



ANJANI FOODS LIMITED

"Anjani Vishnu Centre"  
Plot No.7 & 8, Nagarjuna Hills,  
Punjagutta, Hyderabad 500 082  
Telangana

tel 040 4033 4848  
fax 040 4033 4818

REGD. OFFICE

Vishnupur, B.V. Raju Marg,  
Bhimavaram,  
W.G. District 534 202  
Andhra Pradesh

CIN  
L65910AP1983PLC004005

07.02.2018

To,

The Manager-Listing,

Department of Corporate Affairs,

The Bombay Stock Exchange Limited,

Floor-25, P.J.Towers,

Dalal Street, Mumbai-400 001

Sub- Disclosure under regulation 34(1) of SEBI LODR (Listing Obligations & Disclosure Requirements) Regulations, 2015

Dear Sir,

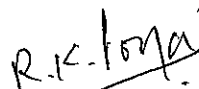
We are enclosing here with a disclosure under Regulation 34(1) of SEBI SEBI LODR (Listing Obligations & Disclosure Requirements) Regulations, 2015, with respect to the submission of the Annual Report of 'Anjani Foods Limited' for the financial year 2016-17.

Kindly take the same on record.

Thanking you,

Yours faithfully

For Anjani Foods Limited

  
R.K.Pooja



Compliance Officer

## CORPORATE INFORMATION

**Board of Directors**

<b>Shri K.V.Vishnu Raju</b>	-	Chairman
<b>Shri R.Ravichandran</b>	-	Whole time Director
<b>Shri P.V.R.L.Narasimha Raju</b>	-	Director
<b>Shri S.Ram Kumar</b>	-	Director
<b>Shri K.Hari Babu</b>	-	Director
<b>Smt.K.Anuradha</b>	-	Director
<b>Shri K.Aditya Vissam</b>	-	Director
<b>Shri P.Ranganath</b>	-	Director
<b>Shri B.Rajasekhar</b>	-	CFO
<b>Ms. R.K.Pooja</b>	-	Company Secretary

**33<sup>rd</sup> Annual General Meeting**

Date : 28th December 2017,

Time : 10.30 A.M.

Venue : Administrative Building,  
Dr.B.V.Raju Foundation,  
Vishnupur, Bhimavaram,  
W.G.District.

**CIN**

**L65910AP1983PLC004005**

**Registered Office**

Vishnupur, Garagaparru Road,  
Bhimavaram - 534 202  
West Godavari District, Andhra Pradesh

**Corporate Office**

'Anjani Vishnu Centre'  
Plot No 7 & 8, Nagarjuna Hills,  
Panjagutta, Hyderabad-500 082

**Auditors**

M.Bhaskara Rao & Co.,  
5-4, 5th Floor, "Kautilya"  
6-3-652, Somajiguda, Hyderabad - 500 482.

**Secretarial Auditors**

D. Hanumanta Raju & Co.  
Company Secretaries,B-13,F-1, P.S.Nagar,  
Vijayanagar Colony, Hyderabad - 500 057

**Bankers**

Indian Bank  
Indian Overseas Bank  
Punjab National Bank

**Share Registrars and Transfer Agents**

M/s. Karvy Computershare Private Limited  
Karvy Selenium Tower No.B, Plot No.31-  
32,Gachibowli,Financial District  
Nanakramguda, Hyderabad : 500 032

**CONTENTS**

Notice .....	.....
Directors' Report .....	.....
Management Discussions & Analysis Report .....	.....
Independent Auditors' Report .....	.....
Standalone Balance Sheet .....	.....
Standalone Profit and Loss Account .....	.....
Standalone Cash Flow Statement .....	.....
Notes on Standalone Accounts .....	.....
Independent Auditors' Report on Consolidated Financial Statements .....	.....
Consolidated Balance Sheet .....	.....
Consolidated Profit and Loss Account .....	.....
Consolidated Cash Flow Statement .....	.....
Notes on Consolidated Financial Statements .....	.....

## NOTICE

Notice is hereby be given that the 33rd Annual General Meeting of the Members of the Company will be held on Thursday, the 28th December, 2017 at 10.30 A.M at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhimavaram, W.G.District- 534202 to transact the following items of business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2017, the Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the Schedules and Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Smt. K.V.R.Anuradha who retires by rotation and being eligible, offers herself for reappointment as Director.
3. To appoint statutory Auditors and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s. M. Anandam & Co., Chartered Accountants, Hyderabad (Firm Registration No. 000125S) be appointed as the statutory auditors of the company, in place of retiring auditors, M/s. M.Bhaskara Rao & Co. Chartered Accountants, Hyderabad (Firm Registration No. 000459S) to hold office from the conclusion of 33rd Annual General Meeting (AGM) till the conclusion of 37th Annual General Meeting (AGM), subject to ratification by the members every year, as applicable, at such remuneration as may be fixed by the Board of directors based on the recommendations made by audit committee."

For and on Behalf of the Board

**K.V.Vishnu Raju**  
Chairman

Place: Hyderabad  
Date : 30.11.2017

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy or proxies to attend and vote instead of himself/herself and such a proxy need not be a member of the company.  

The instrument of a proxy, to be effective, should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the company. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of Board Resolution authorising their representative who attend and vote on their behalf at the meeting.
3. In case of joint holders attending the meeting, only such joint holders who is higher in the order of names will be entitled to vote.
4. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the registrars of the company, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032.
5. Members/Proxies are requested to bring attendance slip filled in for attending the meeting.
6. The company has notified that the register of members and share transfer books of the company will remain closed from December 23, 2017 to December 28, 2017 (both days inclusive).
7. Members who holds shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who holds shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in Dematerialised form may contact their respective Depository Participant(s) for recording nomination in respect of their shares.
8. Members desiring any information as regard accounts are requested to write to the company on or before December 27, 2017, to the attention of the Compliance Officer so as to enable the company to keep the information ready.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with their maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the company/Karvy.
10. Members who holds shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send share certificates to Karvy, for consolidation into a single folio.
11. Electronic copy of annual report is being sent to all the members whose email Ids are registered with the company/Depositories unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
12. To promote green initiative, Members are requested to register their e-mail addresses through their Depository Participants for receiving all communications including Annual Report, Notices, Circulars, etc. From the company electronically. Members holding the shares in physical forms may register their e-mail addresses through the Registrar & Transfer Agent, giving reference of their Folio Number.

13. Non- Resident Indian members are requested to inform Karvy about change in their residential status on return to India for permanent settlement.

#### 14. Voting through electronic means

Pursuant to the provision of Section 108 and other applicable provision, if any, of the companies Act, 2013 read with Rule 20 of the companies (Management and Administration) Rules, 2014 as amended and Clause 44(3) of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the Members are provided with the facility to cast their Votes on resolution through e-voting services provided by Karvy Computershare Private Limited

The e- voting period commence on Monday, December 25, 2017 (9.00 a.m. IST) and ends on Wednesday, December 27, 2017 (5.00 p.m. IST). During this period, **Members of the company, holding shares either in physical form or in dematerialized form, as on December 20, 2017, may cast their votes electronically.** The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.

**The instructions for Electronic Voting are as under:**

##### A. For members who receive notice of Annual General Meeting through e-mail:

- i. Open the internet browser by typing the URL: <https://evoting.karvy.com>.
- ii. Enter the Login credentials (i.e User ID and password). In case of physical folio, User ID will be **EVENT number** followed by folio number. In case of demat account, User ID will be your DP ID and client ID. However if you are already registered with Karvy for e-voting you can use your existing user ID and password for casting your vote. If required, please visit <https://evoting.karvy.com>.or contact toll free number 1-800-3454-001 for your existing password.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one uppercase (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together not exceeding your total shareholding as mentioned herein above. You may also choose "ABSTAIN". If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on specific item it will be treated as abstained.

- x. After entering these details appropriately, click on "SUBMIT" tab.
- xi. A Confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During voting period, Members can login any number of times till they have voted on resolution(s).
- xii. Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to with copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no.

**B. For members who receive the notice of AGM in physical form:**

- i. Members holding shares either in demat or physical mode who are in receipt of notice in physical form, may cast their votes using the ballot form enclosed to this notice. Please refer instruction given in the said form for details.
- ii. Members may alternatively opt for E-Voting Event Number (EVEN), User ID and password is enclosed. Please follow steps from Sl.No(i) to (xii) under the heading A of Note no.14 above to vote through e-voting platform.

**15. Voting Facility at AGM:**

- i. In addition to the remote e-voting facility as described above, the company shall make a voting facility available at the venue of the Meeting, through ballot form and members attending the meeting who have not already cast their votes by remote e-voting or ballot form as mentioned above shall be able to exercise their right at the meeting.
- ii. Members who have cast their votes by remote e-voting or ballot form prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again

**General Instructions regarding voting:**

- 16. Members can opt for only one mode of voting, i.e. either by Ballot Form or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
- 17. Any person who becomes a member of the company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. December 20, 2017, may obtain the User ID and password in the manner as mentioned below :
  - a) If e-mail address or mobile number of the member is registered against folio number/DP ID Client ID, then on home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter folio number folio number or DP ID Client ID and PAN to generate a password.
  - b) Member may call karvy's toll free number 1-800-3454-001.
  - c) Member may send an e-mail request to [pooja.rk@freshchoice.in](mailto:pooja.rk@freshchoice.in).  
If the member is already registered with karvy e-voting platform then he can use his existing user ID and password for casting the vote through remote e-voting
- 18. The voting rights of members shall be in proportion to their shares of paid up equity share capital of the company as on December 20, 2017. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut off date only shall be entitle to avail the facility of remote e-voting or voting the meeting through ballot paper.
- 19. The Company has appointed M/s D. Hanumanta Raju & Co., Practising Company Secretaries, Hyderabad to act as the Scrutinizer to the e-voting process, and voting at the venue of Annual General Meeting in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.

- 20.** The scrutinizer shall, immediately after the conclusion of voting at the General meeting, first count the votes cast at the meeting, thereafter un block the votes through e-voting in presence of at least two witnesses, not in employment of the company and make, not later than two days from the conclusion of meeting, the consolidated scrutinizer report of the total votes cast in favour or against, if any, and submit the same to the chairman of the company, who shall countersign the same.
- 21.** The scrutinizer shall submit his report to the chairman, who shall declare the results of the voting. The results declared along with the scrutinizers report shall be placed on the company's website. And on website of karvy and shall also be communicated to the stock exchanges.
- 22.** Subject to receipt of requisite number of votes, resolutions shall be deemed to be passed on the date of meeting i.e. December 28, 2017.
- 23.** In case a member is desirous of obtaining duplicate ballot form, such member may send an email to [evoting@karvy.com](mailto:evoting@karvy.com) by mentioning their folio/ DP ID and Client ID number.

**DIRECTORS' REPORT**

To  
The Members,  
**ANJANI FOODS LIMITED,**

Your Directors hereby presents the 33rd Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2017. The summarized financial results for the year ended 31st March, 2017 are as under:

**Financial results****Amount in Lakhs**

Particulars	Consolidated		Standalone	
	Year ended		Year ended	
	31-03-2017	31-03-2016	31-03-2017	31-03-2016
Total income	<b>2,317.94</b>	1577.54	<b>16.09</b>	19.80
Operating profit before interest, depreciation and tax	<b>20.34</b>	70.83	<b>(54.02)</b>	(33.07)
Interest and financial charges	<b>41.99</b>	43.93	<b>0.03</b>	0.01
Depreciation	<b>56.78</b>	56.36	<b>0.55</b>	0.72
Profit before taxation	<b>(78.43)</b>	(29.46)	<b>(54.60)</b>	(33.80)
Provisions for taxation	<b>17.37</b>	7.43	<b>17.20</b>	(0.03)
Profit / (Loss) after taxation	<b>(95.81)</b>	(36.89)	<b>(71.80)</b>	(33.77)
Transfer to General Reserves	-	-	-	-
Provision for dividend	-	-	-	-
Provision for dividend tax	-	-	-	-
Balance carried to Balance Sheet	<b>38.07</b>	127.39	<b>(71.80)</b>	(33.77)

**REVIEW OF OPERATIONS:**

During the period, the consolidated total income of the Company increased to Rs. 2,317.94 lakhs as compared to Rs. 1,577.54 lakhs of the previous year. The consolidated net loss before tax for the period is Rs. 78.43 lakhs as compared to Rs. 29.46 lakhs of the previous year.

**DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors confirm that in the preparation of Profit & Loss Account for the year end and Balance Sheet as at that date ("Financial Statements") that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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 on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that 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.

## **DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013**

### **1. State of affairs of the company:**

The Company deals in the business of Food and Beverages segment. During the year, the Company's consolidated Income has increased which is reflected in the financial results of the Company. The company is in the process of expanding its business and strengthening its retail presence by increasing the outlets.

### **2. Amounts, if any, they proposed to carry to any reserves:**

In view of the loss, your Board of Directors does not appropriate any amount to be transferred to General Reserves during the year under review.

### **3. Dividend:**

In view of the loss, the Directors have not recommended any dividend for the year.

### **4. Deposits:**

Your company has not accepted any public deposits as such; no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

### **5. Number of meetings of the Board:**

Six meetings of the board were held during the year as per the details given below:

<b>S. No.</b>	<b>Date of meeting</b>	<b>Total No. of Directors on the Date of Meeting</b>	<b>No. of Directors attended</b>	<b>% of Attendance</b>
1.	25.05.2016	7	7	100
2.	18.07.2016	8	8	100
3.	12.08.2016	8	8	100
4.	26.08.2016	8	8	100
5.	14.11.2016	8	8	100
6.	10.02.2017	8	8	100

### **6. Board Evaluation:**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors pursuant to the provisions of the Act

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

In a separate meeting of Independent Directors, performance of Non- Independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into accounts the views of Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of Board, its committee and individual directors was also discussed.

### **7. Policy on Directors' appointment and remuneration and others details:**

The company's policy on director's appointment and remuneration and other matters provided in section 178 of the Companies Act, are as under:

- To provide the criteria for determining qualifications, positive attributes and independence of a director.
- To formulate remuneration principles for the directors, key managerial personnel and other senior employees of the company .
- To enable the company to attract, retain and motivate employees to achieve the objectives laid down by the company.

#### 8. Directors:

There has been no change in the directorship of the company during the year under review.

#### 9. Internal Financial Control Systems and their Adequacy:

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis and which forms a part of this report.

#### 10. Audit Committee:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 The Audit Committee as on 31 March 2017, comprised following three (3) Non-Executive Directors:

S.No.	Name	Positions held in the committee	Number of Meetings held	Number of meetings attended
1	S. Ram Kumar	Chairman	4	4
2	P.V.R.L.Narasimha Raju	Member	4	4
3	K.V.Vishnu Raju	Member	4	4

The role of the Audit Committee flows directly from the Board of Director's overview function, which holds the Management accountable to the Board and the Board accountable to the stakeholders. The term of reference of the Audit Committee broadly includes:-

- acting as a catalyst, in helping the organization achieve its objectives
- The Audit Committee's primary role is to review the Company's financial statements, internal financial reporting process, internal financial controls, the audit process, adequacy, reliability and effectiveness of the internal control systems and risk management process, vigil mechanism, related party transactions, monitoring process for compliance with laws and regulations and the code of conduct.
- The Audit Committee also reviews Management letters and the responses thereto by the Management. During the year under review.
- The Audit Committee held four (4) Meetings, the dates of the meetings being 25 May 2016, 12 August 2016, 14 November 2016 and 10 February, 2017.

The Chief Financial Officer, Internal Auditors, Statutory Auditors and other Executives as considered appropriate, also attended the Audit Committee Meetings. Internal Audit and Control: M/s. V.R.K.S.S.Prasad & Associates, Chartered Accountants, are the Internal Auditors of the Company and their internal audit plan and remuneration are approved by the Audit Committee. The reports and findings of the Internal Auditor and the internal control system are periodically reviewed by the Audit Committee.

#### 11. Nomination and Remuneration Committee:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 The Audit Committee as on 31 March 2017, comprised following three (3) Non-Executive Directors and the Nomination and Remuneration Committee meeting held on 25th May, 2016

S.No.	Name	Positions held in the committee	Number of Meetings held	Number of meetings attended
1	P.V.R.L.Narasimha Raju	Chairman	1	1
2	S.Ram Kumar	Member	1	1
3	K.V.Vishnu Raju	Member	1	1

**12. The details about the policy developed and implemented by the company on corporate social responsibility initiatives taken during the year:**

The Company has not developed and implemented any Corporate Social Responsibility policy and initiatives, as the said provisions are not applicable

**13. A statement on declaration given by independent directors under Sub-Section (6) of Section 149:**

The provisions of Section 149(6) relating to Independent Directors has been complied with.

**14. Material changes and commitments, if, any, affecting the financial position of the Company which have occurred between the end of financial year of the Company to which the financial statements relate and date of the report.**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of the report. Further, it is hereby confirmed that there has been no change in the nature of business of the Company. However, the Board of Directors of the Company at its meeting held on 18th July, 2016 has approved the Scheme of Amalgamation and Arrangement between Anjani Foods Limited and its Subsidiary, Sai Aditya Foods and Retail Private Limited as per the applicable provisions of the Companies Act 1956 / 2013, subject to receipt of requisite approvals. The Appointed Date as per the terms of the Scheme is 01st April, 2016. The Scheme was approved by the Members of the Company at Tribunal convened meeting on 22nd July, 2017. In view of the afore-mentioned Scheme of Amalgamation, the Company had applied for an extension for holding its Annual General Meeting to the Registrar of Companies, Hyderabad, which was approved and extension of three months was provided to the Company to hold its Annual General Meeting on or before December 31, 2017. The matter was heard by Hon'ble National Company Law Tribunal, Hyderabad Bench on 27.10.2017 and Orders are reserved.

**15. Risk Management:**

The Board of the company regularly reviews and had adopted measures to frame, implement and monitor the risk management plan for the company. The Board is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risk indentified, if any, by the business functions are systematically addressed through mitigating actions on a continuing basis

**16. Particulars of Loans, Guarantees or Investments Under Section 186 of the Companies Act, 2013:**

- a) There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review.
- b) There were no investments made in Subsidiary Company under Section 186 of the Companies Act, 2013 during the year under review.

**17. Particulars of contracts or arrangements made with related parties Under Section 188 of the Companies Act, 2013:**

None of the transactions with related parties fall under the scope of section 188(1) of the act. Information on transaction with related parties pursuant to section 134(3) (h) of the act read with rule 8(2) of the companies (Accounts) Rules, 2014 are given in Annexure-1 in Form AOC-2 and the same forms part of this report.

**18. The change in the nature of business, if any:**

There was no change in the nature of Business.

**19. The details of directors or key managerial personnel who were appointed or have resigned during the year:**

During the period under review, an additional director Mr. P.Ranganath was appointed in an independent capacity with effect from 25.05.2016.

**20. The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year:**

The Company has M/s. Sai Aditya Foods and Retail Private Limited as its Subsidiary. During the year no company has become or ceased to be its Subsidiaries, joint ventures or associate company.

**21. Highlights on performance of subsidiaries, associate and Joint Ventures and contribution to the overall performance of the Company during the period under review:**

The Performance of M/s. Sai Aditya Foods and Retail Private Limited is indicated below:

- Achieved production and sale of Rs. 22.83 crores. Highest ever achieved since inception of the Company.
- Turnover for the year under review was Rs. 23.02 crores compared to Rs. 15.58 crores in the previous year recording an increase of 47.77%
- Profit after Tax (PAT) was of Rs. (0.24) crores compared to previous financial Year of Rs. (0.03) crores.
- Net worth of the Company stood at Rs. 3.67 crores.

**22. Statement containing salient features of Financial Statement of Subsidiaries or Associate Companies or Joint Ventures:**

The statement showing salient features of M/s. Sai Aditya Foods and Retail Private Limited is attached in AOC-1 as Annexure -

**23. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

**24. Particulars of Employees:**

The information required under section 197 of the act read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules 2014, are given below:

**a. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Non Executive Directors	Ratio to median remuneration
K.V.Vishnu Raju	Nil
P.V. R.L. Narasimha Raju	Nil
K.Hari Babu	Nil
S. Ramkumar	Nil
K. Anuradha	Nil
K. Aditya Vissam	Nil
P.Ranganath	Nil

Executive Directors	Ratio to median remuneration
Ravichandran Rajagopal	2.109:1

- b. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Director, Chief Financial Officer, Company Secretary	% of increase in remuneration in the financial year
Ravichandran Rajagopal - Whole Time Director	Nil
Raja Sekhar Bantupalli - Chief Financial Officer	Nil
R.K.Pooja - Company Secretary	Nil

- c. **Percentage increase in median remuneration of employees in the financial year : Nil%**

- d. **The number of permanent employees on the rolls of the company: 06**

Aggregate remuneration of key managerial personnel (KMP) in FY 16-17 (Rs. In Lakhs)	Amount
Revenue (Rs. In Lakhs)	16.09
Remuneration of KMP (as a % of revenue)	123.06
Profit before tax (PBT) (Rs. In Lakhs)	(54.60)
Remuneration of KMP (as a % of PBT)	(36.26)

Particulars	March 31, 2017	March 31, 2016	% Change
Market capitalisation (₹ Crores)	7.29	1.85	294.05
Price Earning Ratio	(10.50)	(5.68)	(84.86)

Particulars	March 31, 2017	March 31, 2016	% Change
Market price (BSE)	18.80	4.77	294.13

- e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil**

Particulars	R.Ravichandran	R.K.Pooja
Remuneration in FY 16 (Rs. Crores)	0.15	0.048
Revenue(Rs. Crores)	0.16	0.16
Remuneration as % of Revenue	93.75	30
Profit before tax (PBT) (Rs. Crores)	(0.55)	(0.55)
Remuneration (as % of PBT)	(27.27)	(8.73)

- f. **Affirmation that the remuneration is as per the remuneration policy of the company:**

The Company affirms remuneration is as per the Remuneration policy of the company.

- g. **Top 10 Employee in terms of remuneration drawn:**

Pursuant to provisions of section 197 of the Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of remuneration of the employees are given below:

**Particulars Of Employees**

S.No.	Name	Designation	Previous Employment	% of Equity Capital held
1	R.Ravichandran	Executive Director	Raasi Enterprises Ltd	0
2	B.Rajasekhar	CFO	Raasi Enterprises Ltd	0
3	Ch. Surya Prakash	Sr. Manager (Acc)	Raasi Enterprises Ltd	0
4	A.M.V.Prasad Raju	Dy. Manager (Pur.)	Raasi Enterprises Ltd	0
5	N.V.S.S.Subramanyam Raju	AGM (Admin)	Raasi Enterprises Ltd	0
6	R.K.Pooja	Company Secretary	-	0

**25. Disclosure as per Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013:**

Your Company has adopted a policy in compliance to the provision of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under in order to curb sexual harassment, if any, at work place of the company.

There were no complaints received by the company during the year under review.

**26. Disclosure Requirements:**

As per Regulation 27(2) of SEBI (Listing obligations & Disclosure Requirement) Rules, 2015 which came into force on 01st December, 2015, the company is exempted to submit quarterly corporate governance reports in the BSE Listing Centre. Pursuant to section 177(9) of Companies Act, 2013 read with rule 7 of Companies (Meetings of Board and its Powers) Rules, the Board has adopted the Whistle Blower Policy. This policy aims for conducting the affairs in a fair and transparent manner.

A Mechanism has been established which aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

**27. Auditors:**

Pursuant to the provision of section 139 of the act and the rules framed thereunder, M/s. M. Anandam & Co., Chartered Accountants, Hyderabad (Firm Registration No. 000125S), were appointed as Statutory Auditors in place of the retiring auditors of the company M/s. M.Bhaskara rao & Co. Chartered Accountants, Hyderabad (Firm Registration No. 00459S) from the conclusion of 33rd Annual General Meeting held on 28.12.2017 till the conclusion of 36th Annual General Meeting of the company to be held in the year 2020, subject to ratification of their appointment at every subsequent Annual General Meeting.

**28. Secretarial Auditors' Report:**

In pursuance of Section 204 of the Companies Act, 2013 Read with Rules made there under, the Board has appointed M/s D. Hanumanta Raju & Co. Practicing Company Secretaries as Secretarial Auditor of the company to carry out the Secretarial Audit for the financial year 2016-17 and the report of the secretarial auditor is annexed to this report

**29. Clarifications on Auditors Comments in Auditors Report :**

There were no comments or qualifications made by the statutory auditor during the year.

Explanations to the Qualifications made by Secretarial Auditor

Qualifications	Reply
As required under Regulation 31(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 hundred percent of the shareholding of promoters and promoters group in not in dematerialized form.	The company is in the process of dematerializing the shares held by the promoters.

**30. Annual Return:**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached to this report.

**31. Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as under.

- |                                     |          |                       |
|-------------------------------------|----------|-----------------------|
| <b>A. Conservation of energy</b>    | <b>:</b> | <b>Not Applicable</b> |
| <b>B. Technology absorption</b>     | <b>:</b> | <b>Not Applicable</b> |
| <b>C. Foreign exchange earnings</b> | <b>:</b> | <b>NIL</b>            |
| <b>D. Foreign exchange outgo</b>    | <b>:</b> | <b>NIL</b>            |

**32. Acknowledgement:**

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

The Directors also thank the Government of India, the Concerned State Governments, Government departments and Governmental Agencies for their co-operation.

For and on behalf of Board

Place: Hyderabad  
Date : 30.11.2017

**R.Ravichandran**  
Wholetime Director  
(DIN 00110930)

**K.V.VishnuRaju**  
Chairman  
(DIN 00480361)

**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 :**

The company has not entered into any related party transaction during the year under review.

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (b) Duration of the contracts / arrangements/transactions:
- (c) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (d) Justification for entering into such contracts or arrangements or transactions:
- (e) Date(s) of approval by the Board:
- (f) Amount paid as advances, if any:
- (g) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

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

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

For and on behalf of Board

Place: Hyderabad  
Date : 30.11.2017

**R.Ravichandran**  
Wholetime Director  
(DIN 00110930)

**K.V.Vishnu Raju**  
Chairman  
(DIN 00480361)



### **FormAOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

#### **Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

1. Sl.No.: 1
2. Name of the subsidiary: M/s. Sai Aditya Foods and Retail Private Limited
3. The date since when subsidiary was acquired:
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: Nil
5. Reporting currency and Exchanger at as on the last date of the relevant Financial year in the case of foreign subsidiaries: Nil
6. Share capital: Rs. 2,94,18,500
7. Reserves and surplus: Rs. 72,46,446
8. Total Assets: Rs. 11,55,09,569
9. Total Liabilities: Rs. 7,88,44,623
10. Investments: NIL
11. Turnover: Rs. 23,01,85,636
12. Profit before taxation: Rs. (23,83,859)
13. Provision for taxation: Rs. 17,609
14. Profit after taxation: Rs. (24,01,468)
15. Proposed Dividend: NIL
16. Extent of shareholding (in percentage): 72.98%

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2017

Of

**ANJANI FOODS LIMITED**

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN:L65910AP1983PLC004005
- ii) Registration Date: 25/06/1983
- iii) Name of the Company: ANJANI FOODS LIMITED
- iv) Category / Sub Category of the Company: Public company having share capital
- v) Address of the Registered office and contact details: Vishnupur, Durgapur, Garagaparru Road, Bhimavaram, Andhra Pradesh-534202
- vi) Whether listed company (Yes / No): - Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any:  
M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500 032.

**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:-

SL.NO.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1.	Manufacturing of Food Products	9961129	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

Sl.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	M/s. Sai Aditya Foods and Retail Private Limited	U55101T G1994PT C017555	Subsidiary	72.98%	2(87) of Companies Act, 2013

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(a) Individual/HUF		2715930	2715930	70		2715930	2715930	70	
(b) Central Govt.		-	-	-					
(c) State Govt(s).		-	-	-					
(d) Bodies Corp.		152550	152550	3.93		152550	152550	3.93	
(e) Banks / FI									
(f) Any other.....									
<b>Sub-total (A) (1):-</b>		2868480	2868480	73.93		2868480	2868480	73.93	
<b>(2) Foreign</b>		-	-	-		-	-	-	-
(a) NRIs – Individuals									
(b) Other – Individuals		-	-	-		-	-	-	-
(c) Bodies Corp.		-	-	-		-	-	-	-
(d) Banks / FI		-	-	-		-	-	-	-
(e) Any Other.....		-	-	-		-	-	-	-
<b>Sub-total (A) (2):-</b>		-	-	-		-	-	-	-
<b>Total Shareholding of Promoter (A)=(A) (1)+(A) (2)</b>		2868480	2868480	73.93		2868480	2868480	73.93	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>		-	-	-		-	-	-	-
a) Mutual Funds		-	-	-		-	-	-	-
b) Banks/FI		-	-	-		-	-	-	-
c) Central Govt.		-	-	-		-	-	-	-
d) State Govt(s).		-	-	-		-	-	-	-
e) Venture Capital Funds		-	-	-		-	-	-	-
f) Insurance Companies		-	-	-		-	-	-	-
g) FIIs		-	-	-		-	-	-	-
h) Foreign Venture		-	-	-		-	-	-	-
i) Capital Funds		-	-	-		-	-	-	-
j) Others (Specify)		-	-	-		-	-	-	-
<b>Sub-total (B) (1):-</b>		-	-	-		-	-	-	-
<b>2. Non – Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals	746000	967020	24.92		77800	967020	24.92		
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	--	44500	1.15		--	44500	1.15		
c) Others (Specify)									
<b>Sub-total (B) (2):-</b>	746000	1011520	26.07		77800	1011520	26.07		
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	746000	1011520	26.07		77800	1011520	26.07		
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total(A+B+C)</b>	746000	3880000	100		77800	3880000	100		

## ii. Shareholding 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
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/emcumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/emcumbered to total shares	
1.	K.V. Vishnu Raju	1480400	37.01	0	1480400	37.01	0	
2.	Vanitha Datla	117200	2.93	0	117200	2.93	0	
3.	K. Ramavathy	105000	2.63	0	105000	2.63	0	
4.	K. Aditya Vissam	177500	4.44	0	117500	4.44	0	
5.	K. Sai sumanth	182500	4.56	0	182500	4.56	0	
6.	Dr.K.S.N.Raju	99500	2.49	0	99500	2.49	0	
7.	K. Anuradha	87000	2.17	0	87000	2.17	0	
8.	Ramesh Datla	76000	1.90	0	76000	1.90	0	
9.	N.K.P. Raju	57500	1.44	0	57500	1.44	0	
10.	Anirudh Datla	54500	1.36	0	54500	1.36	0	
11.	Anisha Datla	42300	1.06	0	42300	1.06	0	
12.	N.Shoba Rani	41500	1.04	0	41500	1.04	0	
13.	Vamitha Finance and Invest P Ltd	51000	1.27	0	51000	1.27	0	
14.	Dr. B.V. Raju(Deceased)	195030	4.88	0	195030	4.88	0	
15.	Shri Rampriya Developers P Ltd	90500	2.26	0	90500	2.26	0	
16.	Lakshmipriya Invesments P Ltd	6050	0.15	0	6050	0.15	0	
17.	Dr.B.V. Raju Foundation	5000	0.13	0	5000	0.13	0	
	Total	2868480	71.71	0	2868480	71.71	0	

## iii. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	For each of the Top 10 Shareholders	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	K GEETANJALI	20000	0.50	20000	0.50
2	M/S KONDAPALLI TRANSPORT CO. P LTD	20000	0.50	40000	1.00
3	M/S KONDAPALLI TRANSPORT CO. P LTD	20000	0.50	60000	1.50
4	K KASTURI	20000	0.50	80000	2.00
5	K SATYANARAYANA RAO	20000	0.50	100000	2.50
6	K SRINIVAS	20000	0.50	120000	3.00
7	VENKATA RAMA RAJU K	6500	0.16	126500	3.16
8	M SARASWATI	5000	0.13	131500	3.29
9	SUBHA SENAN	4000	0.10	135500	3.39
10	PANKAJ MALIK	3250	0.08	138750	3.47

**iv. Shareholding of Directors and Key Managerial Personnel:**

Sl No.	For each of the Directors and KMP	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	K. Vishnu Raju	14,80,400	37.01	14,80,400	37.01
2	R. Ravichandran	0	0	0	0
3	K. Hari Babu	0	0	0	0
4	P.V.R Narsimha Raju	0	0	0	0
5	K. Aditya Vissam	1,77,500	4.44	177500	4.44
6	K. Anuradha	87,000	2.17	87000	2.17
7	S. Ram Kumar	0	0	0	0
8	P.Ranganath	0	0	0	0
9.	B. Rajasekhar	0	0	0	0
10.	R.K.Pooja	0	0	0	0

**V. INDEBTEDNESS: NIL**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principle Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
● Addition				
● Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principle Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl.No.	Particulars of Remuneration	Name of the MD/ WTD/Manager	Total Amount	
			R.Ravichandran Whole Time Director	
1.	Gross Salary		14,62,500	14,62,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		81,000	81,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-
2.	Stock Option		-	-
3.	Sweat Equity		-	-
4.	Commission			
	- As % of Profit		-	-
	- Others, Specify.....			
5.	Others, Please Specify		-	-
	<b>Total (A)</b>		<b>15,43,500</b>	<b>15,43,500</b>
	Ceiling as per the Act		30,00,000	30,00,000

**B. Remuneration to other directors:**

Sl.No.	Particulars of Remuneration	Name of Director					Total Amount
		K.Aditya Vissam	P.V.R.L.N. Raju	S.Ram Kumar	K.Hari Babu	KVRS Anuradha	
	<b>1. Independent Directors</b>						
	● Fee for attending board committee meetings		4000	4000	3000		11000
	● Commission	-	-	-	-		-
	● Others, please specify	-	-	-	-		-
	Total (1)		4000	4000	3000		11000
	<b>2. Other Non-Executive Directors</b>						
	● Fee for attending board committee meetings	1000	-	-	-	1000	2000
	● Commission	-	-	-	-		-
	● Others, please specify	-	-	-	-		-
	Total (2)	1000	-	-	-	1000	2000
	Total (B) = (1+2)	1000	4000	4000	3000	1000	13000
	Total Managerial Remuneration	1000	4000	4000	3000	1000	13000
	Overall Ceiling as per the Act	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	5,00,000

**C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD -**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross Salary	-	4,80,000	14,16,000	18,96,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	1,41,600	1,41,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of Profit	-	-	-	-
	- Others, Specify.....	-	-	-	-
5.	Others, Please Specify	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>4,80,000</b>	<b>15,57,600</b>	<b>20,37,600</b>

**VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>B. DIRECTORS</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

For and on behalf of Board

Place: Hyderabad  
Date : 30.11.2017

**R.Ravichandran**  
Wholetime Director  
(DIN 00110930)

**K.V.Vishnu Raju**  
Chairman  
(DIN 00480361)

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,

**ANJANI FOODS LIMITED (Formerly Raasi Enterprises Limited)**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ANJANI FOODS LIMITED (Formerly Raasi Enterprises Limited)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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 March 31, 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 March 31, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the period of audit)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the period of audit)
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the period of audit);
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period of audit);
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ; (Not applicable to the Company during the period of audit); and



- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the period of audit)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As per the representations and explanations given by the Management and Officers of the Company there are no industry specific laws applicable to the Company as there is no business in the Company during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the company with BSE Limited;

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 observation.

As required under Regulation 31(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 hundred percent of the shareholding of promoters and promoters group in not in dematerialized form.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors at least seven days in advance to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

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

**We further report that** during the audit period the Board of Directors of the Company at its meeting held on 18th July, 2016 has approved the Scheme of Amalgamation and Arrangement between Anjani Foods Limited and its subsidiary, Sai Aditya Foods and Retail Private Limited as per the applicable provisions of the Companies Act 1956 / 2013, subject to receipt of requisite approvals. The Scheme was approved by the Members at the Tribunal convened meeting of the Company on 22nd July, 2017. The matter was heard by Hon'ble National Company Law Tribunal, Hyderabad Bench on 27.10.2017 and Orders are reserved.

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS SHAIK RAZIA**  
PARTNER  
FCS: 7122, CP NO: 7824

Place: Hyderabad  
Date : 30/11/2017

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

***'Annexure A'***

To,  
The Members,  
**ANJANI FOODS LIMITED (Formerly Raasi Enterprises Limited)**

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

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

For **D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS SHAIK RAZIA**  
PARTNER

FCS: 7122, CP NO: 7824

Place: Hyderabad  
Date : 30/11/2017

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We submit hereunder Management Discussion and Analysis Report on the business of the company as applicable to the extent relevant:

Your Company has explored its activities by taking up new activities like Bakery and retailing in order to meet competitive market situation.

### OPPORTUNITIES, RISKS, CONCERNS THREATS & OUTLOOK:

Indian consumer with constantly expanding wallet and higher aspiration constitutes the largest opportunity for your Company. Second opportunity lies in the constant force of technology change. This provides your Company with opportunity to meet consumer needs differently from its competitors. Technology also gives us opportunity to improve efficiency and productivity.

Growth of individual categories is linked to the overall economic growth. Primary risk to the business will be on account of adverse changes to the economy. Volatility in commodity prices is the other risk.

Your Company is looking forward to meet the needs of changing economic scene in India and also to enhance the size and value of business activities of the company so that it will be able to achieve optimal return on capital employed.

### INTERNAL CONTROL SYSTEMS & ADEQUACY:

Your Company's internal control systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting records and providing reliable financial information. The Board and Audit Committee regularly evaluates the functioning and quality of internal controls and provides assurance of its adequacy and effectiveness through periodic reporting.

### FINANCIAL AND OPERATIONAL PERFORMANCE:

The company has subsidiary which mainly deals in Food industry and the consolidated highlights of financial Performance are given below:

The consolidated sales and other income were Rs 2,317.94 Lakhs as against Rs 1,577.54 Lakhs in the previous year.

The Consolidated net profit/ (loss) for the year was Rs. (95.81) Lakhs against Rs. (36.89) Lakhs.

### SEGMENT-WISE PERFORMANCE:

M/s. Sai Aditya Foods and Retail Private Limited which is a subsidiary company of your company, primarily deals in the business segment of Food Industry.

### HUMAN RESOURCES, INDUSTRY DEVELOPMENT RELATIONS:

Your Company has laid high emphasis on driving an effective and transparent Performance Culture and an open mind-set. Your Company is committed to creating an environment of learning and development, promote internal talent and develop cross functional expertise. The human resource strategy is focused on creating a performance driven environment in the company, where innovations is encouraged, performance is recognized and employees are motivated to realize their potential.

### SENIOR MANAGEMENT DISCLOSURES:

The Company's senior management makes disclosures to the Board relating to all material financial and commercial transactions as when they occur.

### CAUTIONARY STATEMENT:

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied.

For and on behalf of Board

Place: Hyderabad  
Date : 30.11.2017

**R.Ravichandran**  
Wholetime Director  
(DIN 00110930)

## INDEPENDENT AUDITORS' REPORT

TO  
THE MEMBERS OF  
ANJANI FOODS LIMITED

### Report on Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ANJANI FOODS LIMITED** ("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 then ended, and a summary of the significant accounting policies and other explanatory information (here in referred to as "the Standalone Financial Statements").

### Management's Responsibility for the Standalone 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 standalone 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 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 thereunder.

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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone 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 standalone financial statements that give 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 standalone 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 standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its loss and its cash flows for the year ended on that date.

## Emphasis of Matter

Without qualifying our report, we draw attention to Note No. 19 regarding drawing the accounts on going concern basis for reasons mentioned in the note.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act and rules made thereunder, 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 in 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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
  - g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The company has no pending litigations as on March 31, 2017 requiring disclosure in its financial statements
    - The company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - There are no amounts which were required to be transferred to Investor Education and Protection Fund.
    - The company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the Management- Refer Note 24.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure B**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **M. Bhaskara Rao & Co.**,  
Chartered Accountants  
(Firm Registration No.00459S)

**(D. Bapu Raghavendra)**  
Partner  
(Membership No.213274)

Place: Hyderabad  
Date : 29 May, 2017

## **Annexure - A to the Auditors' Report**

### **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 **M/s. ANJANI FOODS LIMITED ("the Company")** as of 31 March 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (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, considering nature of business, size of operation and organisational structure of the entity, 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 **M. Bhaskara Rao & Co.,**  
Chartered Accountants  
(Firm Registration No.004595)

Place: Hyderabad  
Date : 29 May, 2017

**(D. Bapu Raghavendra)**  
Partner  
(Membership No.213274)

## Annexure - B to the Independent Auditors' Report

**(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

- i) (a) The Company's fixed asset register showing full particulars including the quantitative details and situation of fixed assets is being maintained.
- (b) As explained to us, the management has physically verified the fixed assets at reasonable intervals. As reported to us, there were no discrepancies found during such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) As per the information and explanations given to us, the company has no inventory and hence the provisions of clause 3(ii) of the Companies (Auditor's Report) Order, 2016 ("the Order") are not applicable.
- iii) The Company has granted a loan to its subsidiary company, covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act").
  - a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - b) In the case of loans granted to the body corporate listed in the register under Section 189 of the Act, the borrower has been repaying the principal and interest in accordance to the terms and conditions as stipulated. The principal amount is due to the extent of Rs. 124.42 lakhs as at the balance sheet date.
  - c) There are no overdue amounts in respect of the loan granted to the company covered in the register maintained under Section 189 of the Act.
- iv) In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and 186 of the Act with respect to loans and investments made.
- v) The company has not accepted any deposits from the public during the year.
- vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of Cost Records under sub section (1) of section 148 of the Companies Act, 2013.
- vii) (a) According to the information and explanations given to us, the company has been generally regular in depositing the dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities, and there were no material amounts outstanding as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of Sales tax Value Added Tax, Customs duty, Service Tax, Excise duty or Cess, which have not been deposited on account of their being disputed by the company, as at 31st March 2017.
- viii) According to the information and explanations given to us, the Company did not have any loans or borrowings from banks, financial institutions, the Government or debenture holders and hence the provisions of clause 3(viii) of the Companies (Auditor's Report), Order, 2016 are not applicable.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, para 3(xi) of the Order is not applicable.



- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the managerial remuneration has been paid/provided in accordance with the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us, the transactions with related parties are in compliance with sections 177 and 188 of the Act and are disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable.

For **M. Bhaskara Rao & Co.,**  
Chartered Accountants  
(Firm Registration No.00459S)

Place: Hyderabad  
Date : 29 May, 2017

**(D. Bapu Raghavendra)**  
Partner  
(Membership No.213274)

**Balance Sheet as at 31st March 2017**

Amount in ₹

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
Share Capital	2	<b>39,880,401</b>	39,880,401
Reserves and Surplus	3	<b>29,169,716</b>	36,348,751
<b>2 Non-Current Liabilities</b>			
Long-Term Borrowings	4	-	-
Deferred Tax Liabilities (Net)	5	<b>5,908</b>	5,908
<b>3 Current Liabilities</b>			
Other Current Liabilities	6	<b>26,782,709</b>	12,271,452
Short-Term Provisions	7	<b>57,632</b>	102,809
<b>TOTAL</b>		<b>95,896,366</b>	88,609,321
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	8	<b>40,594,939</b>	40,987,047
Work in Progress		<b>7,874,858</b>	-
Non-Current Investments	9	<b>32,050,003</b>	32,050,003
Long Term Loans and Advances	10	<b>1,045,901</b>	2,622,583
<b>Current Assets</b>			
Cash and Cash Equivalents	11	<b>370,865</b>	411,198
Short-Term Loans and Advances	12	<b>13,959,799</b>	12,538,490
<b>TOTAL</b>		<b>95,896,366</b>	88,609,321
<b>Significant of Accounting Policies and Notes on Financial Statements</b>			

As per our report of even date attached  
for **M.BHASKARA RAO & CO.**,  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

**K.Aditya Vissam**  
Director

**S.Ram Kumar**  
Director

Place: Hyderabad  
Date : 29.05.2017

**R.K.Pooja**  
Company Secretary

**B.Rajasekhar**  
Chief Finance Officer

**Statement of Profit and Loss for the year ended 31st March 2017** Amount in ₹

Particulars	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>I. Other Income</b>	13	<b>1,608,757</b>	1,980,316
<b>II Profit on sale of asset</b>		-	-
<b>III. Total Revenue (I +II)</b>		<b>1,608,757</b>	1,980,316
<b>IV. Expenses:</b>			
Employee Benefit Expense	14	<b>5,168,807</b>	4,041,377
Financial Costs	15	<b>3,170</b>	1,255
Depreciation and Amortization Expense	8	<b>54,504</b>	72,402
Other Expenses	16	<b>1,841,437</b>	1,244,981
<b>Total Expenses (IV)</b>		<b>7,067,918</b>	5,360,015
<b>V. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)</b>		<b>(5,459,161)</b>	(3,379,699)
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit / (Loss) before extraordinary items and tax (V - VI)</b>		<b>(5,459,161)</b>	(3,379,699)
<b>VIII. Extraordinary Items</b>		-	-
<b>IX. Profit / (Loss) before tax (VII - VIII)</b>		<b>(5,459,161)</b>	(3,379,699)
<b>X. Tax expense:</b>			
(1) Current tax		-	-
(2) Prior Year Taxation		<b>1,719,874</b>	-
(3) Deferred Tax		-	(2,579)
<b>XI. Profit/(Loss) for the period (IX - X)</b>		<b>(7,179,035)</b>	(3,377,120)
<b>XII. Earning per equity share:</b>			
(1) Basic		<b>(1.79)</b>	(0.84)
(2) Diluted		<b>(1.79)</b>	(0.84)
<b>Significant of Accounting Policies and Notes on Financial Statements</b>			

As per our report of even date attached  
**for M.BHASKARA RAO & CO.,**  
 CHARTERED ACCOUNTANTS  
 (FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
 Partner  
 Membership No. : 213274

**K.Aditya Vissam**  
 Director

**S.Ram Kumar**  
 Director

Place: Hyderabad  
 Date : 29.05.2017

**R.K.Pooja**  
 Company Secretary

**B.Rajasekhar**  
 Chief Finance Officer

**Cash Flow Statement for the year ended 31st March 2017**

Amount in ₹

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary items:	(5,459,161)	(3,379,699)
Adjustments for:		
Depreciation on fixed assets	54,504	72,402
Interest and Finance Charges paid	3,170	1,255
Loss on sale of Fixed Asset	138,002	-
	<u>195,676</u>	<u>73,657</u>
Operating Profit before Working Capital Changes	(5,263,485)	(3,306,042)
Adjustments for:		
(Increase)/ Decrease in Inventories	-	-
(Increase)/ Decrease in Sundry Receivables	-	-
(Increase)/ Decrease in Loans and Advances	155,373	4,816,144
Increase/ (Decrease) in Current Liabilities	14,466,080	(1,406,709)
	<u>14,621,453</u>	<u>3,409,435</u>
Cash Generated from Operations	9,357,968	103,393
Direct Taxes paid	(1,719,873)	-
Net Cash Flow from Operating Activities (A)	<u>7,638,095</u>	<u>103,393</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7,874,860)	-
(Increase)/ Decrease in Investments	-	-
Proceeds for sale of asset	199,600	-
Net Cash Flow from Investing Activities (B)	<u>(7,675,260)</u>	<u>-</u>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
(Repayment)/ Proceeds of/from		
Long Term Borrowings	-	-
Interest Paid	(3,170)	(1,255)
Calls In Arrears received	-	-
Net Cash Flow from Financing Activities (C)	<u>(3,170)</u>	<u>(1,255)</u>
<b>NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(40,335)</b>	<b>102,138</b>
Cash and Cash Equivalents as at the commencement for the year	411,198	309,060
Cash and Cash Equivalents as at the close of the year	<b>370,865</b>	<b>411,198</b>

As per our report of even date attached  
for **M.BHASKARA RAO & CO.**,  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

**K.Aditya Vissam**  
Director

**S.Ram Kumar**  
Director

Place: Hyderabad  
Date : 29.05.2017

**R.K.Pooja**  
Company Secretary

**B.Rajasekhar**  
Chief Finance Officer

## NOTES ON ACCOUNTS:

### 1. CORPORATE INFORMATION

Anjani Foods Limited (formerly Raasi Enterprises Limited) is a public listed company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on The Bombay Stock Exchange. The registered office of the company is located at Vishnupur, Garagaparru Road, Bhimavaram -534202.

Consequent to the change in the name of the Company, the company is proposing to enter into food processing and its retail marketing.

### 2. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS.

#### a. Basis of preparation:

The financial statements of the Company are prepared on accrual basis, under historical cost convention. The Financial Statements of the Company have been prepared in accordance with G.A.A.P in India ("Indian GAAP") to comply with accounting standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Act/ the Companies Act, 2013, as applicable.

The accounting policies adopted in the preparation of financial statements are consistent with those of the preceding year.

#### b. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### c. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

#### d. Fixed Assets:

Fixed assets are carried at cost of acquisition or construction less accumulated depreciation. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take substantial period of time to get ready for their intended use are capitalized.

#### e. Impairment:

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 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 its carrying amount, the carrying amount is reduced to its

recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that if 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 depreciated historical cost.

**f. Depreciation:**

Depreciation on tangible fixed assets is provided under the straight line method as per the useful lives prescribed in Schedule II to the Companies Act 2013.

**g. Investments:**

Investments are classified as Non Current and Current. Non Current Investments are carried at cost less provision for other than temporary diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

**h. Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**i. Taxes On Income:**

Current Tax: Provision for current tax is made based on the taxable income computed for the year under the Income Tax Act, 1961.

Deferred Tax: Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws, enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carried forward losses under the Tax Laws are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

**j. Revenue Recognition:**

Sale of goods: The Company recognizes revenue on sale of products, net of discounts and applicable Taxes i.e., VAT, Sales tax, CST etc., when the product is shipped to customer i.e., when the risks and rewards of ownership are passed on to the customer.

Interest and other income are recognized on accrual basis.

**k. Employee Benefits:**

- a) Provident Fund is administered through Regional Provident Fund Commissioner. The contributions to the above said funds are charged against revenue.
- b) In respect of gratuity, the company has covered all eligible employees under group gratuity scheme of LIC. Accordingly the company pays annual premium to LIC and difference between annual gratuity liability and annual premium paid is provided in books.
- c) Leave encashment to employees is provided on an estimated basis.

**l. Contingent Liabilities:**

Contingent liabilities arising from claims, litigations, assessments, fines, penalties, etc., are provided when it is probable that a liability may be incurred and the amount can be reliably estimated.

## Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
<b>Note No. 2</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORIZED</b>				
50,00,000 Equity Shares of ₹ 10/- each.	<u>5,000,000</u>	<u>50,000,000</u>	<u>5,000,000</u>	<u>50,000,000</u>
	<u>5,000,000</u>	<u>50,000,000</u>	<u>5,000,000</u>	<u>50,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>				
4000000 Equity Shares of ₹ 10/- each, Fully Paid up Share capital by allotment	<u>4,000,000</u>	<u>40,000,000</u>	<u>4,000,000</u>	<u>40,000,000</u>
Less: Calls in Arrears	<u>120,000</u>	<u>119,599</u>	<u>120,000</u>	<u>119,599</u>
<b>TOTAL</b>	<u>3,880,000</u>	<u>39,880,401</u>	<u>3,880,000</u>	<u>39,880,401</u>

### Notes

#### a) Shares in the Company held by each share holders more than 5%

Share Capital	% of Share holding	As at 31.03.2017		% of Share holding	As at 31.03.2016	
		Number	Amount		Number	Amount
K.V.Vishnu Raju	37.01	<u>1,480,400</u>	<u>14,804,000</u>	37.01	<u>1,480,400</u>	<u>14,804,000</u>

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 3</b>		
<b>RESERVE AND SURPLUS</b>		
<b>1 General Reserve</b>		
Opening Balance	<u>6,930,294</u>	<u>6,930,294</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u>6,930,294</u>	<u>6,930,294</u>
<b>2. Reserve Fund</b>		
Opening Balance	<u>18,946,054</u>	<u>18,946,054</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u>18,946,054</u>	<u>18,946,054</u>
<b>3. Investment Allowance Reserve</b>		
Opening Balance	<u>2,316,000</u>	<u>2,316,000</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u>2,316,000</u>	<u>2,316,000</u>
<b>4. Surplus (Profit &amp; Loss Account)</b>		
Opening Balance	<u>8,156,403</u>	<u>11,533,523</u>
Add: Net Profit / (Loss) for the yer Current Year	<u>(7,179,035)</u>	<u>(3,377,120)</u>
Amount available for appropriations	<u>977,368</u>	<u>8,156,403</u>
Less: Transfer to General Reserves	-	-
Less: Final Dividends	-	-
<b>Closing Balance</b>	<u>977,368</u>	<u>8,156,403</u>
<b>Total (1 to 4)</b>	<u>29,169,716</u>	<u>36,348,751</u>

## Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 4</b>		
<b>NON-CURRENT LIABILITIES</b>		
(i) Long Term Borrowings:		
Secured:		
a) Term Loans from banks		
- Other Parties	-	-
Unsecured:		
- Loans from Others	-	-
<b>TOTAL</b>	<u>-</u>	<u>-</u>
<b>Note No. 5</b>		
<b>DEFERRED TAX LIABILITES (NET)</b>		
(a) Deferred Tax Liability comprises of following		
Fixed Assets (Depreciation)	5,908	5,908
<b>Total Net (a-b)</b>	<u>5,908</u>	<u>5,908</u>
<b>Note No.6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current Secured maturities of long term debts	-	-
Unclaimed Matured Deposits	61,780	61,780
Other Liabilities	26,720,929	12,209,672
<b>TOTAL</b>	<u>26,782,709</u>	<u>12,271,452</u>
<b>Note No. 7</b>		
<b>SHORT-TERM PROVISIONS</b>		
Provision for Gratuity	57,632	102,809
<b>TOTAL</b>	<u>57,632</u>	<u>102,809</u>



## Notes on Financial Statements

Note No.8

### FIXED ASSETS

Amount in ₹

Sl. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2016	Additions	Sales/ Adjustments	As at 31.03.2017	As at 1.04.2016	for the year	Sales/ Adjustments	As at 31.03.2017	As at 31.03.2016
<b>I</b>	<b>Tangible Assets</b>									
1	Land	40,593,690	-	-	40,593,690	-	-	-	40,593,690	40,593,690
2	Vehicles	741,737	-	741,737	-	54,504	404,133	-	-	392,108
3	Electrical Equipment	38,777	-	-	38,777	37,528	-	37,528	1,249	1,249
	<b>TOTAL</b>	41,374,204	-	741,737	40,632,467	387,157	54,504	404,133	40,594,939	40,987,047
	Previous Year	41,374,204	-	-	41,374,204	314,756	72,402	-	387,158	41,131,790

## Notes on Financial Statements

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No: 9</b>		
<b>NON CURRENT INVESTMENT</b>		
<b>Other Investments - Quoted - Non traded</b>		
<b>Investment in Equity Instrument</b>		
M/s. Regency Ceramics Limited 100 (Previous Year 100) equity shares of ₹ 10/- each	1	1
M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ₹ 10/- each	1	1
M/s. Sparteck Ceramics Limited 50 (Previous Year 50 ) equity shares of ₹ 10/- each	1	1
<b>Other Investments - Unquoted - Non traded</b>		
M/s. Sai Aditya Foods and Retail Private Limited 2,14,696 (Previous Year 1,20,946) equity shares of ₹ 100/- each	32,000,000	32,000,000
<b>Investment in Mutual Funds - Traded</b>		
- In Morgan Stanely 5000 (Previous Year 5000) units of ₹ 10/- each	50,000	50,000
<b>TOTAL</b>	<u>32,050,003</u>	<u>32,050,003</u>
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	32,000,000	32,000,000
Aggregate Market Value of Quoted Investments	-	-
Aggregate Market Value of Mutual Funds	367,050	367,050
<b>Note No. 10</b>		
<b>LONG TERMS LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	-	-
<b>Other Loans and Advances</b>		
Advance Tax	-	1,497,180
TDS Receivables	1,045,901	902,709
Income Tax Refunds	-	222,694
<b>Unsecured, Considered Doubtful</b>		
Other Loans and Advances	286,827	286,827
<b>Sub Total</b>	<u>1,332,728</u>	<u>2,909,410</u>
Less: Provision for Doubtful other loans and advances	286,827	286,827
<b>TOTAL</b>	<u>1,045,901</u>	<u>2,622,583</u>

**Notes on Financial Statements**

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 11</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>Cash-in-Hand</b>		
Cash Balance	37,286	37,286
<b>Sub Total (A)</b>	<u>37,286</u>	<u>37,286</u>
<b>Bank Balance</b>		
In Current Accounts	266,800	307,132
In Unclaimed Deposits - Escrow A/c (Refer Note)	66,780	66,780
<b>Sub Total (B)</b>	<u>333,580</u>	<u>373,912</u>
<b>Total [A to B]</b>	<u>370,866</u>	<u>411,198</u>

**Note:**

Note: Section 205 of the Companies Act, 1956 mandates that companies transfer dividend/deposits that has been unclaimed for a period of seven years from unpaid dividend/deposit account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend/deposit is unclaimed for a period of seven years, it will be transferred to IEPF.

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 12</b>		
<b>SHORT TERMS LOANS AND ADVANCES</b>		
Capital Advances	-	-
<b>Other Loans and Advances</b>		
Advance to Related Parties	12,441,638	11,331,300
Advances to Employees	10,000	-
Other Advances	1,508,161	1,207,190
<b>TOTAL</b>	<u>13,959,799</u>	<u>12,538,490</u>

## Notes on Financial Statements

Amount in ₹

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Note No. 13</b>		
<b>OTHER INCOME</b>		
Interest on Loans	1,608,757	1,952,879
Others	-	27,437
<b>TOTAL</b>	<b>1,608,757</b>	<b>1,980,316</b>
<b>Note No. 14</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	3,390,435	2,745,858
Contribution to Provident Fund and Other Funds	468,852	407,726
Workman and Staff Welfare Expenses	1,309,520	887,793
<b>TOTAL</b>	<b>5,168,807</b>	<b>4,041,377</b>
<b>Note No. 15</b>		
<b>FINANCIAL COST</b>		
Interest Expenses		
(a) Interest on Term loan	-	-
(b) Interest on Other loans	-	-
(c) Bank Charges	3,170	1,255
<b>TOTAL</b>	<b>3,170</b>	<b>1,255</b>
<b>Note No. 16</b>		
<b>OTHER EXPENSES</b>		
Advertisement and Publicity	124,161	124,319
<b>Auditors Remuneration</b>		
for Audit Fees	34,500	34,350
For Tax Audit Fees	-	17,175
for Certification Fee	34,500	22,636
Books and Periodicals	-	-
Computer Maintenance	2,995	-
General Expenses	13,333	13,700
Insurance	-	-
Licence and Fees	462,200	253,345
Listing Fee, Board and General Meeting Expenses	-	-
Printing and Stationery Expenses	88,100	73,670
Professional Charges	428,140	186,828
Rent Rates and Taxes	333,348	388,060
Telephone, Postage and Telegram	139,738	130,898
Travelling Expenses	36,934	-
Loss on sale of asset	138,002	-
Interest on TDS	5,486	-
<b>TOTAL</b>	<b>1,841,437</b>	<b>1,244,981</b>

## NOTES ON FINANCIAL STATEMENTS:

17. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) Rs. Nil (Previous year Rs. Nil).

### 18. CONTINGENT LIABILITIES NOT PROVIDED FOR:

- I. Disputed Income Tax demands year 1998-99 Rs. Nil lakhs (Previous Year Rs. 6.80 lakhs) towards in respect of which company has filed an appeal with Commissioner Income Tax (Appeals).
- II. Disputed Income Tax Liability for A.Y.2004-05 Rs. Nil lakhs (Previous Year Rs. 9.78 lakhs) towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).

19. The company has not carried out any operations during the year and is in the process of entering into producing bakery products, milk products, etc. to capture the growing demands of the industry. The name of the company has been changed to "ANJANI FOODS LIMITED" with effect from 07.11.2014 on receipt of Central Government. Approval pursuant to the change in Memorandum of Association.

There are no operations carried on by the company. The accounts have been drawn up on Going Concern basis pending finalization and crystallization of business plans.

### 20. Aggregated Related Party Disclosures

#### a. Related Parties

Enterprises owned or significantly influenced by Key Management personnel or relatives

- Sri Vishnu Educational Society
- Sai Aditya Foods and Retail Private Limited

#### Key Management Personnel

Shri K.V.Vishnu Raju	-	Chairman
Shri R.Ravichandran	-	Whole Time Director
Shri. B.Rajashekhar	-	Chief Financial Officer
Ms. R.K.Pooja	-	Company Secretary

#### b. Following are the transactions with related parties during the year ended 31.03.2017.

Particulars	Subsidiary Company	Key Managerial Personnel	Relatives of the key Managerial Personnel	Enterprises of Key Managerial Personnel
Sri Vishnu Educational Society	-	-	-	2,44,81,983 (Cr)
				<i>1,05,94,324 (Cr)</i>
Sai Aditya Food and Retail Private Limited	1,13,31,302 (Dr)	-	-	-
	<i>1,24,41,638 (Dr)</i>	-	-	-

Figures in italics represent previous year's figures

### 21. Particulars of remuneration paid to Whole -Time Director:

Particulars	2016-17	2015-16
Salary	14,62,500	14,62,500
Provident & other funds	81,000	81,000
<b>TOTAL</b>	<b>15,43,500</b>	<b>15,43,500</b>

**22. Statutory Auditors remuneration:**

Rupees

Particulars	2016-17	2015-16
Audit Fee	34,500	33,708
Taxation and Others	86,250	16,854
Certification Fee	34,500	33,708
<b>TOTAL</b>	<b>1,55,250</b>	<b>84,270</b>

**23. Earnings per share:**

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a) Profit / (Loss) after tax	(71,79,034)	(33,77,120)
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share- Basic and Diluted	(1.79)	(0.84)

**24. Disclosure On Specified Bank Notes:**

During the year the Company had specified bank notes (SBN) and other denomination notes as on defined in the MCA notification G.S.R.308(E) dated 31st March 2017, on the details of Specified Bank Notes held on transacted during the period from 8th November 2016 to 31st December 2016, the denomination wise SBNs and other notes as per the notification given below:

Particulars	SBN (Old Notes)	Other Denomination Notes	Total
Closing Balance as on 08th November 2016	99,000	37,885	1,36,885
Add: Permitted Receipts	-	2,50,000	2,50,000
Less: Permitted Payments	-	-	-
Less: Amount Deposited in Bank	99,000	600	99,600
Closing Balance as on 30th December 2016	-	2,87,285	2,87,285

**25.** Balances with Scheduled Banks, Loans & Advances, and unsecured loans are subject to confirmation and reconciliation.

**26.** The figures for the previous years are reclassified / regrouped and rearranged wherever necessary.

As per our report of even date attached

**for M.BHASKARA RAO & CO.,**  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

Place: Hyderabad  
Date : 29.05.2017

for and on behalf of Board

**K.Aditya Vissam**  
Director

**R.K.Pooja**  
Company Secretary

**S.Ram Kumar**  
Director

**B.Rajasekhar**  
Chief Finance Officer

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Consolidated  
Financial Statements of  
Anjani Foods Limited

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## INDEPENDENT AUDITORS' REPORT

To  
To the Members of  
Anjani Foods Limited

### Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **ANJANI FOODS LIMITED** ("the Holding Company"), and its subsidiary Sai Aditya Foods and Retail Private Limited, comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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. The respective Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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,

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated



state of affairs of the Company as at 31st March, 2017, and their consolidated loss and its consolidated cash flows for the year ended on that date.

### **Emphasis of Matter**

Without qualifying our report, we draw attention that the accounts are on going concern basis as the Holding Company does not have any operations

### **Other Matters**

We did not audit the financial statements of one subsidiary whose financial statements reflect total assets(net) of Rs. 3,59,59,542/- as at 31 March, 2017, total loss of Rs. 31,06,872/- and net cash outflows amounting to Rs. 1,65,457/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the subsidiary is based solely on the report of the other auditor.

### **Report on Other Legal and Regulatory Requirements**

3. As required by Section 143 (3) of the Act and rules made thereunder, we report that:
  24. 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 of the aforesaid consolidated financial statements
  25. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.
  26. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  27. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  28. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  29. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  30. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - The company has no pending litigations as on March 31, 2017 requiring disclosures in its Financial Statements)
    - The company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - There are no amounts which were required to be transferred to Investor Education and Protection Fund.

For **M. Bhaskara Rao & Co.**,  
Chartered Accountants  
(Firm's Registration No.000459 S)

**(D. Bapu Raghavendra)**  
Partner  
(Membership No. 213274)

Place: Hyderabad  
Date : 29 May, 2017

## **Annexure - A to the Independent Auditor's Report**

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 **M/s. ANJANI FOODS LIMITED** ("the Holding Company") and its subsidiary as of March 31, 2017 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

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

The respective Board of directors of the Holding Company, its subsidiary company which is incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company/Group 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 whether 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 auditors' 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 expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (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 Holding Company and, the subsidiary company incorporated in India have, 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.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls system over financial reporting in so far as relates to the subsidiary company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India. Our opinion is not modified in respect of the above matter.

For **M. Bhaskara Rao & Co.**,  
Chartered Accountants  
(Firm's Registration No.000459 S)

Place: Hyderabad  
Date : 29 May, 2017

**(D. Bapu Raghavendra)**  
Partner  
(Membership No. 213274)

**Consolidated Balance Sheet as at 31st March 2017**

Amount in ₹

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
Share Capital	2	39,880,401	39,880,401
Reserves and Surplus	3	36,135,284	45,066,910
Minority Interest		9,906,749	10,555,626
<b>2. Non-Current Liabilities</b>			
Long-Term Borrowings	4	10,517,410	8,864,180
Deferred Tax Liabilities (Net)	5	4,172,010	4,154,401
Other Long Term Liabilities	6	11,642,541	11,432,858
<b>3. Current Liabilities</b>			
Short-Term Borrowings	7	18,237,579	18,403,269
Trade Payables	8	7,701,019	6,866,325
Other Current Liabilities	9	40,921,042	22,245,666
Short-Term Provisions	10	57,632	185,502
<b>TOTAL</b>		<b>179,171,667</b>	<b>167,655,138</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	11	122,475,439	121,852,418
Capital Work In Progress		7,874,858	-
Goodwill		12,207,374	12,207,374
Non-current investments	12	50,003	50,003
Long term loans and advances	13	1,045,901	2,622,583
<b>Current Assets</b>			
Inventories	14	24,247,517	22,285,169
Trade Receivables	15	3,400,030	1,879,993
Cash and cash equivalents	16	1,876,181	2,081,970
Short-term loans and advances	17	5,392,911	4,489,500
Other Current Assets	18	601,453	186,128
<b>TOTAL</b>		<b>179,171,667</b>	<b>167,655,138</b>
<b>Significant of Accounting Policies and Notes on Financial Statements</b>			

As per our report of even date attached  
for **M.BHASKARA RAO & CO.**,  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

**K.Aditya Vissam**  
Director

**S.Ram Kumar**  
Director

Place: Hyderabad  
Date : 29.05.2017

**R.K.Pooja**  
Company Secretary

**B.Rajasekhar**  
Chief Finance Officer

**Consolidated Statement of Profit and Loss for the year ended 31st March 2017** Amount in ₹

Particulars	Note No.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>I. Revenue from Operations</b>			
Sale of Products		<b>228,297,710</b>	150,793,383
<b>II. Other Income</b>	19	<b>3,496,683</b>	6,961,093
<b>III. Total Revenue (I +II)</b>		<b>231,794,393</b>	157,754,476
<b>III. Expenses:</b>			
Cost of Materials Consumed	20	<b>85,825,214</b>	52,698,088
Purchase of Traded Goods		<b>56,908,634</b>	34,216,095
Changes in Inventories of Finished Goods and Stock in Trade	21	<b>601,074</b>	990,693
Employee Benefit Expense	22	<b>39,983,531</b>	30,132,829
Financial Costs	23	<b>4,199,300</b>	4,393,292
Depreciation and Amortization Expense	11	<b>5,677,884</b>	5,635,699
Other Expenses	24	<b>46,441,777</b>	32,633,513
<b>Total Expenses (IV)</b>		<b>239,637,414</b>	160,700,209
<b>IV. Profit / (Loss) before exceptional and extraordinary items and tax (III - IV)</b>		<b>(7,843,020)</b>	(2,945,734)
<b>V. Exceptional Items</b>		-	-
<b>VI. Profit/(Loss) before extraordinary items and tax (V-VI)</b>		<b>(7,843,020)</b>	(2,945,734)
<b>VII. Extraordinary Items</b>		-	-
<b>VIII. Profit / (Loss) before tax (VII - VIII)</b>		<b>(7,843,020)</b>	(2,945,734)
<b>IX. Tax expense:</b>			
(1) Current tax		-	82,693
(2) Prior Year Taxation		<b>1,719,874</b>	-
(3) Deferred tax		<b>17,609</b>	660,752
<b>X. Consolidated Profit/(Loss) for the period before adjustment of Minority Interest (IX - X)</b>		<b>(9,580,503)</b>	(3,689,179)
<b>XI. Less: Share of Minority Interest in Profit / (Loss)</b>		<b>(648,877)</b>	(84,318)
Consolidated Profit / (Loss) after Minority Interest		<b>(8,931,626)</b>	(3,604,861)
Balance in Profit and Loss account brought forward		<b>12,739,073</b>	16,343,934
Balance Carried to Balance Sheet		<b>3,807,447</b>	12,739,073
<b>XI. Earning per equity share:</b>			
(1) Basic		<b>(2.23)</b>	(0.90)
(2) Diluted		<b>(2.23)</b>	(0.90)
<b>Significant of Accounting Policies and Notes on Financial Statements</b>			

As per our report of even date attached  
**for M.BHASKARA RAO & CO.,**  
 CHARTERED ACCOUNTANTS  
 (FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
 Partner  
 Membership No. : 213274

**K.Aditya Vissam**  
 Director

**S.Ram Kumar**  
 Director

Place: Hyderabad  
 Date : 29.05.2017

**R.K.Pooja**  
 Company Secretary

**B.Rajasekhar**  
 Chief Finance Officer

**Consolidated Cash Flow Statement for the year ended 31st March 2017** Amount in ₹

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary items:	(7,843,020)	(2,945,734)
Adjustments for:		
Loss on Sale of Asset	157,836	-
Depreciation on fixed assets	5,677,884	5,635,699
Interest and Finance Charges paid	4,199,300	4,393,292
	<u>10,035,020</u>	<u>10,028,991</u>
Operating Profit before Working Capital Changes	2,192,000	7,083,257
Adjustments for:		
(Increase)/ Decrease in Inventories	(1,962,348)	896,179
(Increase)/ Decrease in Trade Receivables	(1,520,037)	393,805
(Increase)/ Decrease in Loans and Advances	673,271	1,935,270
(Increase)/ Decrease in Other Current Assets	(415,325)	-
Increase/ (Decrease) in Trade payables	834,694	(161,301)
Increase/ (Decrease) in Short Term Provisions	(127,870)	121,601
Increase/ (Decrease) in Current Liabilities	18,719,369	5,074,671
	<u>16,201,754</u>	<u>8,260,225</u>
Cash Generated from Operations	18,393,755	15,343,482
Direct Taxes paid	1,719,874	(82,693)
Net Cash Flow from Operating Activities	16,673,881	15,260,789
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7,128,343)	(5,106,450)
(Increase) / Decrease in Work In Progress	(7,874,858)	-
(Increase) / Decrease in Investments	-	-
Proceeds for Sale of Assets	669,600	-
Net Cash Flow from Investing Activities	(14,333,601)	(5,106,450)
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
(Repayment)/ Proceeds from Secured Loans	1,653,230	(6,245,483)
Interest Paid	(4,199,300)	(4,393,292)
Proceeds from Share Application Money	-	-
Net Cash Flow from Financing Activities	(2,546,070)	(10,638,775)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(205,790)</b>	<b>(484,436)</b>
Cash and Cash Equivalents as at the commencement for the year	2,081,970	2,566,405
Cash and Cash Equivalents as at the close of the year	1,876,181	2,081,970

As per our report of even date attached  
for **M.BHASKARA RAO & CO.**,  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

**K.Aditya Vissam**  
Director

**S.Ram Kumar**  
Director

Place: Hyderabad  
Date : 29.05.2017

**R.K.Pooja**  
Company Secretary

**B.Rajasekhar**  
Chief Finance Officer

## CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

### Note No 1

#### SIGNIFICANT ACCOUNTING POLICIES & NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

The financial statements have been prepared on the basis of going concern, under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) in India.

#### I. SIGNIFICANT ACCOUNTING POLICIES:

##### 1. Principles of Consolidation:

The Consolidated financial statements relate to Anjani Foods Limited (formerly Raasi Enterprises Limited) ('the Company') and its Subsidiary Company M/s Sai Aditya Foods and Retail Private Limited ("the Subsidiary"). Goodwill arising out of acquisition of subsidiary is shown under Fixed Assets. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its Subsidiary company are combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit and losses in accordance with the Accounting Standard (AS) 21 issued by the Institute of Chartered Accountants of India.
- b) Minority Interest's share of net profit for the year is identified and adjusted against the consolidated income in order to arrive at the net income attributable to shareholders of the Company.
- c) Minority Interest's share of net assets is identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company's shareholders.

##### 2. FIXED ASSETS:

Fixed Assets including Leased Assets are accounted for on historical cost. Cost includes all costs incidental to acquisition, installation and commissioning of the assets until they are ready for intended use.

##### 3. DEPRECIATION

- a) Depreciation on Fixed Assets (including Leased Assets) is provided on straight line method in accordance with the provisions of Schedule II of the Companies Act, 2013 as amended from time to time.
- b) In respect of Subsidiary Company depreciation on Fixed Assets is provided on Written Down Value method at the rates specified by Schedule II of the Companies Act 2013.

##### 4. INVESTMENTS:

Long Term Investments are valued at cost after providing for any permanent diminution in value.

##### 5. INVENTORIES:

Finished goods are valued at cost or net realizable value whichever is lower and Raw materials, Stores & Spares are valued at cost in the books of Subsidiary.

##### 6. REVENUE RECOGNITION:

- a) Income from Lease transactions, interest and other income is recognized on accrual basis.
- b) Sales are recognized when goods are supplied in accordance with the terms of sale.

**7. EMPLOYEE BENEFITS:**

- a) Provident Fund is administered through Regional Provident Fund Commissioner. The contributions to the above said funds are charged against revenue
- b) In respect of gratuity, the company has covered all eligible employees under group gratuity scheme of LIC. Accordingly the company pays annual premium to LIC and difference between annual gratuity liability and annual premium paid is provided in books.
- c) Leave encashment to employees is provided on an estimated basis.

**8. BORROWING COSTS:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**9. TAXES ON INCOME:**

- a) The provision for current tax is made for the tax payable in accordance with provisions of Income Tax Act, 1961.
- b) Deferred Tax is recognized in accordance with the Accounting Standard - 22" Accounting for Taxes on Income". Deferred Tax Asset is recognized only if there is virtual certainty of its realization.

**10. CONTINGENT LIABILITIES:**

Contingent liabilities arising from claims, litigations, assessments, fines, penalties, etc., are provided when it is probable that a liability may be incurred and the amount can be reliably estimated.

**11. IMPAIRMENT OF ASSETS:**

All fixed assets are tested for any indications of impairment at the end of each financial year. On such indication, impairment loss, being the excess of carrying value over recoverable value of the assets, is charged to profit and loss account in the respective financial years. The impairment loss recognized in the prior years is reversed in cases where the recoverable value exceeds the carrying value upon reassessments in the subsequent years.



**Notes on Consolidated Financial Statements**

Amount in ₹

Particulars	As at 31.03.2017		As at 31.03.2016	
	Number	Amount	Number	Amount
<b>Note No. 2</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORIZED</b>				
50,00,000 Equity Shares of ₹ 10/- each.	<u>5,000,000</u>	<u>50,000,000</u>	<u>5,000,000</u>	<u>50,000,000</u>
	<u>5,000,000</u>	<u>50,000,000</u>	<u>5,000,000</u>	<u>50,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>				
4000000 Equity Shares of ₹ 10/- each, Fully Paid up Share capital by allotment	<u>4,000,000</u>	<u>40,000,000</u>	<u>4,000,000</u>	<u>40,000,000</u>
Less: Calls in Arrears	<u>120,000</u>	<u>119,599</u>	<u>120,000</u>	<u>119,599</u>
<b>TOTAL</b>	<u><b>3,880,000</b></u>	<u><b>39,880,401</b></u>	<u><b>3,880,000</b></u>	<u><b>39,880,401</b></u>

**Notes**
**a) Shares in the Company held by each share holders more than 5%**

Share Capital	% of Share holding	As at 31.03.2017		% of Share holding	As at 31.03.2016	
		Number	Amount		Number	Amount
K.V.Vishnu Raju	37.01	<u>1,480,400</u>	<u>14,804,000</u>	37.01	<u>1,480,400</u>	<u>14,804,000</u>

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 3</b>		
<b>RESERVE AND SURPLUS</b>		
1. General Reserve		
Opening Balance	<u>6,930,294</u>	<u>6,930,294</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u><b>6,930,294</b></u>	<u><b>6,930,294</b></u>
2. Reserve Fund		
Opening Balance	<u>18,946,054</u>	<u>18,946,054</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u><b>18,946,054</b></u>	<u><b>18,946,054</b></u>
3. Investment Allowance Reserve		
Opening Balance	<u>2,316,000</u>	<u>2,316,000</u>
Add: Transfer	-	-
Less: Utilised	-	-
<b>Closing Balance</b>	<u><b>2,316,000</b></u>	<u><b>2,316,000</b></u>
5. Surplus (Profit & Loss Account)		
Opening Balance	<u>16,874,562</u>	<u>20,479,423</u>
Less: Adj on account of change in share of net assets in subsidiary	-	-
Add: Net Profit / (Loss) for the yer Current Year	<u>(8,931,626)</u>	<u>(3,604,861)</u>
Add: Share Premium	-	-
Amount available for appropriations	<u>7,942,936</u>	<u>16,874,562</u>
Less: Transfer to General Reserves	-	-
Less: Final Dividentds	-	-
<b>Closing Balance</b>	<u><b>7,942,936</b></u>	<u><b>16,874,562</b></u>
<b>Total (1 to 4)</b>	<u><b>36,135,284</b></u>	<u><b>45,066,910</b></u>

**Notes on Consolidated Financial Statements**

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 4</b>		
<b>LONG TERM BORROWINGS</b>		
<b>(a) Term Loans from banks</b>		
Rupee Loan (Refer Note No. a, b and c)	-	5,296,770
Vehicle Loans	-	-
<b>Unsecured:</b>		
Loans from Directors	-	-
Loans from Others	10,517,410	3,567,410
<b>TOTAL</b>	<u>10,517,410</u>	<u>8,864,180</u>

**Notes :**

- c) In case of Subsidiary Company M/s Sai Aditya Foods and Retail Private, the term loans are from Indian Bank, Daba Gardens Branch, Visakhapatnam is secured and equitable mortgage against the land and buildings of the Company situated at visakhapatnam.

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 5</b>		
<b>DEFERRED TAX LIABILITES (NET)</b>		
<b>(a) Deferred Tax Liability comprises of following</b>		
Fixed Assets (Depreciation)	4,172,010	4,154,401
<b>TOTAL NET</b>	<u>4,172,010</u>	<u>4,154,401</u>
<b>Note No.6</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Sundry Creditors - Capital Purchases	11,642,541	11,432,858
Other Liabilities	-	-
<b>TOTAL</b>	<u>11,642,541</u>	<u>11,432,858</u>

## Notes on Consolidated Financial Statements

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 7</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Loans (Refer Note 1)	18,237,579	18,403,269
<b>Unsecured</b>		
Others	-	-
Related Parties	-	-
<b>TOTAL</b>	18,237,579	18,403,269
<b>Note:</b>		
Cash Credit facility with Indian Bank, Main Branch, Visakhapatnam is secured by hypothecation of stocks of Raw Materials, finished goods and book debts and personal guarantee of Director		
<b>Note No. 8</b>		
<b>TRADE PAYABLES</b>		
Dues to Micro and Small Enterprises	-	-
Suppliers	7,701,019	6,866,325
<b>TOTAL</b>	7,701,019	6,866,325
<b>Note:</b>		
Out of the Said amount of Rs.Nil pertains to Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 on the information available with the Company		
<b>Note No.9</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current Secured maturities of long term debts	4,898,774	5,388,000
Unclaimed Matured Deposits	61,780	61,780
Other Liabilities	35,960,488	16,795,886
<b>TOTAL</b>	40,921,042	22,245,666
<b>Note No. 10</b>		
<b>SHORT TERM PROVISIONS</b>		
Provision for Income Tax	57,632	185,502
<b>TOTAL</b>	57,632	185,502

## Notes on Consolidated Financial Statements

Note No.11

## FIXED ASSETS

Amount in ₹

Sl. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		As at 01.04.2016	Additions	Sales/ Adjustments	As at 31.03.2017	As at 1.04.2016	for the year	Sales/ Adjustments	As at 31.03.2017	As at 31.03.2015
<b>I</b>	<b>Tangible Assets</b>									
1	Land	48,295,370	-	-	48,295,370	-	-	-	48,295,370	48,295,370
2	Building	44,214,805	1,288,736	-	45,503,541	8,088,455	1,157,777	-	36,257,309	36,126,350
3	Plant and Machinery	46,555,343	3,741,293	-	50,296,636	18,734,997	2,131,227	-	29,430,412	27,820,346
4	Furnitures & Fixtures	19,836,159	56,237	-	19,892,396	13,522,518	1,334,221	-	5,035,657	6,313,641
5	Vehicles	5,779,143	579,972	1,461,737	4,897,378	3,366,772	460,826	634,299	1,704,079	2,412,371
6	Office Equipment	-	1,345,825	-	1,345,825	-	118,273	-	1,227,552	-
7	Computer	3,728,488	116,280	-	3,844,768	2,845,397	475,560	-	523,811	883,091
8	Air Conditioner	-	-	-	-	-	-	-	-	-
9	Wooden Partitions	-	-	-	-	-	-	-	-	-
10	Electrical Equipment	38,777	-	-	38,777	37,528	-	-	1,249	1,249
	<b>TOTAL</b>	<b>168,448,085</b>	<b>7,128,343</b>	<b>1,461,737</b>	<b>174,114,691</b>	<b>46,595,667</b>	<b>5,677,884</b>	<b>634,299</b>	<b>122,475,439</b>	<b>121,852,418</b>
	Previous Year	163,341,635	5,106,450	-	168,448,085	40,959,969	5,635,699	-	121,852,418	122,381,666

**Notes on Consolidated Financial Statements**

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No: 12</b>		
<b>NON CURRENT INVESTMENT</b>		
<b>Other Investments - Quoted - Non traded</b>		
<b>Investment in Equity Instrument</b>		
M/s. Regency Ceramics Limited 100 (Previous Year 100) equity shares of ` 10/- each	1	1
M/s. Andhra Pradesh Steels Limited 10,200 (Previous Year 10,200) equity shares of ` 10/- each	1	1
M/s. Sparteck Ceramics Limited 50 (Previous Year 50 ) equity shares of ` 10/- each	1	1
<b>Investment in Mutual Funds - Traded</b>		
- In Morgan Stanely 5000 (Previous Year 5000) units of ` 10/- each	50,000	50,000
<b>TOTAL</b>	<u>50,003</u>	<u>50,003</u>
Aggregate amount of Quoted Investments	3	3
Aggregate Market Value of Quoted Investments	-	-
Aggregate Market Value of Mutual Funds	367,050	367,050
<b>Note No. 13</b>		
<b>LONG TERMS LOANS AND ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Capital Advances	-	-
<b>Other Loans and Advances</b>		
Advance tax (Net off)	-	1,497,180
TDS Receivables	1,045,901	902,709
Income Tax Refund	-	222,694
<b>Unsecured, Considered Doubtful</b>		
Other Loans and Advances	286,827	286,827
<b>Sub Total</b>	1,332,728	2,909,410
Less: Provision for Doubtful other loans and advances	286,827	286,827
<b>TOTAL</b>	<u>1,045,901</u>	<u>2,622,583</u>
<b>Note No. 14</b>		
<b>INVENTORIES</b>		
Raw and Packing Materials	12,182,090	9,618,668
Finished Goods	12,065,427	12,666,501
<b>TOTAL</b>	<u>24,247,517</u>	<u>22,285,169</u>

## Notes on Consolidated Financial Statements

Amount in ₹

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Note No. 15</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured - Considered Good	3,400,030	1,879,993
Outstanding from More than Six Months	-	-
<b>TOTAL</b>	<b>3,400,030</b>	<b>1,879,993</b>
<b>Note No. 16</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>Cash-in-Hand</b>		
Cash Balance	510,097	316,606
<b>Sub Total (A)</b>	<b>510,097</b>	<b>316,606</b>
<b>Bank Balance</b>		
In Current Accounts	1,299,304	1,698,584
In Unclaimed Deposits - Escrow A/c (Refer Note)	66,780	66,780
<b>Sub Total (B)</b>	<b>1,366,084</b>	<b>1,765,364</b>
<b>TOTAL [A TO B]</b>	<b>1,876,181</b>	<b>2,081,970</b>

**Note:**

Section 205 of the Companies Act, 1956 mandates that companies transfer dividend/deposit that has been unclaimed for a period of seven years from unpaid dividend/deposit account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend/deposit is unclaimed for a period of seven years, it will be transferred to IEPF.

**Note No. 17****SHORT TERMS LOANS AND ADVANCES**

Capital Advances	-	-
<b>Other Loans and Advances</b>		
Advance to Related Parties	-	-2
Advances to Employees	1,639,906	1,411,953
Other Advances	3,605,967	3,077,549
Advances to Suppliers	147,038	-
<b>TOTAL</b>	<b>5,392,911</b>	<b>4,489,500</b>

**Note No. 18****OTHER CURRENT ASSETS**

Other Receivables	335,610	55,935
TDS Receivables	160,378	130,193
Prepaid Expenses	105,465	-
<b>TOTAL</b>	<b>601,453</b>	<b>186,128</b>

**Notes on Consolidated Financial Statements**

Amount in ₹

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Note No. 19</b>		
<b>OTHER INCOME</b>		
Interest on Loans	1,608,757	1,952,879
Others	1,887,926	5,008,214
<b>TOTAL</b>	<b>3,496,683</b>	<b>6,961,093</b>
<b>Note No. 20</b>		
<b>COST OF MATERIALS CONSUMED</b>		
Raw and Packing Materials	85,825,214	52,698,088
<b>TOTAL</b>	<b>85,825,214</b>	<b>52,698,088</b>
<b>Note No. 21</b>		
<b>CHANGES IN INVENTORIES</b>		
Opening	12,666,501	13,657,194
Closing	12,065,427	12,666,501
<b>TOTAL</b>	<b>601,074</b>	<b>990,693</b>
<b>Note No 22</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
Salaries and Wages	36,328,301	27,354,749
Contribution to Provident Fund and Other Funds	2,345,710	1,890,287
Workman and Staff Welfare Expenses	1,309,520	887,793
<b>TOTAL</b>	<b>39,983,531</b>	<b>30,132,829</b>
<b>Note No. 23</b>		
<b>Financial Cost</b>		
<b>Interest Expenses</b>		
(a) Interest on Term loan	1,035,505	1,606,193
(b) Interest on Term loan	2,399,354	2,170,456
(c) Interest on Other loans	547,490	538,027
(d) Bank Charges	216,952	78,616
<b>TOTAL</b>	<b>4,199,300</b>	<b>4,393,292</b>

## Notes on Consolidated Financial Statements

Amount in ₹

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Note No. 24</b>		
<b>OTHER EXPENSES</b>		
Advertisement and Publicity	1,227,549	213,681
<b>Auditors Remuneration</b>		
for Audit Fees	132,250	120,225
For Tax Audit Fees	-	17,175
for Certification Fee	34,500	22,636
for Out of Pocket Expenses	23,000	22,635
Books and Periodicals	-	-
General Expenses	249,644	716,195
Insurance	698,797	156,530
Licence and Fees	462,200	253,345
Listing Fee, Board and General Meeting Expenses	-	-
Printing and Stationery Expenses	633,858	222,216
Professional Charges	2,210,783	2,204,315
Rent Rates and Taxes	1,648,393	4,292,319
Telephone, Postage and Telegram	216,043	1,472,833
Travelling Expenses	3,639,438	1,367,449
Transport Charges	1,399,652	484,891
Electricity Charges	7,764,882	6,235,472
Repairs and Maintenance		
Equipment and Fuel	8,706,066	6,486,206
ShowRoom Maintenance	556,188	710,100
Electrical and Computer Maintenance	284,587	-
Generator Maintenance	220,069	43,775
Vehicle/Car Maintenance	3,207,626	1,641,394
Sales Commission	1,387,751	5,634
Business Promotion Expenses	236,969	564,824
Car Hire Charges	190,879	-
Security Charges	2,297,364	1,673,665
Office and Factory Maintenance	2,018,082	68,570
Loss on sale of assets	157,836	-
R & D Expenses	26,832	173,973
Interest on Tds	5,486	-
Service Tax	1,068,340	-
Value Added Tax	5,736,712	3,463,456
<b>TOTAL</b>	<b>46,441,777</b>	<b>32,633,513</b>



## CONSOLIDATED NOTES ON ACCOUNTS:

25. The Subsidiary Company considered in the consolidated financial statement is:

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Sai Aditya Foods and Retail Private Limited	India	72.98%

26. Estimated amount of contracts, remaining to be executed on Capital account and not provided for (net of advances) Rs. Nil (Previous year Rs. Nil).

27. Contingent Liabilities Not Provided For:

- Disputed Income Tax demands year 1998-99 Rs. Nil lakhs (Previous Year 6.80 Lakhs) towards in respect of which company has filed an appeal with Commissioner Income Tax (Appeals).
- Disputed Income Tax Liability for A.Y.2004-05 Rs.Nil (Previous Year Rs.9.78 lakhs) towards lease income from buildings in respect of which the company has filed an appeal with Commissioner Income Tax (Appeals).

28. The company has not carried out any operations during the year and is in the process of entering into producing bakery products, milk products, etc. to capture the growing demands of the industry. The name of the company has been changed to "ANJANI FOODS LIMITED" with effect from 07.11.2014 on receipt of Central Government. Approval pursuant to the change in Memorandum of Association.

The accounts have been drawn up on Going Concern basis pending finalization and crystallization of business plans.

29. In the books of Subsidiary the term loan is secured on the whole of the various items of Machinery & Interior Wood work etc., by a deed of Hypothecation with Indian Bank, Dabagardens Brach, Visakhapatnam. The cash credit facility extended by Indian Bank, Dabagardens Branch, Visakhapatnam is secured by a charge on all inventories (Stocks & Goods) in favour of Indian Bank, Visakhapatnam.

30. Aggregated Related Party Disclosures

### Related Parties

#### Enterprises owned or significantly influenced by Key Management personnel or relatives

- Sri Vishnu Educational Society

#### Key Management Personnel

Shri K.V.Vishnu Raju	-	Chairman
Shri R.Ravichandran	-	Whole Time Director
Shri. B.Rajashekhar	-	Chief Financial Officer

Following are the transactions with related parties during the year ended 31.03.2017.

Particulars	Key Managerial Personnel	Relatives of the key Managerial Personnel	Enterprises of Key Managerial Personnel
Sri Vishnu Educational Society	-	-	2,44,81,983 (Cr) 1,05,94,324 (Cr)

Figures in italics represent previous year's figures.

31. Balances with Scheduled Banks, Loans & Advances, and Unsecured loans are subject to confirmation and reconciliation.

32. Statutory Auditors remuneration:		Rupees
Particulars	2016-17	2015-16
Audit Fee	1,32,250	1,20,225
Taxation and Others	86,250	17,175
Certifications Fees	34,500	33,708
Out of Pocket Expenses	23,000	39,362
<b>TOTAL</b>	<b>2,76,000</b>	<b>2,02,284</b>

33. **Deferred Tax Asset/Liability:**

In accordance with Accounting Standard 22 "Accounting for taxes on Income" issued by the companies (Accounting Standards) Rules 2006.

Deferred tax assets and liabilities arising due to timing differences comprise of:

Particulars	As at 31.03.2017	As at 31.03.2016
a) Deferred Tax Asset - (Unabsorbed Losses)	-	-
b) Deferred Tax Liability - (Depreciation)	41,72,010	41,54,401
c) Net Deferred Tax Liability / (Asset) (b-a)	41,72,010	41,54,401

34. **Earnings per share:**

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
a) Consolidated Profit/(Loss)	(89,31,626)	(36,04,861)
b) Weighted average No. Of shares	40,00,000	40,00,000
c) Earnings per share - Basic	₹(2.23)	₹(0.90)
- Diluted	₹(2.23)	₹(0.90)

35. Previous year's figures have been re-grouped / reclassified wherever necessary to conform to the current year's classification.

As per our report of even date attached  
for **M.BHASKARA RAO & CO.,**  
CHARTERED ACCOUNTANTS  
(FRN: 000459S)

for and on behalf of Board

**D.Bapu Raghavendra**  
Partner  
Membership No. : 213274

**K.Aditya Vissam**  
Director

**S.Ram Kumar**  
Director

Place: Hyderabad  
Date : 29.05.2017

**R.K.Pooja**  
Company Secretary

**B.Rajasekhar**  
Chief Finance Officer





## ANJANI FOODS LIMITED

CIN:L65910AP1983PLC004005

Registered Office: Vishnupur, Garagaparru Road,  
Bhimavaram, Andhra Pradesh 534202

### ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Anjani Foods Limited.

I hereby record my presence at the Thirty Third Annual General Meeting of the shareholders of Anjani Foods Limited at **Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhhimavaram, W.G.District- 534202** at 10.30 A.M. on Thursday, 28th December, 2017.

DP ID*		Reg. Folio No.	
Client ID*		No. of Shares	

\* Applicable if shares are held in electronic form

Name & Address of Member

\_\_\_\_\_  
Signature of  
shareholders/Proxy/ Representative (please Specify)





## ANJANI FOODS LIMITED

CIN:L65910AP1983PLC004005

Registered Office: Vishnupur, Garagaparru Road,  
Bhimavaram, Andhra Pradesh 534202

**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)

ICIN	<b>L65910AP1983PLC004005</b>		
Name of the company	ANJANI FOODS LIMITED		
Registered office	Vishnupurdurgapur, Garagaparru Road, Bhimavaram, Andhra Pradesh 534202		
Name of the member(s)			
Registered Address			
Email 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		
	E-mail Id	Signature	
	or failing him		
2.	Name		
	Address		
	E-mail Id	Signature	
	or failing him		
3.	Name		
	Address		
	E-mail Id	Signature	

(Contd.)

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 33rd Annual General Meeting of the Company, to be held on Thursday, the 28th December, 2017 at 10.30 AM at Administrative Building, Dr.B.V.Raju Foundation, Vishnupur, Bhhimavaram, W.G.District- 534202 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against	Abstain
1.	Adoption of Audited Financial statements for the year ended March 31, 2017, Reports of the Board of Directors and Auditors.			
2.	Appointment of a Director in place of Smt. KVR Anuradha who retires by rotation and being eligible, offers herself as re-appointment as Director.			
3.	Appointment of M/s. M. Anandam & Co., Chartered Accountants, Hyderabad (Firm Registration No. 000125S) as Statutory Auditors of the Company and authorising the Board to fix their remuneration			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix Revenue stamp.
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**Notes:**

1. 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.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10%, of the total share capital of the Company carrying voting rights may appoint a single person as proxy. However such person shall not act as proxy for any other person.