

SDC Foods India Limited
Balance sheet as on March 31, 2016

	Notes	31 March 2016	Amount in ₹ 31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	3	10,000,000	10,000,000
Reserves and surplus	4	(39,921,096)	(37,876,133)
		(29,921,096)	(27,876,133)
Current liabilities			
Trade payables	5	37,292,520	39,353,786
Other current liabilities	6	167,782	878,578
		37,460,302	40,232,364
Total		7,539,206	12,356,231
Assets			
Non-current assets			
Fixed assets			
Tangible assets	7	5,645,989	7,421,091
Non-current investments	8	120,500	120,500
Long-term loans and advances	9	25,000	52,444
		5,791,489	7,594,035
Current assets			
Trade receivables	10	163,002	2,810,506
Cash and bank balances	11	1,318,663	1,717,410
Short-term loans and advances	9	103,194	111,650
Other current assets	12	162,859	122,630
		1,747,717	4,762,195
Total		7,539,206	12,356,230

The notes form an integral part of these financial statements.

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

for S. Mohan & Co.

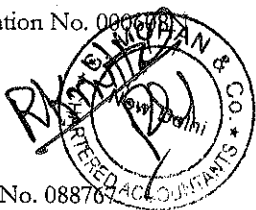
Chartered Accountants

Firm Registration No. 000698

R. K Mittal

(Partner)

Membership No. 08876



Dated : May 16, 2016

Place: New Delhi

For and on behalf of the Board

Parmod Kumar

Parmod Kumar

(Director)

DIN NO. 02475571

Satish Rana

Satish Rana

(Director)

DIN NO. 06916855

SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

	Notes	31 March 2016	Amount in ₹ 31 March 2015
Revenue			
Revenue from operations	13	-	105,465,710
Other income	14	184,794	1,214,014
Total revenue		184,794	106,679,725
Expenses			
Purchases of traded goods	15	-	26,616,244
Increase/(Decrease) in inventories of traded goods.	16	-	72,783,633
Finance costs	17	278,485	204,532
Depreciation and amortisation expense	7	1,775,102	3,488,490
Other expenses	18	171,732	2,967,820
Prior period items	19	4,438	-
Total expenses		2,229,757	106,060,719
Profit before tax		(2,044,963)	619,005
Tax expense			
-Current tax			-
-Earlier year tax			(367,134)
Deferred tax			
-Current tax			(14,900,570)
-Earlier year tax			
Minimum Alternative Tax			
-Current tax			(2,800,532)
-Earlier year tax			
Profit for the year		(2,044,963)	(17,449,230)

The notes form an integral part of these financial statements.

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

for S. Mohan & Co.

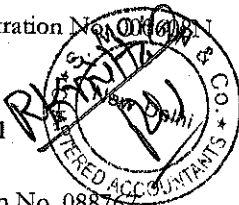
Chartered Accountants

Firm Registration No. 088767

R. K Mittal

(Partner)

Membership No. 088767



Dated : May 16, 2016

Place: New Delhi

For and on behalf of the Board

(Signature)

Parmod Kumar

(Director)

DIN NO. 02475571

(Signature)

Satish Rana

(Director)

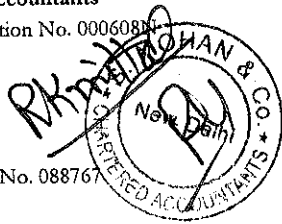
DIN NO. 06916855

SDC Foods India Limited
Cash Flow Statement for the year ended 31 March 2016

	Notes	31 March 2016	Amount in ₹ 31 March 2015
Cash flow from operating activities			
Profit before tax from continuing operations		(2,040,525)	619,005
Profit before tax		(2,040,525)	619,005
Non-cash adjustment to reconcile profit before tax to net cash flows			
- Depreciation/amortization on continuing operations		1,775,102	3,488,490
- Prior period items		(4,438)	-
-Provision for Doubtful Debts		-	1,504,681
-Interest expense		250,541	152,537
-Interest income		(36,456)	(39,904)
Operating profit before working capital changes		(55,776)	5,724,809
Movement for working capital:			
Increase/(decrease) in trade payables		(2,061,266)	(130,484,406)
Increase/(decrease) in short term provisions		-	(2,861,764)
Increase/(decrease) in other current liabilities		(710,796)	(13,755,912)
Decrease/(increase) in trade receivables		2,647,504	66,113,543
Decrease/(increase) in inventories		-	72,783,632
Decrease/(increase) in long term loans & advances		27,444	(2,044,452)
Decrease/(increase) in short term loans & advances		8,456	1,470,138
Decrease/(increase) in other current assets		(3,773)	3,762
Cash generated/(used in) operations		(148,207)	(3,060,619)
Direct taxes paid (net of refunds)		-	(367,134)
Net cash flow from/(used in) operating activities	(a)	(148,207)	(3,417,782)
Cash flow from investing activities			
Purchase of fixed assets including intangible assets, CWIP and capital advances		-	-
Net cash flow from/(used in) investing activities	(b)	-	-
Cash flow from financing activities			
Interest paid		(250,541)	(152,537)
Net cash flow from/(used in) financing activities	(c)	(250,541)	(152,537)
Net increase/(decrease) in cash and cash equivalents	(a+b+c)	(398,748)	(3,570,319)
Cash and cash equivalents at the beginning of the year		1,717,411	5,287,730
Cash and cash equivalents at the end of the year		1,318,663	1,717,411

for S. Mohan & Co.
Chartered Accountants
 Firm Registration No. 00060834

R. K Mittal
 (Partner)
 Membership No. 088767



Dated : May 16, 2016
 Place: New Delhi

For and on behalf of the Board

(Signature)

Parmod Kumar
 (Director)
 DIN NO. 02475571

(Signature)
Satish Rana
 (Director)
 DIN NO. 06916855

SDC FOODS INDIA LIMITED

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2016

1. Company Information

SDC Foods India Limited is a partly owned subsidiary of LT Foods Limited. The company serves as a special purpose vehicle to work as a trader of rice and other food items.

2. a. Basis of Preparation Financial Statement

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates

The preparation of Financial Statements in conformity with the Accounting Standards requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities as on the date of Balance Sheet and reported amount of revenues and expenditures during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known or materialized.

c. Revenue Recognition

The Company generally follows the mercantile systems of accounting and recognizes the income and expenditures on accrual basis.

d. Fixed Assets

- (i) Fixed Assets are stated at the original cost of acquisition including installation costs related to acquisitions and installation.
- (ii) Fixed assets under construction and assets not put to use before the year end, are disclosed as capital work-in-progress.

e. Depreciation

Depreciation on Fixed Assets is provided on written down value as per useful life specified in Schedule II to the Companies Act, 2013.

f. Employment Benefits

Short term employee benefits



All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, short term compensated absences etc. are recognized in the Profit and Loss Account in the period in which the employee renders the related service.

g. Investments

Long-term investments (including investments in subsidiary company and joint ventures) are carried at cost, after providing for diminution, other than temporary, in value. Current investments are carried at lower of cost and market value.

h. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost is as taken, valued and certified by the management. Cost is determined on first-in-first-out (FIFO) basis. It is stated that even damaged stock, if any, is valued at cost as the loss in value is either recoverable from vendors or is not material.

i. Provisions and Contingencies

A provision is recognized in the financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation.

Liabilities of Contingent nature have not been provided for but are adequately disclosed in the financial statements.

j. Other Accounting Policies

These are consistent with the generally accepted accounting principles and practices in India.



SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

Amount in ₹

3 Share capital

	31 March 2016		31 March 2015	
	Number	Amount	Number	Amount
a. Authorised share capital Equity shares of ₹ 10 each	1,000,000	10,000,000	1,000,000	10,000,000
b. Issued, subscribed and fully paid up Equity shares of ₹ 10 each	1,000,000	10,000,000	1,000,000	10,000,000
Total Issued, subscribed and fully paid up shares	1,000,000	10,000,000	1,000,000	10,000,000

- c. There is no movement in equity share capital during the current year and previous year.
Equity Shares

	31 March 2016		31 March 2015	
	Number	Amounts	Number	Amounts
At the beginning of the year	1,000,000	10,000,000	1,000,000	10,000,000
Balance at the end of the year	1,000,000	10,000,000	1,000,000	10,000,000

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

The company has only one class of equity shares having the par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of company, distribution of assets will be in proportion to the Number of equity shares held by the shareholders.

e. **Shareholding Structure**

Share held by holding company

	Number	Amount	Number	Amount
Equity shares of ₹ 10 each LT Foods Limited - Holding company	800,000	8,000,000	800,000	8,000,000

f. **Shareholders holding more than 5% shares of the company as of the reporting date**

	Number	% Shareholding	Number	% Shareholding
Equity shares of ₹ 10 each LT Foods Limited - Holding company	800,000	80	800,000	80
Vijay Kumar Arora	50,000	5	50,000	5
Ashwani Kumar Arora	50,000	5	50,000	5
Surinder Kumar Arora	50,000	5	50,000	5
Ashok Kumar Arora	50,000	5	50,000	5



SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

Amount in ₹

4 Reserves and surplus

Surplus in the statement of profit and loss

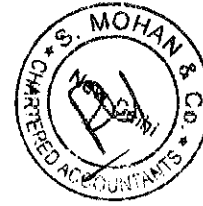
At the beginning of the year

Add : Transferred from statement of profit and loss

Less: Depreciation impact as per new companies Act,'2013

Net deficit in the statement of profit and loss

<u>31 March 2016</u>	<u>31 March 2015</u>
(37,876,133)	(19,795,782)
(2,044,963)	(17,449,230)
	(631,121)
<u>(39,921,096)</u>	<u>(37,876,133)</u>



SDC Foods India Limited**Statement of profit and loss for the year ended March 31, 2016**

Amount in ₹

5 Trade payables

	<u>31 March 2016</u>	<u>31 March 2015</u>
Dues to others *	37,292,520	39,353,786
	<u>37,292,520</u>	<u>39,353,786</u>
*Includes from		
Holding Company- LT Foods Limited	31,107,715	33,136,365
Associate Company- Daawat Foods Limited	5,428,955	5,428,954

6 Other current liabilities

	<u>31 March 2016</u>	<u>31 March 2015</u>
Advance Received from Customers	26,897	792,191
Statutory Liabilities	6,994	10,544
Expenses Payable	133,891	75,843
	<u>167,782</u>	<u>878,578</u>

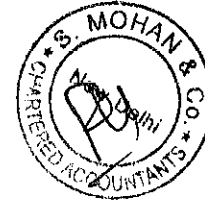


SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

Amount in ₹

7 Tangible assets

	Buildings	Machinery	Furniture and fixtures	Vehicles	Office equipment	Computers & Printers	Total
a. Gross block							
Balance as on 31 March 2015	416,570	8,247,313	6,615,581	704,354	3,505,760	3,437,832	22,927,410
Additions	-	-	-	-	-	-	-
Balance as on 31 March 2016	416,570	8,247,313	6,615,581	704,354	3,505,760	3,437,832	22,927,410
b. Accumulated depreciation and amortisation							
Balance as at 31st March 2015	95,179	3,719,199	4,532,318	576,702	3,256,214	3,326,707	15,506,319
Depreciation Charge	15,623	934,403	643,680	46,952	134,444	-	1,775,102
Reversal on Disposal of assets							
Balance as at 31st March 2016	110,802	4,653,602	5,175,998	623,654	3,390,658	3,326,707	17,281,421
Net block							
Balance as at 31 March 2015	321,391	4,528,114	2,083,264	127,652	249,546	111,124	7,421,091
Balance as at 31 March 2016	305,768	3,593,711	1,439,584	80,700	115,102	111,124	5,645,989



SDC Foods India Limited

Statement of profit and loss for the year ended March 31, 2016

	Amount in ₹	
	31 March 2016	31 March 2015
	Trade	Trade
8 Non-current investments		
(Valued at cost unless stated otherwise)		
Unquoted investments		
Investments in equity instruments		
In subsidiaries - Expo Service Private Ltd		
10,000 (previous year 10,000) fully paid up		
equity shares of ₹ 10 each	100,000	100,000
Investments in government or trust securities	20,500	20,500
	120,500	120,500

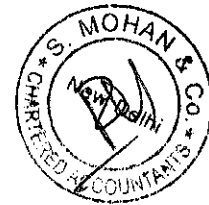


SDC Foods India Limited**Statement of profit and loss for the year ended March 31, 2016**

Amount in ₹

9 Loans and advances

	31 March 2016		31 March 2015	
	Long term	Short term	Long term	Short term
Securities deposits				
- Unsecured, considered good	25000		52,444	
Advances recoverable in cash or in kind or value to be received				
- Unsecured, considered good		101,445		106,128
		101,445		106,128
Advance Taxes		1,749		5,522
	25,000	103,194	52,444	111,650



SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

Amount in ₹

10 Trade receivables

Outstanding for a period exceeding six months from the date they are due for payment

Unsecured considered good

Doubtful

Less : Provision for bad and doubtful debts

Other debts

Unsecured considered good*

Includes amounts due by

*Due from Companies under same Management within the meaning of sub section (1B) of section 370.

Associate Firm- Raghunath Agro Industries (P) Ltd. (Formerly known as Raghunath Agro Industries- Patnership Firm)

31 March 2016 **31 March 2015**

	31 March 2016	31 March 2015
Unsecured considered good	75,460	8,088,630
Doubtful	75,460	8,088,630
Less : Provision for bad and doubtful debts	(75,460)	(8,088,630)
Other debts	163,002	2,810,506
Unsecured considered good*	163,002	2,810,506

11 Cash and bank balances

a. Cash and cash equivalents

Balances with banks

- in current accounts

b. Other bank balances

Bank deposits with maturity of less than 12 months

Bank deposits with maturity of more than 12 months

Less: Amount disclosed under non-current assets

Total Cash and bank balances

31 March 2016 **31 March 2015**

Current

Current

	31 March 2016	31 March 2015
Balances with banks - in current accounts	789,554	1,188,301
Other bank balances	789,554	1,188,301
Bank deposits with maturity of less than 12 months	529,109	529,109
Bank deposits with maturity of more than 12 months		
Less: Amount disclosed under non-current assets		
Total Cash and bank balances	1,318,663	1,717,410

12 Other current assets

Bank Interest Accrued on Fixed Deposit

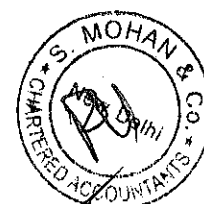
Interest accrued on Investments

31 March 2016 **31 March 2015**

Current

Current

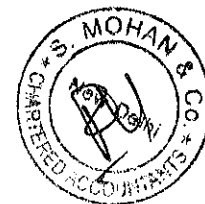
	31 March 2016	31 March 2015
Bank Interest Accrued on Fixed Deposit	157,416	117,187
Interest accrued on Investments	5,443	5,443
	162,859	122,630



SDC Foods India Limited

Statement of profit and loss for the year ended March 31, 2016

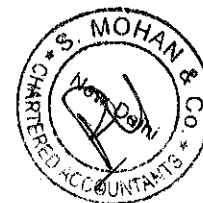
		Amount in ₹	
		31 March, 2016	31 March, 2015
13	Revenue		
	Revenue from operations		
	Sale of products		
	Domestic	-	105,465,710
	Revenue from operations	-	105,465,710
a.	Details of products sold		
	- Traded goods		
	Rice	-	101,648,079
	Wheat Flour	-	1,895,716
	Others	-	1,921,915
		-	105,465,710
14	Other income		
	Interest Income	36,456	39,904
	Misc. Income	19,377	-
	Excess provision written back	17,362	291,911
	Excess Provision for Doubtful Debts/Advances written back	111,598	882,199
		184,794	1,214,014
15	Purchases of traded goods		
	Rice	-	23,407,879
	Wheat Flour	-	1,599,548
	Others	-	1,608,817
		-	26,616,244
16	Changes in inventories of traded goods		
	Opening stock		
	- Traded goods	-	72,783,633
		-	72,783,633
	Closing stock		
	- Traded goods	-	-
		-	-
	Net (decrease)/increase in inventories of traded goods	-	(72,783,633)
17	Finance costs		
	Interest expenses	250,541	152,537
	Bank charges	27,944	51,995
		278,485	204,532



SDC Foods India Limited

Statement of profit and loss for the year ended March 31, 2016

	Amount in ₹	
	31 March, 2016	31 March, 2015
18 Other expenses		
Electricity Expense	-	19,916
Communication Expenses	-	18,360
Repairs and maintenance		
Others	-	4,000
Insurance Charges	332	44,147
Printing and Stationary	-	14,882
Legal and Professional Charges	89,350	115,899
Travelling and Conveyance Expenses	-	2,600
Rates and taxes	-	377,075
Fine & Penalties	59,150	-
Payments to auditors (Also, refer note 25)	22,900	67,416
Other Administrative Expenses	-	59,662
Freight Outward	-	583,412
Brokerage on Sales	-	114,410
Discount Allowed	-	1,603
Other Selling and Distribution Expenses	-	39,758
Provision for Doubtful Debts	-	1,504,681
	171,732	2,967,820
19 Prior period items		
Prior period Expense	4,438	-
	4,438	-
20 Earning per share		
a) Computation of profit for computing		
Net profit for the year	(2,044,963)	(17,449,230)
b) Number of shares for		
Basic	1,000,000	1,000,000
Diluted	1,000,000	1,000,000
c) Nominal value of shares	10	10
d) Earning per share		
From continuing operations		
Basic	(2.04)	(17.45)
Diluted		



SDC Foods India Limited**Statement of profit and loss for the year ended March 31, 2016**

	Amount in ₹	
	31 March, 2016	31 March, 2015
21 Auditor Remuneration		
As Auditor	22,900	67,416
b. As Advisor, or any other capacity, in respect of -Taxation Matters		
Total	<u>22,900</u>	<u>67,416</u>
22 Contingent liabilities and commitments		
Claims against the company not acknowledged as debt	3,524,552	3,524,552
	<u>3,524,552</u>	<u>3,524,552</u>
<p>A supplier named "Shakti Bhog Foods Limited" has commenced an action against the company in respect of his claims of goods supplied, claimed to be defective. The company has estimated that if the action is successful, estimate liability may be approximately Rs. 35,24,552. The company has been advised by its legal counsel that it is possible, but not probable, that the action will succeed and accordingly no provision for liability has been recognized in the financial statements. the action is under consideraton with the Honable High Court of Delhi.</p>		
b) Income Tax Demands	-	26,400
	<u>-</u>	<u>26,400</u>



SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

23 Related parties

a. Names of related parties

Relationship	Name
Holding company	LT Foods Limited
Subsidiary	Expo Services Private Limited
Associates	Raghunath Agro Industries (P) Ltd. (Formerly known as Raghunath Agro Industries-Partnership Firm) Daawat Foods Limited LT Agri Services Private Limited Sona Global Ltd. Dubai (UAE) LT Overseas North America Inc., USA LT International Limited Nature Bio Foods Limited Kusha Corporation, California, USA LT Foods USA LLC LT Foods Middle east DMCC Universal Traders Inc. Royal Curry Delights LLC Raghuvesh Foods & Infrastructure Limited Raghuvesh Power Projects Limited Raghuvesh Infrastructure Private Limited
Key management personnel	Mr. Parmod Kumar, Managing Director Mr. Ashwani Kumar Arora, Director Mr. Gursajan Arora, Director

b. Transactions with related parties

		31 March 2016	31 March 2015
Holding company	LT Foods Limited		
- Purchases		NIL	23,334,188
- Sales		NIL	72,537,477
- Misc. Expenses paid			
- Closing Balance payable		(31,107,715)	(33,136,365)
Associates	Daawat Foods Limited		
- Purchases		NIL	1,856,594
- Sales		NIL	NIL
- Closing Balance payable		(5,428,955)	(5,428,954)
Associate firm	Raghunath Agro Industries (P) Ltd. (Formerly known as Raghunath Agro Industries-Partnership Firm)		
- Purchases		NIL	NIL
- Sales		NIL	283,692
- Closing Balance payable		163,302	163,302



SDC Foods India Limited
Statement of profit and loss for the year ended March 31, 2016

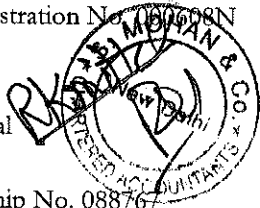
- 24 In spite of adverse affect on the net worth due to losses suffered by the Company during the current year and previous years under audit, the management of the Company has prepared its financial statements on a "Going Concern" basis on the ground that in the ensuing years the performance of the Company is likely to improve.
- 25 Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current year's

for S. Mohan & Co.
Chartered Accountants

Firm Registration No. 088767

R. K Mittal
(Partner)

Membership No. 088767



Dated : May 16, 2016
Place: Delhi

For and on behalf of the Board

Parmod Kumar
(Director)

DIN NO. 02475571

Satish Rana
(Director)

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