
Less: Depreciation	23,20,703	28,73,912
Profit before tax	(16,21,253)	(45,64,902)
Less: Current tax	0	0
Less: Deferred Tax	(2,78,420)	(4,08,896)
Profit after Tax	(13,42,833)	(41,56,007)

2. STATE OF AFFAIRS OF THE COMPANY & CHANGE IN NATURE OF BUSINESS:

The Company is engaged in the business of Manufacturing and Trading of ready to eat food products and processed foods. There is no change in the nature of business during the year under review.

3. DIVIDEND & RESERVES:

In view of losses, your Directors do not recommend any dividend for the year. No amount is proposed to be transferred to Reserves during the year.

4. DEPOSITS:

The company has not accepted or invited any deposits under the provisions of the Companies Act, 2013, and rules related thereto.

5. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in form MGT 9 for the year ended 31.03.2017 is attached as Annexure "A".

6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

The Company is not having any subsidiary, associate and joint venture company. Hence, the reporting under this clause does not arise.

7. MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

8. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186:

During the year under review, the Company has not invested in securities and the loans advanced are within the limits obtained in the Annual General Meeting held on December 31, 2014.

9. SHARE CAPITAL:

The Company during the year under review has not issued any Sweat Equity Shares or Shares with Differential Rights or under Employee Stock Option Scheme nor did it Buy Back any shares.

10. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

11. BOARD OF DIRECTORS AND ITS COMMITTEES:

A. COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors of the Company comprises Four Directors of which two are Non-Executive Independent Directors and two are Non-Executive Promoter Directors.

Appointment / Re-Appointment:

In terms of Section 152 of the Companies Act, 2013, Mr. Nitesh Ratanchand Lodha, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends his continuation as Director of the Company. Mr. G Vimal Chand Chordia, was appointed as Additional Director of the Company on 03.09.2016 and subsequently confirmed as Director in the 24th Annual General Meeting held on 08.02.2017.

Resignation:

Mr. Pramod Kumar Agarwal resigned from the Board with effect from 04.06.2016. The board expresses its sincere appreciation for the contribution made by him during his tenure as Director of Company.

B. MEETINGS OF BOARD OF DIRECTORS

During the year under review, the Board of Directors met 8 times on 30.04.2016, 04.06.2016, 20.07.2016, 31.08.2016, 03.09.2016, 15.09.2016, 25.11.2016 and 21.02.2017 and the gap between two Board meetings were not more than 120 days. The particulars of name of the Directors and attendance are mentioned below:

S.No	Name of the Directors	Designation & Category	No. of Meetings in the year 2016-17		Attended 24 th AGM	No. of other Directorship in other Public/Private Companies	No. of Membership / Chairmanship in Other Companies Board Committee
			Held	Attended			
1	Mr. Nitesh R Lodha	Director (NED)	08	08	Yes	3	2
2	Mr. Kushal Jain	Director (NEID)	08	08	Yes	1	Nil
3	Ms. Kushbu	Director (NED)	08	08	Yes	1	Nil
4	Mr. Pramod Kumar Agarwal *	Director (NEID)	02	02	NA	Nil	Nil
5	Mr. Gumanmal Vimal Chand Chordia**	Director (NEID)	03	03	Yes	1	3

* Resigned from the Board w.e.f. 04.06.2016

** Appointed w.e.f. 03.09.2016

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held during the year under review.

C. AUDIT COMMITTEE

The Audit committee of your company comprises of three members and the committee met 4 (Four) times on 04.06.2016, 15.09.2016, 25.11.2016 and 21.02.2017. The composition of the Audit Committee and details of meeting held are provided hereunder:

Name of Directors	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Kushal Jain	Chairman	Non executive & Independent director	04	04
Mr. Nitesh R Lodha	Member	Non-executive director	04	04
Mr. Pramod Kumar Agarwal *	Member	Non-executive independent director	04	01
Mr. Gumanmal Vimal Chand Chordia **	Member	Non-executive independent director	04	03

* Resigned from the Board w.e.f. 04.06.2016

** Appointed w.e.f. 03.09.2016

The terms of reference of the Audit committee covers the matter specified under Section 177 of the Companies Act, 2013 and SEBI (LODR Regulations), 2015.

D. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration committee of your company comprises of four members and the committee met one time on 03.09.2016. The Nomination & Remuneration committee consists of the following members.

Name of Directors	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Kushal Jain	Chairman	Non-executive & Independent director	1	1
Ms. Kushbu	Member	Non executive director	1	1
Mr. Pramod Kumar Agarwal *	Member	Non-executive & Independent director	1	0
Mr. Gumanmal Vimal Chand Chordia **	Member	Non-executive & Independent director	1	0

* Resigned from the Board w.e.f. 04.06.2016

** Appointed w.e.f. 03.09.2016

The Nomination and Remuneration Committee has been empowered and authorized to exercise powers as entrusted under the provisions of Section 178 of the Companies Act, 2013. In compliance with Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration and including criteria for determining qualifications, positive attributes, independence of Directors and other matters.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selecting candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors and Senior Management, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company.

E. STAKEHOLDERS RELATIONSHIP COMMITTEE

a. The Stakeholders Relationship Committee is to look after transfer of shares and the investor's complaints, if any, and to redress the same expeditiously. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Four meeting of the Committee was held during the year under review on 20.04.2016, 13.07.2016, 12.10.2016 and 12.01.2017. The Stakeholders relationship committee consists of the following members:

Name of Directors	Designation	No. of Meetings	
		Held	Attended
Mr. Kushal Jain	Chairman	4	4
Mr. Nitesh R Lodha	Member	4	4
Mr. Pramod Kumar Agarwal *	Member	4	1
Mr. Gumanmal Vimal Chand Chordia **	Member	0	3

* Resigned from the Board w.e.f. 04.06.2016

** Appointed w.e.f. 03.09.2016

b. The number of investor complaints received during the year is NIL

c. The number of investor complaints not solved to the satisfaction of Shareholders is NIL

d. The number of pending complaints as on date is NIL

NAME, DESIGNATION AND ADDRESS OF THE COMPLIANCE OFFICER:

Mr. Nitesh R Lodha –Compliance Officer
RCL Foods Limited
200-A Madhavaram High Road,
Madhavaram, Chennai 600 060

F. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, performance of the Chairman and other Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees and the Independent Directors.

G. STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS OF THE COMPANY:

All the Independent directors of the Company have given declarations under Section 149 of the Companies Act, 2013, that they meet the criteria of independence

H. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 134(5) of the Companies Act, 2013, we, on behalf of the Board of Directors, hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts ongoing concern basis.
- e) the directors had laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. AUDITORS:

M/s. Krishnan & Giri, Chartered Accountants, Chennai (FRN: 001512S), Statutory Auditors of the company, were appointed in the 22nd Annual General Meeting of the Company for a term of five years from the conclusion of the said Annual General Meeting as per the provisions of Companies Act, 2013, subject to ratification by shareholders in every subsequent Annual General Meeting. The Board of Directors recommends the Shareholders to ratify the appointment of Statutory Auditors for the financial year 2017-2018 and fix their remuneration.

13. REPLY TO AUDITORS REMARK:

Emphasis of Matter:

In the opinion of Board of Directors, the investments are approximately of the value stated, as they are realized in the ordinary course of business.

Point No.7 of Annexure "A":

The Board will ensure that the undisputed statutory dues are deposited within the statutory time limit.

14. SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Ms. A.K. Jain & Associates, Company Secretary in Practice, Chennai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report (in Form MR-3) is attached as **Annexure "B"** to this Report.

15. COMMENTS ON SECRETARIAL AUDITORS' REPORT:

The Company is taking necessary steps to comply with the provisions of Section 203 of the Companies Act, 2013. The Board of Directors will ensure that necessary forms will be filed with the Registrar of Companies and necessary compliances will be made within the stipulated time as mentioned in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 wherever applicable.

16. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company does not fall under the class of Companies mentioned under Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility) Rules, 2014. Hence, the Company has not spent any funds towards Corporate Social Responsibility.

17. VIGIL MECHANISM:

In compliance with the provisions of Section 177(9) the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company.

18. MANAGEMENT DISCUSSION ANALYSIS & REVIEW REPORT:

A detailed analysis on the performance of the industry, the company, internal control systems, risk management are enumerated in the Management Discussion and Analysis report forming part of this report and annexed as 'Annexure C'.

19. CORPORATE GOVERNANCE:

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, does not apply to your Company, as the Company's equity share capital and net worth is below the threshold limit prescribed under the said Regulation. Hence, the report on Corporate Governance is not provided.

20. CODE OF CONDUCT:

A declaration signed by the Director affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2016-17 is given in "Annexure D".

21. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All transactions entered by the company with Related Parties were in the ordinary course of business and at arm's length pricing basis. The details of related party transaction pursuant to clause (h) of sub-section 134 of the Act, is enclosed in Form AOC-2 as **Annexure - E**.

22. DETAILS TO BE DISCLOSED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

None of the employees draws remuneration of Rs. 8,50,000/- or above per month and Rs.1,02,00,000/- or above per year. Hence, details of the employees of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not furnished.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, forming part of the Annual Report, is available for inspection at the registered office of the company during working hours. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee and free of cost.

23. RISK MANAGEMENT POLICY AND INTERNAL FINANCIAL CONTROL:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Audit Committee has also revisited the Risk Management Policy and has taken steps to strengthen the Risk Management process in keeping with the changes in the external environment and business needs.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. In addition to the Internal Control Systems, the Board has laid emphasis on adequate Internal Financial Controls to ensure that the financial affairs of the Company are carried out with due diligence. These are routinely tested and certified by the Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

24. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The product manufactured by the Company is material intensive and not power intensive. However, the thrust on energy conservation continues and necessary measures for optimization of energy consumption have been taken. The technology used is indigenous, neither any foreign exchange was earned nor there was any outgo of foreign exchange during the period under report. The quantitative and other details of the various raw materials used are given in Notes on Accounts to the Statement of Accounts of the Company.

25. LISTING WITH STOCK EXCHANGE

The Company's equity shares are listed in Bombay Stock Exchange.

26. DISCLOSURE UNDER 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 requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal), Act, 2013. During the year under review no complaints have been received.

27. ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the customers, suppliers, bankers, business partners/associates, financial institutions and various regulatory authorities for their consistent support/encouragement to the Company. Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

By Order of the Board
For **RCL FOODS LIMITED**

Place: Chennai
Date: 01.09.2017

SD/-
Nitesh Ratanchand Lodha
Chairman & Director
(DIN: 01748000)

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2017
[Pursuant to Section 92(3) of the Companies Act, 2013, and

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN:	L01407TN1992PLC075956
(ii)	Registration Date	02.11.1992
(iii)	Name of the Company	RCL FOODS LIMITED
(iv)	Category / Sub-category of the Company	Public Company / Having a Share Capital
(v)	Address of the Registered office and contact details	Old No. 28, New No.16, Ranganathan Avenue, Kilpauk, Chennai - 600010 Tel: 044 -48508024
(vi)	Whether listed Company	Yes, BOMBAY STOCK EXCHANGE
(vii)	Name and Address of Registrar & Transfer Agents (RTA)	M/s Cameo Corporate Services Limited No.2, Club House Road, Chennai 600 002 Tel: 044 - 2846 0390 Email id: investor@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Manufacturing and Trading in Food and Processed food products.	107	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
NIL			

IV. SHARE HOLDING PATTERN

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	DIRECTORS AND THEIR RELATIVES	1097822	0	1097822	24.1412	1097822	0	1097822	24.1412	0.0000
		1097822	0	1097822	24.1412	1097822	0	1097822	24.1412	0.0000
	SUB - TOTAL (A)(1)	1097822	0	1097822	24.1412	1097822	0	1097822	24.1412	0.0000
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	1097822	0	1097822	24.1412	1097822	0	1097822	24.1412	0.0000
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	VENTURE CAPITAL FUNDS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	329745	18700	348445	7.6623	237233	18700	255933	5.6279	-2.0343

b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	754830	580705	1335535	29.3685	767453	579605	1347058	29.6219	0.2533
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	1479671	51400	1531071	33.6684	1570439	51400	1621839	35.6644	1.9959
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	HINDU UNDIVIDED FAMILIES	232640	0	232640	5.1157	222841	0	222841	4.9002	0.2025
	NON RESIDENT INDIANS	1987	0	1987	0.0436	2007	0	2007	0.0441	0.0004
		234627	0	234627	5.1594	224848	0	224848	4.9444	-0.2150
	SUB - TOTAL (B)(2)	2798873	650805	3449678	75.8587	2799973	649705	3449678	75.8587	0.0000
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	2798873	650805	3449678	75.8587	2799973	649705	3449678	75.8587	0.0000
	TOTAL (A)+(B)	3896695	650805	4547500	100.0000	3897795	649705	4547500	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED - (C)	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	3890895	650805	4547500	100.0000	3897795	649705	4547500	100.0000	0.0000

ii. SHAREHOLDINGS OF PROMOTERS

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	Pledged Shares at beginning of the Year	Pledged Shares at end of the Year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares			
1	SATISH JAIN	461900	10.1572	0.0000	461900	10.1572	0.0000	0.0000	0	0
2	NITESH R LODHA	168691	3.7095	0.0000	168691	3.7095	0.0000	0.0000	0	0
3	RATAN CHAND LODHA (HUF)	155000	3.4084	1.2094	155000	3.4084	1.2094	0.0000	55000	55000
4	NITHA LODHA	116826	2.5690	2.0890	116826	2.5690	2.0890	0.0000	95000	95000
5	SHOBHA LODHA	111144	2.4440	2.0890	111144	2.4440	2.0890	0.0000	95000	95000
6	SHREYANS LODHA	75032	1.6499	0.0000	75032	1.6499	0.0000	0.0000	0	0

	(HAVING SAME PAN)									
6	SHREYANS LODHA .	9229	0.2029	0.0000	9229	0.2029	0.0000	0.0000	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	SATISH JAIN				
	At the beginning of the year 01-Apr-2015	461900	10.1572	461900	10.1572
	At the end of the Year 31-Mar-2016	461900	10.1572	461900	10.1572
2	NITESH R LODHA.				
	At the beginning of the year 01-Apr-2015	168691	3.7095	168691	3.7095
	At the end of the Year 31-Mar-2016	168691	3.7095	168691	3.7095
3	RATAN CHAND LODHA (HUF).				
	At the beginning of the year 01-Apr-2015	155000	3.4084	155000	3.4084
	At the end of the Year 31-Mar-2016	155000	3.4084	155000	3.4084
4	NITHA LODHA.				
	At the beginning of the year 01-Apr-2015	116826	2.5690	116826	2.5690
	At the end of the Year 31-Mar-2016	116826	2.5690	116826	2.5690
5	SHOBHA LODHA.				
	At the beginning of the year 01-Apr-2015	111144	2.4440	111144	2.4440
	At the end of the Year 31-Mar-2016	111144	2.4440	111144	2.4440
6	SHREYANS LODHA				
	At the beginning of the year 01-Apr-2015	75032	1.6499	75032	1.6499
	At the end of the Year 31-Mar-2016	75032	1.6499	75032	1.6499
6	SHREYANS LODHA (HAVING SAME PAN)				
	At the beginning of the year 01-Apr-2015	9229	0.2029	9229	0.2029
	At the end of the Year 31-Mar-2016	9229	0.2029	9229	0.2029

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

	Shareholding at the beginning of the year	Cumulative Shareholding during the year

Sl No	Name of the Share holder	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	NAJMUDDIN GULAMHUSEIN KHERAJ				
	At the beginning of the year 01-Apr-2016	160120	3.5210	160120	3.5210
	Sale 01-Apr-2016	-160120	3.5210	0	0.0000
	Purchase 15-Apr-2016	160120	3.5210	160120	3.5210
	At the end of the Year 31-Mar-2017	160120	3.5210	160120	3.5210
2	NAZLIN NAZMUDDIN KHERAJ				
	At the beginning of the year 01-Apr-2016	123800	2.7223	123800	2.7223
	Sale 01-Apr-2016	123800	2.7223	0	0.0000
	Purchase 15-Apr-2016	123800	2.7223	123800	2.7223
	At the end of the Year 31-Mar-2017	123800	2.7223	123800	2.7223
3	MARIARETHINAM SUSAIRAJ				
	At the beginning of the year 01-Apr-2016	120600	2.6520	120600	2.6520
	Sale 01-Apr-2016	-120600	2.6520	0	0.0000
	Purchase 15-Apr-2016	120600	2.6520	120600	2.6520
	At the end of the Year 31-Mar-2017	120600	2.6520	120600	2.6520
3	SUSAIRAJ M (HAVING SAME PAN)				
	At the beginning of the year 01-Apr-2016	5788	0.1272	5788	0.1272
	Sale 03-Jun-2016	-1000	0.0219	4788	0.1052
	Sale 08-Jul-2016	-2700	0.0593	2088	0.0459
	At the end of the Year 31-Mar-2017	2088	0.0459	2088	0.0459
4	GUINNESS SECURITIES LIMITED				
	At the beginning of the year 01-Apr-2016	115338	2.5362	115338	2.5362
	Sale 01-Apr-2016	-115338	2.5362	0	0.0000
	Purchase 15-April-2016	115338	0.5362	115338	2.5362
	At the end of the Year 31-Mar-2017	115338	2.5362	115338	2.5362
5	VISHWARAJ MUTTA				
	At the beginning of the year 01-Apr-2016	100000	2.1990	100000	2.1990
	Sale 01-Apr-2016	-100000	2.1990	0	0.0000
	Purchase 15-Apr-2016	100000	2.1990	100000	2.1990
	At the end of the Year 31-Mar-2017	100000	2.1990	100000	2.1990
6	JESINTHAMARY SOOSAIRAJ				
	At the beginning of the year 01-Apr-2016	98700	2.1704	98700	2.1704
	Sale 01-Apr-2016	-98700	2.1704	0	0.0000
	Purchase 15-Apr-2016	98700	2.1704	98700	2.1704
	At the end of the Year 31-Mar-2017	98700	2.1704	98700	2.1704
7	KOTAK MAHINDRA INVESTMENTS LTD				
	At the beginning of the year 01-Apr-2016	80000	1.7592	80000	1.7592
	Sale 01-Apr-2016	-80000	1.7592	0	0.0000
	Purchase 15-Apr-2016	80000	1.7592	80000	1.7592

	Sale 06-May-2016	-80000	1.7592	0	0.0000
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000
8	VARUN PREM BUDHRANI				
	At the beginning of the year 01-Apr-2016	76559	1.6835	76559	1.6835
	At the end of the Year 31-Mar-2017	76559	1.6835	76559	1.6835
8	VARUN PREM BUDHRANI (HAVING SAME PAN)				
	At the beginning of the year 01-Apr-2016	15731	0.3459	15731	0.3459
	Sale 01-Apr-2016	-15731	0.3459	0	0.0000
	Purchase 15-Apr-2016	18653	0.4101	18653	0.4101
	At the end of the Year 31-Mar-2017	18653	0.4101	18653	0.4101
9	KIRAN I KARNAWAT				
	At the beginning of the year 01-Apr-2016	70000	1.5393	70000	1.5393
	Sale 01-Apr-2016	-70000	1.5393	0	0.0000
	Purchase 15-Apr-2016	70000	1.5393	70000	1.5393
	At the end of the Year 31-Mar-2017	70000	1.5393	70000	1.5393
10	PREM REWACHAND BUDHRANI				
	At the beginning of the year 01-Apr-2016	66061	1.4526	66061	1.4526
	At the end of the Year 31-Mar-2017	66061	1.4526	66061	1.4526
10	PREM REWACHAND BUDHRANI (HAVING SAME PAN)				
	At the beginning of the year 01-Apr-2016	6	0.0001	6	0.0001
	Sale 01-Apr-2016	-6	0.0001	0	0.0000
	Purchase 15-Apr-2016	6	0.0001	6	0.0001
	At the end of the Year 31-Mar-2017	6	0.0001	6	0.0001
11	HASSARAM REWACHAND BUDHRANI JT1 : POOJA HASSARAM BUDHRANI				
	At the beginning of the year 01-Apr-2016	0	0.0000	0	0.0000
	Purchase 06-May-2016	63581	1.3981	63581	1.3981
	At the end of the Year 31-Mar-2017	63581	1.3981	63581	1.3981

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	NITESH R LODHA				
	At the beginning of the year 01-Apr-2016	168691	3.7095	168691	3.7095
	At the end of the Year 31-Mar-2017	168691	3.7095	168691	3.7095
2	SHREYANS LODHA				
	At the beginning of the year 01-Apr-2015	75032	1.6499	75032	1.6499

	At the end of the Year 31-Mar-2016	75032	1.6499	75032	1.6499
2	SHREYANS LODHA (HAVING SAME PAN)				
	At the beginning of the year 01-Apr-2015	9229	0.2029	9229	0.2029
	At the end of the Year 31-Mar-2016	9229	0.2029	9229	0.2029

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,808,660	1,51,49,694	0	1,79,58,354
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	2,808,660	1,51,49,694	0	1,79,58,354
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	5,59,526	88,44,539	0	94,04,065
Net Change	(5,59,526)	(88,44,539)	0	(94,04,065)
Indebtedness at the end of the financial year				
i) Principal Amount	22,49,134	63,05,155	0	85,54,289
ii) Interest due but not paid	0	0		
iii) Interest accrued but not due	0	0		
Total (i+ii+iii)	22,49,134	63,05,155	0	85,54,289

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MD, WHOLE-TIME DIRECTORS AND/OR MANAGER: NIL

B. REMUNERATION TO OTHER DIRECTORS : NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

By Order of the Board
For RCL FOODS LIMITED

Place: Chennai
Date: 01.09.2017

SD/-
Nitesh Ratanchand Lodha
Chairman & Director
DIN: 01748000

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment
and Remuneration Personnel) Rules, 2014]

To
The Members,
RCL FOODS LIMITED
Old No. 28, New No.16,
Ranganathan Avenue,
Kilpauk, Chennai-600010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s.RCL FOODS LIMITED, (hereinafter called as "the company"). The secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2017, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017 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) 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;
 - (c) 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;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India. (Effective 1st July, 2015).
- (b) The Listing Agreements entered into by the Company with BSE Ltd.

We report that, the provisions of the following regulations are not applicable to the Company during the audit period:-

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that,

- (a) the Company has no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing during the year.
- (b) the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory audit and by other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a). The Company has not appointed Managing Director or CEO or Manager or Whole Time Director and Company Secretary as required u/s 203 of the Companies Act, 2013.*
- b). In absence of Company Secretary, the Company has not complied with Regulation 6 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, viz., appointment of Company Secretary as Compliance officer*
- c). The Company has not filed Form MGT 10 for change in the number of shares held by Promoters and Top Ten Shareholders as required u/s 93 of the Companies Act, 2013.*
- d). The Company has not filed Form MGT 14's for resolutions passed under Section 117 and 179 of the Act, read with rules thereto.*
- e). The Company has conducted the Annual General Meeting of Members for the financial year ended March 31, 2016, beyond the time prescribed under Section 96 of the Companies Act, 2013.*
- f). The Company has not adopted the Quarterly and yearly financial statements within the prescribed time, as per Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015*
- g). The Company has not submitted the Annual Report for the year ended 31st March 2016, within 21 days of Annual General Meeting as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015*
- h). The Company has not paid the listing fees to the Stock Exchange as per Regulation 14 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015*

i). The Company has not submitted the compliance Certificate from the Share Transfer Agent, on physical & electronic transfer facility as per Regulation 7 (3) for the half year ended 31.03.2016.

jj). The Company has belatedly submitted the Corporate Governance report as required under Regulation 27 (2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the quarter ended 31.03.2016.

k). The Company has belatedly submitted the Declaration by promoters as required under Regulation 30 (2) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 for the year ended 31.03.2016.

l). The Company has belatedly intimated the Stock Exchange with respect to resignation of Mr. Pramod Kumar Agarwal, Director and appointment of Mr. Vimal Chand Chordia, as Director, as required under regulation 30 (2) and Part A of Part A of schedule III of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

m). The Company did not comply with the requirement of having minimum number of members in the Nomination and Remuneration Committee and Stakeholders Relationship Committee as prescribed Section 178 of Companies Act, 2013 from 04.06.2016 to 03.09.2016.

We further report that, having regard to the compliance system prevailing in the Company and based on the written representations received from the officials/executives of the Company, we state that there are adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance of the following laws applicable specifically to the Company;

a. Food Safety And Standards Act, 2006 and Rules framed thereunder;

b. The Factories Act, 1948.

We further report that

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

(b) adequate notice is given to all the 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.

(c) majority decision is carried through while there were no dissenting members.

(d) 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.

Place: Chennai
Date: 01.09.2017

For A.K.JAIN & ASSOCIATES
Company Secretaries
SD/-
BALU SRIDHAR
Partner
M.No. F5869
C.P. No. 3550

MANAGEMENT ANALYSIS AND REVIEW REPORT:

We herewith submit Management Discussion and Analysis Report on the business of the Company for the year ended 31st March, 2017 in this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

ECONOMY

The year 2016-17 started on a positive note with India emerging as the fastest growing major economy in the world. The International Monetary Fund (IMF), in its Regional Economic Outlook for Asia and the Pacific at the beginning of the year, retained its growth forecast for India at 7.5%, largely driven by private consumption even as weak exports and sluggish credit growth weighed on the economy. The Indian Economy seemed set to revive and consumer spending seemed poised to make a strong comeback. The favorable tailwinds notwithstanding, consumer sentiments remained low for most part of the first half of the financial year 2016-17. Consumption started to witness an uptrend with the festive season in the third quarter of the fiscal. However, this positive trend was interrupted as the government announced demonetization of high value bank notes on 8th November 2016. The cancellation of 86% of the currency in circulation led to acute liquidity squeeze in the economy which resulted in a severe impact on consumption and trade, pushing demand into a downward spiral.

Though IMF categorized the slowdown as temporary, its latest World Economic Outlook pointed out that India's growth slowed to 6.6% in 2016-17, down from 7.6% a year earlier. The one percentage point cut, IMF said, was primarily because consumers tightened their purse-strings after November's demonetization move. The CSO also revised its GDP growth estimates downwards to 7.1% in the 2016-17 fiscal year, compared to 7.6% a year earlier.

FMCG

The FMCG sector is the fourth largest sector in India and provides employment to around three million people, accounting for approximately 5% of the total factory employment in the country. After remaining somewhat resilient to the overall economic turbulence for nearly two years, the FMCG sector faced severe demand headwinds in 2016-17. Despite softening of Inflation and announcement of the new Pay Commission report a year earlier, offering substantial wage hikes for millions of government employees, household consumption of fast-moving consumer goods slipped. With rural India still smarting under the impact of three years of deficient monsoons, rural consumption also stayed muted during 2016-17.

The first six months of the financial year 2016-17 saw FMCG demand remain at low levels. A slow recovery was in place and was primarily driven by rising optimism in urban markets. The festive season, beginning October, brought in some cheer as consumers loosened their purse strings and demand for packaged consumer goods witnessed an upward movement. However, this positive trend was short lived as the demonetization move impacted trade severely, leading to massive amount of destocking across the entire trade channels. Wholesale channel bore the brunt due to high dependence on cash transactions and severe liquidity crunch post demonetization. Impact of demonetization was more pronounced in the hinterland and regions where wholesale trade is more dominant. Small traders were also more impacted due to liquidity crunch and this led to major reduction in stock pipelines across distributor, wholesale and retail channels.

These temporary setbacks notwithstanding, various surveys and studies suggest that the Indian FMCG market is poised for good growth in years to come. As per ASSOCHAM-TechSci Research report titled 'Indian FMCG Market 2020', the FMCG market in India is expected to more than

double to \$104 billion by 2020, from the present level of \$49 billion, on the back of steady economic growth, rising share of organized retail, improving awareness and a favourable demographic dividend.

GROWTH FACTORS & OUTLOOK

Abundant availability of raw material

Availability of key raw materials and presence across the entire value chain gives India a competitive advantage over other developing nations. The efforts in increasing rural reach by leading players have resulted in greater penetration in rural availability across categories

Increasing Urbanization:

With rising urbanization and development of consumption power, India's TIRE I and TIRE II cities have become an increasingly important battlefield for FMCG players. Also, increase in the urban population, along with rising income levels and the availability of new categories, would help the urban areas maintain their position in terms of consumption.

Raising prosperity of the consumer:

The industry is likely to get benefited from growing prosperity of the consumer. Incomes have risen at a quick pace in India and will continue rising given the country's strong economic growth prospects. Evolving middle class, exponential growth in GDP per capita & Urbanization Consumer sector growth has a high correlation with strong economic growth. The best example of this is the Seventh Pay Commission, the salary hike of government employees and pensioners by 23.55%, which was implemented from January 1, 2016.

Growing Awareness:

Indian consumers are changing rapidly related to the education and awareness of the products. Now even the customer from rural area have become selective and demanding in their buying preferences. With the rising purchasing power changing consumption pattern increased access to information & technology and improving infrastructure, the rural market holds great potential for FMCG players.

Demographic trends

The food industry has a bright future due to demographic environment in India, which is a key positive.

Rising income levels leading to large customer base

India with its population of more than 1 billion accounts for close to 17% of the global population. It is one of the most attractive consumer markets in the world with the increase in income levels across the population segments. Food and grocery comprise the largest share of the spending pie followed by personal care items, thus offering a lot of scope for the food industry.

Relatively young population

India has a relatively young population with close to 55% of population in the age group of 20-59 years. This group is also high in consumption and therefore, this trend is expected to provide a further boost to the growth of consumption in India.

Changing lifestyles

Lifestyle and premium range products are the new target product segment among Indian FMCG players. Increase in literacy and exposure to western lifestyles by more and more urban consumers have led to change in mindset and preference of people. Increase in the population of workingwomen and increase in nuclear double income families in urban areas are some of the other factors that are influencing the lifestyles. As a result, there has been an increase in demand for processed, ready-to-cook and ready-to-eat food.

KEY CHALLENGES:

Competition among leading FMCG companies to win over customers is getting severe and companies are leaving no stone unturned in making products that not only satisfies consumers but also retains them for future. With increasing competition, FMCG companies have to focus more in attracting new customers for the existing products and services, and to start or develop a new market.

Major Challenges for the Indian Food Industry are:

- Consumer education on nutritional facts of processed foods
- Low price-elasticity for processed food products
- Backward-forward integration from farm to consumers
- Development of marketing channels
- Development of linkages between industry, government and institutions
- Taxation in line with other nations
- Streamlining of food laws

Your Company will continue to rapidly scale up the Branded Packaged Foods business drawing upon product development capabilities, branding, sales & distribution competencies to establish itself as the 'most trusted provider of food products in the Indian market' Your Company's products are named for its quality and taste. Customer satisfaction is key ingredient for your Company. Comparing to last fiscal year, this year your Company become popular for its products.

SEGMENT-WISE ANALYSIS

Your Company is dealing in only one segment i.e., Manufacturing and Trading of ready to eat food products and processed foods.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has in place, adequate internal control systems and procedures commensurate with the size and nature of our business. These procedures are designed to ensure that:

- * An effective and adequate internal control environment is maintained across the Company.
- * All assets and resources are acquired economically, used efficiently and are adequately protected.

* Significant financial, managerial and operating information is accurate, reliable and is provided timely, and

* All internal policies and statutory guidelines are complied with.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations.

Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the FMCG industry, rise in input costs, exchange rate fluctuations and significant changes in political and economic environment, environment standards, tax laws, litigation and labour relations.

Annexure- "D"

DIRECTOR'S DECLARATION ON CODE OF CONDUCT:

To
The Members of
RCL FOODS LIMITED

I, Nitesh Ratanchand Lodha, Director of the Company declare that all the Board members and Senior Management of the Company have affirmed compliance with the code of conduct.

For RCL FOODS LIMITED

Place: Chennai
Date: 01.09.2017

Sd/-
Nitesh Ratanchand Lodha
Chairman & Director
DIN: 01748000

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 arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

S.No	Particulars	Details
(a)	Name of the related party and nature of relationship	RCL Retail Limited Entity with Common Directors
(b)	Nature of contracts / arrangements / transactions	Sales
(c)	Duration of the contracts / arrangements/transactions	2016-2017
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	In the ordinary course of business and at arm's length Rs.17,49,844/-
(e)	Date(s) of approval by the Board	30.04.2016
(f)	Amount paid as advances, if any	Nil

By Order of the Board
For RCL FOODS LIMIED

Place: Chennai
Date: 01.09.2017

Sd/-
Nitesh RLodha
Chairman & Director
DIN: 01748000

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RCL FOODS LIMITED

We have audited the accompanying financial statements of **RCL Foods Ltd** ("the Company"), which comprise the Balance Sheet as at **31st March, 2017**, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act, and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Emphasis of matter

The Valuation in respect of company's investment of Rs 20 lakhs (refer Note 13a) included in Non current Investments has not been produced and hence we are unable to express our opinion on whether provision for diminution if any in such investments is required to be made, which is of such importance that it is fundamental/relevant to the user's understanding of such financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements subject to Basis of qualified opinion 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,

- a) In case of Balance sheet, of the state of affairs of the Company as at **31st March, 2017**;
- b) In case of Statement of Profit and Loss, of the **Loss** for the year ended date; and
- c) In case of the Cash Flow statement, of the **Cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure "A"** 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:

- (a) 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.
- (b) 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
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the company, and the operating effectiveness of such controls refer to our separate report in "**Annexure B**" to this report

(g) 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 does not have any pending litigations.
- ii. The Company did not have any long term contracts including forward exchange contracts.
- iii. The company is not required to transfer any amounts to the Investor Education and Protection Fund.
- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. The company has issued a certificate as to its holdings and dealings in Specified Bank Notes for the said period, which has been relied upon and the information furnished in **Note 39** to the Financial Statements is in accordance with such certificate issued by the management.

For **KRISHNAN & GIRI,**
Chartered Accountants
(FRN: 001512S)

(JAYANTILAL JAIN)
Partner
(M No.029712)

Place: Chennai
Dated: 01.09.2017

Annexure “A” referred to in paragraph 1 of the Our Report of even date
To the members of RCL FOODS LIMITED
On the accounts of the company for the year ended 31st March, 2017

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. The assets have been physically verified by the management at reasonable intervals. All the immovable assets are held in the name of company.
2. The stocks of Traded Goods have been physically verified by the management at the close of the year. As per the information given to us, the procedure of physical verification of traded stocks followed by the management is in our opinion reasonable and adequate in relation to the size of the company and nature of its business.

On the basis of examination of stock records, it is found that the same have been properly maintained and the discrepancies if any noticed on physical verification have not been material as compared to book records.

3. In our opinion, and according to information and explanation given to us, the company has not granted any loans to parties covered under section 189 of the Companies Act, 2013. Hence clause 3 of the order is not applicable.
4. According to the information and explanation given to us, the company has complied with the provisions of Section 185 of the Companies Act, 2013. In our opinion and in according to the information and explanations given to us, the company has given loans to parties, which are repayable on demand. However interest has been charged in accordance with Section 186 of the Companies Act, 2013. Further in our opinion and based on the information given to us, the aggregate of the amounts advanced and the investment exceed the limits specified U/S 186 of the Companies Act, 2016, for which consent of shareholders by way of special resolution is duly obtained.
5. According to the information and explanation given to us, the company has not accepted any deposits from General public.
6. In our opinion, the Company is not required to maintain cost records as required under sub-section (1) of section 148 of the Companies Act, 2013 and (Cost Records and Audit) Rules, 2014.
7. In respect of Statutory dues
 - i. According to the information and explanations given to us, the company is not regular in depositing undisputed statutory dues including VAT and CST with the appropriate authorities. Further according to the information and explanations given to us, subject to interest on VAT payment for Financial Year 2015-16 Rs.1,97,872/-, and CST Payable for the Financial Year 2014-15 for Rs.43,858/- and Income Tax Liability for Asst Year 2012-13 for Rs.5,640/- and Rs.86,460/- for Asst Year 2014-15 which is outstanding for more than six months from the date they became payable, there are no other arrears of undisputed statutory dues outstanding as on 31st March, 2017 for a period of more than six months from the date they became payable.

- ii. According to the information and explanations given to us, there are no disputed demands.
8. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loan or borrowing from Bank.
9. According to the information and explanation given to us, the company has during the year not raised moneys by way of initial public offer nor by way of term loans. Hence paragraph 3(ix) is not applicable to the company.
10. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
11. According to information and explanation given to us, the company has not paid managerial remuneration during the year and complied with all the provisions of section 197 of Companies Act, 2013.
12. According to information and explanation given to us, the Company is not a Nidhi Company. Hence paragraph 3(xii) of the Order is not applicable
13. In our opinion and according to the explanations given to us, all transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 and approved by Audit committee and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
14. According to information and explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with any of the parties specified in Section 192 of the Companies Act, 2013.
16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **KRISHNAN & GIRI.**,
Chartered Accountants
(FRN: 001512S)

(JAYANTILAL JAIN)
Partner
(M No.029712)

Place: Chennai
Dated: 01.09.2017

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF RCL FOODS LIMITED

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

We have audited the internal financial controls over financial reporting of **RCL FOODS LIMITED** (“the Company”) as of March 31, 2017 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

The Company’s management 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 issued by the Institute of Chartered Accountants of India”. 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 Companies Act, 2013.

Auditors’ Responsibility

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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 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.

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 included 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

A 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 expenditure of the company are being made only in accordance with authorizations of management and directors of the company.
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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

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

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, 2017, 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 issued by the Institute of Chartered Accountants of India”.

For **KRISHNAN & GIRI.**,
Chartered Accountants
(FRN: 001512S)

(JAYANTILAL JAIN)
Partner
(M No.029712)

Place: Chennai
Dated: 01.09.2017

RCL FOODS LIMITED**Balance Sheet as at March 31, 2017**

(All amounts are in Indian Rupees, except share data or as stated)

	Note No	As at 31-Mar-17	As at 31-Mar-17	As at 31-Mar-16
EQUITY AND LIABILITIES				
Shareholders' funds				
Share Capital	3	45,475,000		45,475,000
Reserves and Surplus	4	<u>(25,444,749)</u>	20,030,251	<u>(24,101,916)</u>
				21,373,084
Non-current liabilities				
Long Term Borrowings	5	6,121,887		6,681,413
Other Long Term Liabilities	6	375,000		375,000
Long Term Provisions	7	<u>304,272</u>	6,801,159	<u>228,145</u>
				7,284,558
Current Liabilities				
Short Term Borrowings	8	1,614,602		10,459,141
Trade Payables	9	1,099,488		602,808
Other Current Liabilities	10	7,974,162		5,539,782
Short Term Provisions	11	<u>-</u>	10,688,252	<u>-</u>
				16,601,730
Total			<u>37,519,662</u>	<u>45,259,371</u>
ASSETS				
Non-current assets				
Fixed Assets				
Tangible Assets	12	7,120,070		8,866,892
Intangible Assets	12a	<u>5,827</u>	7,125,897	<u>8,701</u>
				8,875,593
Non Current investments	13a	400,000		3,900,000
Deferred Tax Assets (Net)	14	1,062,740		784,320
Long Term Loans and advances	15	2,167,227		2,468,670
Other Non current assets	16	<u>-</u>	3,629,967	<u>-</u>
				7,152,990
Current assets				
Current investments	13b	2,014,054		2,000,000
Inventories	17	2,606,164		2,344,730
Trade receivables	18	3,148,853		1,471,401
Cash and cash equivalents	19	498,556		275,809
Short-term loans and advances	20	18,237,271		22,969,547
Other current assets	21	<u>258,900</u>	26,763,798	<u>169,302</u>
				29,230,789
Total			<u>37,519,662</u>	<u>45,259,371</u>

Significant accounting policies

2

The notes referred to above form an integral part of the financial statement.

This is the balance sheet referred to in our report of even date.

for KRISHNAN & GIRI
Chartered Accountants
Firm Registration no.001512S

For and on behalf of the Board
RCL FOODS LIMITED

M JAYANTILAL JAIN
Partner
Membership No.29712
Place: Chennai
Dated : 01.09.2017

Sd/- DIRECTOR NITESH R LODHA	Sd/- DIRECTOR VIMAL CHAND CHORDIA	Sd/- CFO SHREYANS LODHA
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RCL FOODS LIMITED**Statement of Profit and Loss for the year ended March 31, 2017**

(All amounts are in Indian Rupees, except share data or as stated)

	Notes	Year Ended 31-Mar-2017	Year Ended 31-Mar-2016
Revenue			
Revenue from Operations	22	10,928,001	12,853,465
Other Income	23	2,512,470	2,772,922
Total revenue		13,440,471	15,626,387
EXPENSES			
Cost of materials consumed	24	8,541,807	7,376,456
Direct Expenses	25	1,754,258	2,398,452
Changes in Inventories	26	(1,327,611)	(168,720)
Employee benefits	27	804,225	811,951
Finance Costs	28	520,294	1,087,970
Depreciation and amortisation	12	2,320,703	2,873,912
Other Expenses	29	2,448,049	5,811,268
Total Expenses		15,061,724	20,191,289
Profit before tax		(1,621,253)	(4,564,902)
Tax Expenses :			
Current Tax		-	-
Deferred Tax Expenses		(278,420)	(408,896)
Profit for the period		(1,342,833)	(4,156,007)
Earnings per equity share			
-Basic and diluted		(0.30)	(0.91)
Weighted average number of equity shares outstanding		4,547,500	4,547,500
Nominal value of equity shares (Rs.)		10	10

Significant accounting policies 2

The notes referred to above form an integral part of the financial statement.

This is the statement of profit and loss referred to in our report of even date.

for KRISHNAN & GIRI
Chartered Accountants
Firm Registration no.001512S

For and on behalf of the Board
RCL FOODS LIMITED

M JAYANTILAL JAIN
Partner
Membership No.29712
Chennai

Sd/-
DIRECTOR
NITESH R LODHA

Sd/- Sd/-
DIRECTOR **CFO**
VIMAL CHAND SHREYANS
CHORDIA LODHA

Place: Chennai
Dated : 01.09.2017

RCL FOODS LIMITED
Cash flow Statement for the year ended March 31, 2017

(All amounts are in Indian Rupees, except share data or as stated)

	Note No.	March 31, 2017	March 31, 2016
Cash flow from operating activities			
Net Profit before tax		(1,621,253)	(4,564,902)
Add :			
Depreciation / amortisation		2,320,703	2,873,912
Interest expenses		510,633	1,072,599
Loss on sale of Investments		259,028	707,528
Interest Income		(1,790,018)	(2,333,737)
Dividend Income		-	(5,500)
Profit on sale of fixed assets		-	(419,231)
		<u>(320,907)</u>	<u>(2,669,331)</u>
Operating cash flow before working capital changes			
<i>Adjustments for:</i>			
(Increase)/decrease in inventories		(261,434)	2,258,679
(Increase)/decrease in trade receivables		(1,677,452)	(809,636)
Increase/ (decrease) in current liabilities and provisions		2,931,060	4,317,303
Cash generated from operations		<u>671,267</u>	<u>3,097,014</u>
Income taxes paid		-	(453,600)
Net cash provided/(used) by operating activities	A	<u>671,267</u>	<u>2,643,414</u>
Cash flow from investing activities			
Purchase of Fixed Assets		(571,007)	(5,153,108)
Sale of Investments		5,679,532	153,736
Purchase of Investments		(2,452,613)	(2,000,000)
Sale of Fixed Assets		-	500,000
Increase/(decrease) in loans and advances		4,944,121	(5,000,803)
Interest Receipt		1,790,018	2,333,737
Net cash (used)/provided by investing activities	B	<u>9,390,051</u>	<u>(9,166,438)</u>
Cash flow from financing activities			
Increase/(decrease) in Borrowings		(9,327,938)	7,034,744
Dividend Income		-	5,500
Interest paid		(510,633)	(1,072,599)
Net cash (used)/provided by financing activities	C	<u>(9,838,571)</u>	<u>5,967,646</u>
Net (decrease)/increase in cash and cash equivalents	A+B+C	<u>222,747</u>	<u>(555,378)</u>
Cash and cash equivalents at the beginning of the year		<u>275,809</u>	<u>831,187</u>
Cash and cash equivalents at the end of the year		<u>498,556</u>	<u>275,809</u>

The notes referred to above form an integral part of the financial statements

This is the cash flow statement referred to in our report of even date

for KRISHNAN & GIRI
Chartered Accountants
Firm Registration no.001512S

For and on behalf of the Board
RCL FOODS LIMITED

M JAYANTILAL JAIN
Partner
Membership No.29712
Place: Chennai
Dated : 01.09.2017

Sd/-	Sd/-	Sd/-
DIRECTOR	DIRECTOR	CFO
NITESH R LODHA	VIMAL CHAND CHORDIA	SHREYANS LODHA

RCL FOODS LIMITED

Notes to financial statements for the year ended March 31, 2017

(All amounts are in Indian Rupees except share data or as stated)

1 Background

RCL Foods Limited was originally Incorporated on 02.11.1992 in the State of Orissa in the name and style of 'Passari cellulose Private Limited' which was subsequently changed to "RCL Foods Limited" on 04.08.2010 having its registered office in Chennai. The Company is engaged in the business of manufacturing and trading of food and processed foods.

2 Significant Accounting Policies

a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the generally accepted accounting principles ('GAAP') in India and comply with the Accounting Standards notified by the Central Government pursuant to Companies (Accounting Standard) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, to the extent applicable.

b) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c) Revenue recognition

Revenue from sale of goods is recognised on despatch of goods to customers which corresponds with transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax, trade and quantity discounts.

Dividend income is recognized when unconditional right to receive the payment is established.

Interest income on deposits and interest bearing securities is recognized on the time proportionate method.

c) Tangible fixed assets and depreciation

Tangible fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of tangible fixed assets includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Borrowing costs directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Depreciation on fixed assets is provided on written down value method in accordance with Schedule II to the Companies Act, 2013 . If the management's estimates of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management estimate of useful life/ remaining useful life. However as of date, the management has not estimated the useful life of the assets to be shorter than that envisaged in the aforesaid schedule.

d) Intangible assets and amortisation

Intangible fixed assets are recorded at the consideration paid for acquisition. Intangible assets are amortized over their estimated economic useful lives on a straight line basis commencing from the date the asset is available for its use. The management estimates the useful lives for the various intangible assets as follows:

Description	Estimated useful life (in years)
Software	6

e) Borrowing costs

Borrowing cost comprising interest and finance charges directly attributable to the construction of qualifying assets are capitalized as part of the cost of that asset until the activities necessary to prepare the qualifying asset for its intended use are complete. Other borrowing costs are recognized as an expense in the period in which they are incurred.

f) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount (higher of net realizable value and value in use) of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

g) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities.

The methods of determining cost of various categories of inventories are as follows:

Description	Method of determining cost
Raw materials	First in first out
Work in progress	First in first out and including an appropriate share of production overheads
Finished goods	First in first out and including an appropriate share of production overheads

h) Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transactions or rates that approximates the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Exchange differences arising on foreign exchange transactions during the year and on restatement of monetary assets and liabilities are recognized in the statement of profit and loss account of the year.

i) Employee benefit

Defined benefit plan

- j) Gratuity: The Company provides for gratuity, a defined benefit retirement Plan (the “Gratuity Plan”) covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. Liabilities related to the Gratuity Plan are determined by actuarial valuation done by an independent actuary using projected unit credit method as at March 31 each year.

Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss Account.

- ii) Compensated absences: Provision for long term compensated absences is made on the basis of an actuarial valuation as at the balance sheet date carried out by an independent actuary using projected unit credit method. Provision for short term compensated absences is made on actual liability basis.

k) Income taxes

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

l) **Earnings per share**

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

m) **Cash flow statements**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the Company are segregated. Cash flows in foreign currencies are accounted at average monthly exchange rates that approximate the actual rates of exchange prevailing at the dates of the transactions.

n) **Provisions, contingent liabilities and contingent assets**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements.

o) **Investments:**

Long-term investments are stated at cost less any other-than-temporary diminution in value, determined separately for each individual investment. Current investments are carried at the lower of cost and fair value.

3 **Share Capital**

a) The details of authorised, issued, subscribed and paid up share capital is as under:

Authorised :

1,20,00,000 (31 March 2016: 1,20,00,000) Equity Shares of Rs.10/- each

As at
31-Mar-17

As at
31-Mar-16

120,000,000

120,000,000

120,000,000

120,000,000

b) **Issued, Subscribed & Paid-up :**

45,47,500 (31 March 2016: 45,47,500) Equity Shares of Rs.10/-each Fully Paid

45,475,000

45,475,000

up

45,475,000

45,475,000

c) **Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31-Mar-17 (No. of shares)	As at 31-Mar-16 (No. of shares)	As at 31-Mar-17 (Rs.)	As at 31-Mar-16 (Rs.)
Balance at the beginning of the year	4,547,500	4,547,500	45,475,000	45,475,000
Shares issued during the year	-	-	-	-
Balance at the end of the year	<u>4,547,500</u>	<u>4,547,500</u>	<u>45,475,000</u>	<u>45,475,000</u>

d) **Terms / rights attached to equity shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs.10. Each holder of equity shares is entitled to one vote per share held. .

e) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% of holding	No. of shares held	% of holding
Equity shares of Rs. 10 each fully paid Sathish Jain	461,900	10.16%	461,900	10.16%

4 **Reserves & Surplus :**

Particulars	As at 31-Mar-17	As at 31-Mar-16
Capital Reserve (Capital Subsidy): At the commencement and at the end of the year	824,400	824,400
	824,400	824,400
Capital Reserve (On account of share forfeiture): At the commencement and at the end of the year	3,512,710	3,512,710
	3,512,710	3,512,710
Share Premium Account: At the commencement and at the end of the year	6,444,375	6,444,375
	6,444,375	6,444,375
Surplus/(Deficit) in the statement of profit and loss		
Balance at the beginning of the year	(34,883,401)	(30,727,395)
Profit/(Loss) for the year	(1,342,833)	(4,156,007)
Less: Appropriations	-	-
Transfer to general reserve	-	-
Net surplus/(Deficit) in the statement of profit and loss	(36,226,234)	(34,883,401)
	(25,444,749)	(24,101,916)

5 **Long term Borrowings**

	As at 31-Mar-17	As at 31-Mar-16
Secured loan		
ICICI Car Loan (Secured against hypothecation of vehicle)	1,431,334	1,990,860
Unsecured loans		
From Body Corporates	4,690,553	4,690,553
	6,121,887	6,681,413

6 **Other Long Term Liabilities**

	As at 31-Mar-17	As at 31-Mar-16
Trade Payables	375,000	375,000
	375,000	375,000

7 **Long Term Provisions:**

	As at 31-Mar-17	As at 31-Mar-16
Provision for Gratuity	304,272	228,145
	304,272	228,145

8 **Short Term Borrowings:**

	As at 31-Mar-17	As at 31-Mar-16
<i>Unsecured</i>		
From a Director	1,614,602	4,452,623
From Body Corporates	-	6,006,517
	1,614,602	10,459,141

9 **Trade Payables:**

	As at 31-Mar-17	As at 31-Mar-16
Trade Payables	1,099,488	602,808
	1,099,488	602,808

10	Other Current Liabilities:	As at 31-Mar-17	As at 31-Mar-16
	Instalments due within a year	817,800	817,800
	TDS Payable	56,753	127,167
	VAT & CST Payable	84,393	1,187,971
	ESI Payable	12,892	21,008
	Others	7,002,324	3,385,836
		7,974,162	5,539,782
11	Short Term Provisions:	As at 31-Mar-17	As at 31-Mar-16
	Provision for Taxation	-	-
		-	-
13	Investment	As at 31-Mar-17	As at 31-Mar-16
a)	Non Current Investments :		
	<i>Trade, unquoted (at cost)</i>		
	Share Application Money in Bond Chem India Pvt Ltd	400,000	400,000
	Udhaya Energy Photo Valnics Pvt Ltd (1,75,000 (Previous year : 1,75,000) equity shares of Rs 10 each fully paid up) Refer Emphasis of Matter of the Audit report)	-	3,500,000
		400,000	3,900,000
b)	Current Investments :	As at 31-Mar-17	As at 31-Mar-16
	<i>Trade, quoted (at cost)</i>		
	(31 March 2017:)675 equity shares of Rs 10 each fully paid up in Olympic Cards Limited	14,054	-
	Arihant Shelters India ltd -20,000 equity shares of Rs.10/- each fully paid up) (Unquoted)	2,000,000	2,000,000
		2,014,054	2,000,000
		2,014,054	2,000,000
14	Deferred Tax Assets :	As at 31-Mar-17	As at 31-Mar-16
	The major components of the deferred tax assets are as follows:		
	Excess of depreciation / amortisation on fixed assets under accounts over depreciation / amortisation provided in income tax law	998,317	743,420
	Provision for gratuity	64,423	40,899
		1,062,740	784,320
15	Long Term Loans & Advances:	As at 31-Mar-17	As at 31-Mar-16
	<i>Unsecured - considered Good</i>		
	Security Deposits	1,984,270	2,170,110
	Other Advances	182,957	298,560
		2,167,227	2,468,670
16	Other Non- Current Assets	As at 31-Mar-17	As at 31-Mar-16
	<i>Unsecured - considered Doubtful for which no provision has been made)</i>		
	Trade receivables	-	-
		-	-

17 Inventories:	As at 31-Mar-17	As at 31-Mar-16
Stock-in trade (As per inventory taken, valued and as certified by the management)		
Raw material (At cost)	401,390	556,036
Finished Goods (At lower of cost or market price)	1,655,338	327,727
Packing Material (At cost)	549,436	1,460,967
	2,606,164	2,344,730
18 Trade Receivables :	As at 31-Mar-17	As at 31-Mar-16
<i>Unsecured, considered good</i>		
Outstanding for a period exceeding six months from the date they became due for payment	450,000	468,400
Other receivables	2,698,853	1,003,001
	3,148,853	1,471,401
19 Cash and cash equivalents :	As at 31-Mar-17	As at 31-Mar-16
Cash	283,302	275,809
Balance with Banks - in current accounts	215,254	-
	498,556	275,809
20 Short Term Loans And Advances:	As at 31-Mar-17	As at 31-Mar-16
<i>Unsecured and considered good:</i>		
Advances	18,237,271	22,969,547
	18,237,271	22,969,547
21 Other Current Assets :	As at 31-Mar-17	As at 31-Mar-16
<i>Unsecured and considered good:</i>		
Income Tax Including TDS	258,900	169,302
	258,900	169,302
22 Revenue From Operations	Year ending 31-Mar-17	Year ending 31-Mar-16
Sales	10,928,001	12,853,465
	10,928,001	12,853,465
23 Other Income	Year ending 31-Mar-17	Year ending 31-Mar-16
Interest receipts	1,790,018	2,333,737
Discount receipts	628	103
Dividend income	-	5,500
Profit on Sale of Investments	-	14,232
Profit on Speculation	719,742	-
Profit on Sale of fixed assets	-	419,231
Sundry Income	2,082	119
	2,512,470	2,772,922

24	Materials Consumed/Purchases :	Year ending 31-Mar-17	Year ending 31-Mar-16
	Raw material consumed :		
	Opening stock	2,017,003	4,444,402
	Add: Purchases including Packing Material	7,475,630	4,949,057
		<u>9,492,633</u>	<u>9,393,459</u>
	Less: Closing Stock	950,826	2,017,003
	Consumption of Materials	<u>8,541,807</u>	<u>7,376,456</u>
25	Direct Expenses	Year ending 31-Mar-17	Year ending 31-Mar-16
	Factory Electricity Charges	263,125	227,116
	Factory Expenses	30,682	11,077
	Factory Rent	761,208	1,552,422
	Fuel Expenses	454,190	334,050
	Loading & Unloading Expenses	7,454	36,187
	Wages	237,600	237,600
		<u>1,754,258</u>	<u>2,398,452</u>
26	Increase In Stocks :	Year ending 31-Mar-17	Year ending 31-Mar-16
	Opening Stock :		
	Finished goods	327,727	159,007
		<u>327,727</u>	<u>159,007</u>
	Closing Stock :		
	Finished Goods	1,655,338	327,727
		<u>1,655,338</u>	<u>327,727</u>
	(Increase)/decrease in Stocks	<u>(1,327,611)</u>	<u>(168,720)</u>
27	Employees Remuneration & Benefits:	Year ending 31-Mar-17	Year ending 31-Mar-16
	Salaries, Bonus & Other Allowances	655,698	667,000
	Staff welfare expenses	28,072	54,857
	Gratuity Provided	76,127	65,876
	ESI Contribution	44,328	24,218
		<u>804,225</u>	<u>811,951</u>
28	Finance Cost:	Year ending 31-Mar-17	Year ending 31-Mar-16
	Interest Expenses	510,633	1,072,599
	Bank Charges	9,660	15,372
		<u>520,294</u>	<u>1,087,970</u>

29	Other Expenses	Year ending 31-Mar-17	Year ending 31-Mar-16
	Cooly & Freight Expenses	144,109	119,414
	Bad debts	-	2,102,161
	Conveyance Expenses	-	18,146
	Electricity Charges	70,293	-
	Rent	810,000	122,550
	Listing Fees	295,912	34,270
	Office Maintenance	10,166	15,833
	Postage, Telegram, Telephone & Telex charges	16,748	101,747
	Printing & Stationery	22,737	45,415
	Share Transfer Expenses	-	13,577
	Travelling Expenses	7,147	22,634
	Vehicle Maintenance	68,409	121,661
	Rates, Taxes, Fees & Insurance	14,770	67,002
	Repairs & Maintenance :	21,592	29,271
	Professional Charges	127,450	66,245
	Subscription & Membership	-	30,177
	Auditors Remuneration :		
	- Statutory Audit	94,400	86,000
	- Tax Audit	23,600	29,000
	Discount	335	1,610
	Advertisement & Sales Promotion	350,011	480,809
	Loss on sale of Investments	-	707,528
	Loss in shares trading	259,028	11,253
	Securities Transaction Tax	4,394	21,461
	Shares Transaction Charges	19,981	32,379
	Donation	-	2,000
	BSE Penalty	-	1,529,125
	Sundry Balance Written Off	86,967	-
		<u>2,448,049</u>	<u>5,811,268</u>

30 Contingent Liabilities And Commitments:

i) Contingent Liabilities

Claims against the company not acknowledged as debts

As at 31-Mar-17	As at 31-Mar-16
-	-

ii) Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for

-	-
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31 Segment reporting

The Company is engaged in a business of manufacturing and trading of food and processed foods and the operations primarily cater to the needs of the domestic market. Accordingly there are no separate reportable segments according to AS 17 'Segment Reporting' issued under the Companies (Accounting Standards) Rules, 2006.

32 Related party transactions	31-Mar-17	31-Mar-16
a) Names of related parties and nature of relationship are as follows:		
Nature of relationship	Name of the related party	
Associate company	RCL Retail Limited	
Key management personnel (KMP)	RCL Enterprise Private Limited	
	Nitesh R Lodha	
b) Details of related party transactions		
Towards Sales to RCLRetail Limited	1,749,844	2,057,188
Balance due to Directors:		
- Nitesh R Lodha	1,614,602	4,452,623
Balance due to/(from) RCL Retail Limited	-	5,506,517
33 Value of Imports (On C.I.F Basis)		-
34 Earnings in Foreign Currency :		-
35 Expenditure in Foreign Currency :		-
36 Micro, Small and Medium Enterprises Development Act, 2006		
The management has not identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, it is not feasible to furnish the disclosure in respect of the amount payable to such enterprises as at 31 March, 2017.		
37 Additional Information:		
a) In respect of Finished Goods (Food Products)		
Opg Stock	312,147	159,007
Purchases	-	-
Sales	10,928,001	12,853,465
Closing Stock	1,655,338	312,147
b) Raw Materials consumed (100% indigenous)		
Total	8,541,807	7,376,456

38 Retirement benefits

Gratuity Plan

Based on actuarial valuation necessary provision has been created in the books to meet the liability as per Accounting Standard 15 (R).

The following table sets out the status of the gratuity plan as required under AS 15 (Revised 2005). Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

Change in projected benefit obligation	Year ended 31st March, 2017	Year ended 31st March, 2016
Projected benefit obligations at the beginning of the year	228,145	162,269
Service cost	74,085	101,719
Interest cost	17,795	12,657
Benefits settled		
Actuarial (gain) / loss	(15,753)	(48,500)
Projected benefit obligations at the end of the year	304,272	228,145
Change in plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial (gain) / loss	-	-
Employer contributions	-	-
Benefits settled	-	-
Fair value of plan assets at the end of the year	-	-
Reconciliation of present value of obligation on the fair value of plan assets		
Present value of projected benefits at the end of the year	304,272	228,145
Funded status of the plan	-	-
Funded status amount of liability recognized in the balance sheet	304,272	228,145

The components of net gratuity costs are reflected below:

Components of net gratuity costs	Year ended 31st March, 2017	Year ended 31st March, 2016
Interest cost	17,795	12,657
Service Cost	74,085	101,719
Expected returns on plan assets	-	-
Recognized net actuarial (gain) / loss	(15,753)	(48,500)
Net gratuity costs	76,127	65,876
Financial Assumptions at Balance sheet date:		
Discount rate	7.40%	7.80%
Long term rate of compensation increase	10.00%	10.00%
Estimated rate of return on plan assets	0.00%	0.00%
Resignations Rate(Per Annam)	1.00%	10.00%

39 Details of Specified Bank Notes held and transacted during the period from 8th Nov,2016 to 30th Dec, 2016.

Particulars	Specified Bank Notes Amount	Other Denomination notes Amount	Total Amount
Closing Balance as at 8 th Nov,2016	695,500	706,578	1,402,078
Transactions between 09.11.2016 and 30.12.2016	-	-	-
Add: Withdrawal From Bank A/c	-	130,000	130,000
Add: Receipt From Permitted Transactions	-	253,472	253,472
Add: Receipt From Non Permitted Transactions	-	-	-
Less: Paid For Permitted Transactions	41,500	225,253	266,753
Less: Paid For Non Permitted Transactions	-	-	-
Less: Deposited in Bank Accounts	654,000	-	654,000
Closing Balance as on 30 th Dec,2016	-	864,797	864,797

40 Previous years figures have been regrouped/rearranged wherever necessary.

for KRISHNAN & GIRI
Chartered Accountants
Firm Registration no.001512S

M JAYANTILAL JAIN
Partner
Membership No.29712
Chennai

Place: Chennai
Dated : 01.09.2017

For and on behalf of the Board
RCL FOODS LIMITED

Sd/- DIRECTOR NITESH R LODHA	Sd/- DIRECTOR VIMAL CHAND CHORDIA	Sd/- CFO SHREYANS LODHA
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RCL FOODS LTD

Details of inventories of traded goods and packing material

Particulars	Opening Stock		Closing stock		Input Tax
	Qty. (Kgs)	Value	Qty. (Kgs)	Value	
<i>Traded goods:</i>					
Cookies	3,456	150,180	17,185	548,797	14.50%
Bakery	708	25,587	3,009	277,060	14.50%
Namkeen	1,483	25,580	1,571	72,462	5%
Mouth freshners	2,407	126,380	2,546	247,947	5%
Others	-	-	5,266	509,072	5%
	8,054	327,727	29,577	1,655,338	
<i>Packing materials:</i>					
Jars	20,805	580,580	6,024	66,978	5%
Pouches	105,498	421,147	45,547	121,376	5%
Carton Box	35,299	154,974	7,807	47,772	5%
Trays	61,798	184,668	152,056	293,524	5%
Stickers	141,385	119,598	39,318	19,786	5%
	364,785	1,460,967	250,752	549,436	
<i>Raw materials:</i>					
Bakery	3,128	399,113	10,215	304,120	14.50%
Namkeen	867	119,945	54	4,258	5%
Mouth freshners	100	36,978	1,209	93,012	5%
	4,095	556,036	11,478	401,390	
Total inventory	376,934	2,344,730	291,807	2,606,164	

M/S. RCL FOODS LIMITED

12. FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	AS ON 01.04.2016 Rs.	ADDITION Rs.	AS AT 31.03.2017 Rs.	FOR THE YEAR Rs.	AS AT 31.03.2017 Rs.	AS AT 31.03.2016 Rs.
LAND	345,143.00	-	345,143.00	-	-	345,143.00
GENERATOR	263,936.00	-	263,936.00	19,676.00	179,810.00	103,802.00
PLANT & MACHINERY	10,239,851.00	514,007.00	10,753,858.00	1,011,685.00	6,286,935.00	4,964,601.00
ELECTRONIC WEIGH MACHINE	31,889.00	-	31,889.00	2,936.00	18,922.00	15,903.00
FURNITURE & FIXTURES	402,092.00	57,000.00	459,092.00	65,933.00	271,661.00	196,364.00
VEHICLES	4,875,836.00	-	4,875,836.00	1,211,090.00	2,893,547.00	3,193,379.00
COMPUTER & PRINTER	271,650.00	-	271,650.00	6,509.00	230,459.00	47,700.00
	16,430,397.00	571,007.00	17,001,404.00	2,317,829.00	9,881,334.00	8,866,892.00
PREVIOUS YEAR FIGURES	12,537,388.00	5,153,108.00	16,430,397.00	2,869,208.00	1,179,330.00	6,663,761.00
1.2a. INTANGIBLE ASSETS						
SOFTWARE	74,280.00	-	74,280.00	2,874.00	68,453.00	8,701.00
	74,280.00	-	74,280.00	2,874.00	68,453.00	8,701.00
PREVIOUS YEAR FIGURES	74,280.00	-	74,280.00	4,704.00	65,579.00	13,405.00
TOTAL	16,504,677.00	571,007.00	17,075,684.00	2,320,703.00	9,949,787.00	8,875,593.00

RCL FOODS LIMITED
CIN: L01407TN1992PLC075956
Old No. 28, New No.16, Ranganathan Avenue, Kilpauk, Chennai-600010.
Tel: 044-48508024, e-mail:rclfoods@gmail.com

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP. Id:

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name : _____ Address : _____
Email Id : _____ Signature : _____, or failing him

2. Name : _____ Address : _____
Email Id : _____ Signature : _____, or failing him

3. Name : _____ Address : _____
Email Id : _____ Signature : _____,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the company, to be held on Friday, 29th day of September, 2017 at 11.00 A.M. at Paras Guest House, 141, Perambur Barracks Road, Purasaiwalkam, Chennai - 600007 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	To receive, consider and adopt the Audited Balance Sheet as at 31.03.2017, the Profit and Loss Account and Cash Flow Statement of the Company for the period ending 31.03.2017 and the reports of the Directors and Auditors thereon
2	To appoint a Director in the place of Mr. Nitesh Ratanchand Lodha, (DIN: 01748000), Director, who retires by rotation and being eligible, offers herself for re-appointment
3	To ratify the appointment of M/s. Krishnan & Giri., Chartered Accountants (FRN: 001512S) as Statutory Auditors of the Company for the year 2017-18 and to fix their remuneration

Signed this..... day of September 2017

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

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.

RCL FOODS LIMITED

CIN: L01407TN1992PLC075956

Old No. 28, New No.16, Ranganathan Avenue, Kilpauk, Chennai-600010.

Tel: 044-48508024, e-mail:rclfoods@gmail.com

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

*DP ID :	Folio No :
*Client Id:	No. of Shares :

Name and Address of the Shareholder:

I hereby record my presence at the 25thAnnual General Meeting of the company held on the 29th day of September, 2017 at 11.00 A.M. at Paras Guest House, 141, Perambur Barracks Road, Purasawalkam, Chennai – 600007.

*Applicable for investors holding shares in electronic form

Signature of Shareholder

BOOK POST

If undelivered please return to;

RCL Foods Limited
Old No. 28, New No.16,
Ranganathan Avenue, Kilpauk,
Chennai-600010.