

Kohinoor Foods Ltd.

08.07.2022

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI – 400 051

The Listing Department
BSE Limited
P.J. Tower, Dalal Street
MUMBAI – 400 001

Company Code : KOHINOOR
Scrip Code : 512559

Dear Sirs,

Sub: Outcome of Board Meeting held on 08th July 2021 and Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements, 2015

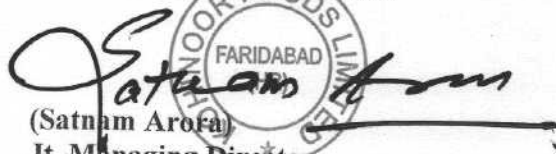
This is to inform that the Board of Directors of the Company at its Meeting held today, i.e. on 08th July 2022 which commenced at 03.15 P.M. and concluded at 04:20 P.M. has, *inter-alia*, taken the following decisions :-

1. Approved the Un-audited Standalone and Consolidated Financial Results of the Company for the first quarter ended on 30th June 2022. Copy of the said results along with the Limited Review Report thereon by Statutory Auditors of the Company is submitted herewith in compliance of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please acknowledge receipt.

Thanking you,

Yours faithfully,
For Kohinoor Foods Limited


(Satnam Arofa)
Jt. Managing Director
DIN No: 00010667

Encl.: As above

Kohinoor Foods Ltd.

STANDALONE STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022.

(Rs. in Lacs)

Sl. No.	Particulars	STANDALONE			
		QUARTER ENDED			YEAR ENDED
		30-06-2022 UN-AUDITED	31-03-2022 AUDITED	30-06-2021 UN-AUDITED	31-03-2022 AUDITED
I	Revenue from Operation	2,132	4,026	2,626	9,857
II	Other Income	11	446	7	492
III	Total Income (I+II)	2,143	4,472	2,632	10,348
IV	Expenses				
	Cost of material consumed	588	2,231	178	5,642
	Purchase of stock-in-trade	173	561	1,807	800
	(Increase)/Decrease in Inventories of finished goods, stock-in-trade and work-in-progress	(88)	48	(143)	69
	Employee benefits expense	158	166	125	594
	Finance Costs	4	50	13	67
	Depreciation and amortisation expense	166	191	192	773
	Impairment of Assets	-	185	-	185
	Other Expenses	989	892	673	2,747
	Total expenses (IV)	1,990	4,325	2,845	10,877
V	Profit/ (Loss) before exceptional items and tax (III-IV)	153	147	(213)	(529)
VI	Exceptional Items	(781)	22	-	22
VII	Profit/ (Loss) before tax (V-VI)	934	125	(213)	(551)
VIII	Tax Expense				
	(1) Current Tax				
	(2) Income Tax for Prior Years				
	(3) Deferred tax		80	-	80
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	934	45	(213)	(630)
X	Profit/(Loss) from discontinuing operations				
XI	Tax expenses of discontinued operations				
XII	Profit/(Loss) from Discontinuing operations (after tax) (X-XI)				
XIII	Profit/ (Loss) for the period (VII-VIII)	934	45	(213)	(630)
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		11	-	11
	(ii) Income tax relating to items that will not be reclassified to profit or loss				
	B (i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
XV	Total Comprehensive Income for the period (IX+X)	934	56	(213)	(619)
XVI	Earning per Equity share (for continuing operation):				
	(1) Basic	2.52	0.15	(0.57)	(1.67)
	(2) Diluted	2.52	0.15	(0.57)	(1.67)
XVII	Earning per Equity share (for discontinuing operation):				
	(1) Basic				
	(2) Diluted				
XVIII	Earning per Equity share :-(Face Value of Rs. 10 each) (not annualised)				
	(1) Basic	2.52	0.15	(0.57)	(1.67)
	(2) Diluted	2.52	0.15	(0.57)	(1.67)


[Signature]
KOHINOOR FOODS LTD.
FARIDABAD
(HR)

Kohinoor Foods Ltd.

NOTE:

- 1) The Un-Audited Standalone Financial Results have been reviewed by Audit committee and approved by the Board of Directors in their meeting held on 8th July, 2022.
- 2) The standalone financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, specified in Section 133 of Companies Act, 2013.
- 3) The Company is primarily engaged in the business of manufacturing, trading & marketing of food products which is a single segment, as per Indian Accounting Standard (IND AS) 108.
- 4) The Un-Audited Standalone Financial Results are given as per the requirement of Regulation 33 of the SEBI (LODR), Regulations 2015 and submitted to Stock Exchanges.
- 5) The Banks have classified the company's accounts as Non Performing asset and served recall Notice under section 13(2) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The Company has given reply of said notices within the stipulated time.
- 6) The company has received Ex-parte Interim Order dated 25-06-2020 from Debt Recovery Tribunal-III, Delhi in the matter of ICICI Bank Vs. Kohinoor Foods Limited restraining the company from transferring/ alienating or otherwise dealing with, or disposing off or encumbering or creating any third party interest with respect of the hypothecated assets/immovable properties of Company until further orders. The company is contesting the matter and has filed its reply before DRT-III, Delhi.
- 7) The company has not provided interest on bank loans to the extent of Rs. 2766 lacs for the Quarter and Rs. 36845 lacs from the date on which the bank loans were classified as non-performing assets. Further, towards corporate guarantee, the company has not provided interest to the extent of Rs. 64 lacs for the quarter and Rs. 501 lacs, from the date of provision in the Books of Accounts .
- 8) As on date we have paid INR 40.09 crores to banks towards OTS and the said amount has been netted off in the total outstanding of Loan repayable on Demand from Banks. Against amount payable to Bank, management has raised certain disputes towards overcharged demand of Interest.
- 9) The Creditors of the Company have filed petition under Section 7 of Insolvency and Bankruptcy Code, 2016, before the Hon'ble court of NCLT, Chandigarh Bench, which are not yet admitted. The Next Date of Hearing has been scheduled for 6th October 2022.
- 10) The Balances of some Debtors and creditors are subject to confirmation.
- 11) As per the assessment of Management the company continues to be going concern. This assessment is based on the sanction of One Time Settlement by lead Bank and the interest shown by prospective investors/imminent buyers of assets in the company.
- 12) The Lead Bank (PNB) has sanctioned one time settlement OTS proposal of the company. The company has requested for an extension towards satisfaction of OTS till 30th Sep 2022 to complete OTS payment process, which the consortium lenders are considering. The company is hopeful to meet the OTS within stipulated time. Meanwhile, on account payment of Rs 6 crores has been made towards the interest on OTS.
- 13) The outbreak of Covid 19 has severely impacted business globally including India. The company had some short term impact on operation and recoverability of amount due from Debtors due to Covid 19 and the lockdown imposed by the government.
- 14) The company had made disinvestment of its entire shareholding in its wholly owned subsidiary in U.K, "Indo European Foods Limited (I.E.F.L.)" during previous financial year, to M/s Herba Foods S.L.U., Spain, a company of Ebro Food Group (Ebro group). Ebro group has retained some funds in the Escrow account, to be released in 2 tranches in future years, this is in anticipation of any unforeseen expenses, if so arises, the same can be set off by the retained amount in Escrow. Ebro group has raised an invoice of GBP 30000 towards certain pending expenses incurred by them. The same has been adjusted against the said account.
- 15) The figures of the current quarter are the balancing figures between unaudited figures in respect of the quarter ended 30-06-2022 and the published audited figures for the year ended 31-03-2022 of previous financial year.
- 16) The figures of previous year have been regrouped / rearranged wherever considered necessary.
- 17) As per the assessment of the management the recoverable amount of the assets is higher than its carrying value and hence no impairment of assets needs to be recorded in the financial statement.
- 18) The company has received Rs. 780 lacs, as one time facilitation charges towards providing its expertise service, which has been treated as non operational income and shown under the head extraordinary item.
- 19) M/s. Regal Kitchen Foods Limited filed an arbitration petition towards alleged outstanding, against which company has filed its counter claim towards the financial losses. Company had booked income in the FY 2021-2022 towards the financial losses of Rs. 387 Lakhs (in FY 2021-2022), which is to be recoverable from M/s. Regal Kitchen Foods Limited. Case is filed in District and Session court Faridabad and the Hon'ble court has provided the next date of hearing on 09th September 2022.

By order of the Board
For Kohinoor Foods Limited


Satnam Arora
Jt. Managing Director
DIN No. 00010667

Place : Faridabad
Date : 08th July, 2022



N C RAJ & ASSOCIATES

Chartered Accountants
10, Community Centre No.2,
Ashok Vihar Phase-II,
Delhi – 110 052
Phone: +91-11-45172000-99
Website: www.ncraj.com
Email: info@ncraj.com

Independent Auditor's Review Report on quarterly Standalone Unaudited Financial Results of Kohinoor Foods Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Board of Director of
Kohinoor Foods Limited**

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results ('the Statement') of Kohinoor Foods Limited ('the Company') for the quarter ended 30th June 2022, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of interim Financial Information Performed by the independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to enquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Basis of Qualified Conclusion

- (i) In reference to Note No. 11 in the statement discloses the management's assessment of the company's ability to continue as going concern. The management's assessment of going concern is based on the OTS by the lead bank PNB and the interest shown by prospective investors in the company. However, in view of default in re-payment of borrowings, negative cash flows and negative net worth and due to financial constraints, material uncertainty exists about the company's ability to continue as going concern and the decision of the management of the company to prepare the accounts of the company on going concern basis. There may arise a need to adjust the realizable value of assets and liabilities in the event of failure of assumption as to going concern.



N C RAJ & ASSOCIATES

Chartered Accountants

Forming part of Independent Auditor's Review Report on quarterly Standalone Unaudited Financial Results of Kohinoor Foods Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (ii) As stated in Note No. 12, The Lead Bank (PNB) has sanctioned one time settlement OTS proposal of the company. The company has requested for an extension towards satisfaction of OTS till 30th Sep 2022, which the consortium lenders are considering. The company is hopeful to meet the OTS within due course. Meanwhile, the company has deposited Rs 6 crores towards satisfaction of the interest, which was approximately payable till 30th June 2022.
- (iii) As stated in Note No.7 of Standalone Unaudited Financial Results, Loss of the company is understated by Rs.2766 lakhs (approx.) due to non-provisioning of interest on bank loans for the period from 01/04/2022 to 30/06/2022, and Rs.36845 lakhs (approx.) from the date on which the account of the company was classified as NPA to the period covered under review, due to non-provisioning of interest on bank loans after the accounts of the company were classified as NPA. Further, towards corporate guarantee, the company has not provided interest to the extent of Rs. 64 lacs for the current quarter and Rs. 501 Lacs for the period as on date, from the date of provision in the Books of Accounts, furthermore no provision has been made towards penal interest, any other penalty etc. as may be charged by lenders. In the absence of complete statement of account from the bank, the above amount has been arrived as per calculation made by the company. With the limited information the aggregate amount un-provided in books of account of the company is not ascertainable with accuracy.

4. Qualified Conclusion

Based on our review conducted as above, except in "Basis of Qualified Conclusion" paragraph mentioned in Para 3, nothing has come to our attention that causes us to believe that the accompanying statement unaudited financial results prepared in accordance with applicable accounting standard and other recognized accounting practices and policies has not disclosed the information required to be disclosed in term of regulation 33 of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contain any material misstatement.

5. EMPHASIS OF MATTER

- i. The company has not made Provision for the demand raised by various authorities (Such as Income Tax, Vat etc.) as the matters are pending before various appellate forums. We are unable to comment upon possible impact of non-provision in the standalone financial statement for the three months ended 30th June 2022.



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Chartered Accountants

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- ii. We draw attention to Note No. 9 of the statement of the company, that the lead consortium bank Punjab National Bank "erstwhile known as Oriental Bank of Commerce" has filed an application against company under section 7 of the Insolvency and Bankruptcy code, 2016 before National company Law Tribunal (NCLT) Chandigarh bench and the matter is adjourned to 06th October 2022. Further, certain operational creditors have also filed an application against company under section 9 of the Insolvency and Bankruptcy code, 2016 before National Company Law Tribunal (NCLT) Chandigarh bench. However, company has entered settlement agreement for above these operational creditors and said operational creditors have agreed to withdraw the application filed against the company before NCLT as per term of settlement agreement.
- iii. With reference to Note No. 8 against amount payable to Bank, management has raised certain disputes towards overcharging of Interest. As on date company has paid INR 40.09 crores to banks in the no-lien account, the said amount has been netted off in the total outstanding of Loan repayable on Demand from Banks.
- iv. In reference to Note No.10, balances of some debtors and creditors are subject to their confirmations.
- v. In reference to Note No. 19, M/s. Regal Kitchen Foods Limited filed an arbitration petition towards alleged outstanding, against which company is in process of filing its counter claim towards the financial losses. Company had booked income in the FY 2021-2022 towards the financial losses of Rs. 387 Lakhs (in FY 2021-2022), which is to be recoverable from M/s. Regal Kitchen Foods Limited. Case is filed in District and Session court Faridabad and the Hon'ble court has provided the next date of hearing on 09th September 2022.
- vi. Note No. 6 of the standalone financial result stating that the company has received Ex-parte Interim Order dated 25-06-2020 from Debt Recovery Tribunal-III, Delhi in the matter of ICICI Bank Vs. Kohinoor Foods Limited restraining the company from transferring/ alienating or otherwise dealing with, or disposing off or encumbering or creating any third-party interest with respect of the hypothecated assets/immovable properties of Company until further orders. In response, the company is contesting the matter and has filed its reply before DRT-III, Delhi, wherein DRT had fixed the next date of hearing on 31st August 2022.



N C RAJ & ASSOCIATES

Chartered Accountants

Forming part of Independent Auditor's Review Report on quarterly Standalone Unaudited Financial Results of Kohinoor Foods Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- vii. In reference to Note No. 17 of the statement which explains the management's assessment of impairment of assets due to COVID 19 pandemic situations. As per the assessment of the management, the recoverable amount of assets is higher than its carrying value and hence no impairment of assets needs to be recorded in the financial statements.
- viii. With reference to Note No. 14 The company has made disinvestment of its entire shareholding to Ebro in its wholly owned subsidiary in U.K, "Indo European Foods Limited (I.E.F.L.)" during previous financial year. Ebro (Erstwhile IEFL) has retained some funds in the Escrow account, to be released in 2 tranches in future years, this is in anticipation of any unforeseen expenses if so arises, the same can be set off by the retained amount in Escrow. Ebro has raised an invoice of GBP 30000 towards certain pending expenses incurred by them. The same has been adjusted against the said account.
- ix. In reference to Note No. 18, The company has received Rs. 780 lacs, as one time facilitation charges towards providing expertise service, which has been treated as non-operational income and shown under the head extraordinary item.

Our conclusion is not modified in respect of this matter.

for N. C. Raj & Associates
Chartered Accountants
(FRN: 002249N)

(Sanjay Garg)

Partner

M.No-088636

Place: Delhi

Date: 08-07-2022

UDIN: 22088636AMMDRZ3382

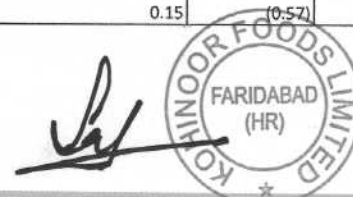


Kohinoor Foods Ltd.

CONSOLIDATED STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022.

(Rs. in Lacs)

Sl. No.	Particulars	CONSOLIDATED			
		QUARTER ENDED			YEAR ENDED
		30-06-2022	31-03-2022	30-06-2021	31-03-2022
		UN-AUDITED	AUDITED	UN-AUDITED	AUDITED
I	Revenue from Operation	2,132	4,026	2,626	9,857
II	Other Income	11	446	7	492
III	Total Income (I+II)	2,143	4,472	2,632	10,348
IV	Expenses				
	Cost of material consumed	588	2,231	178	5,642
	Purchase of stock-in-trade	173	561	1,807	800
	(Increase)/Decrease in Inventories of finished goods, stock-in-trade and work-in-progress	(88)	48	(143)	69
	Employee benefits expense	158	166	125	594
	Finance Costs	4	50	13	67
	Depreciation and amortisation expense	166	191	192	773
	Impairment of Assets	-	185	-	185
	Other Expenses	989	894	673	2,748
	Total expenses (IV)	1,990	4,326	2,845	10,878
V	Profit/ (Loss) before exceptional items and tax (III-IV)	153	145	(213)	(530)
VI	Exceptional Items	(781)	22	-	22
VII	Profit/ (Loss) before tax (V-VI)	934	123	(213)	(552)
VIII	Tax Expense				
	(1) Current Tax				
	(2) Income Tax for Prior Years				
	(3) Deferred tax		80	-	80
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	934	43	(213)	(632)
X	Profit/(Loss) from discontinuing operations				
XI	Tax expenses of discontinued operations				
XII	Profit/(Loss) from Discontinuing operations (after tax) (X-XI)				
XIII	Profit/ (Loss) for the period (VII-VIII)	934	43	(213)	(632)
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		11	-	11
	(ii) Income tax relating to items that will not be reclassified to profit or loss				
	B (i) Items that will be reclassified to profit or loss				
	(ii) Income tax relating to items that will be reclassified to profit or loss				
XV	Total Comprehensive Income for the period (IX+X)	934	55	(213)	(620)
XVI	Earning per Equity share (for continuing operation):				
	(1) Basic	2.52	0.15	(0.57)	(1.67)
	(2) Diluted	2.52	0.15	(0.57)	(1.67)
XVII	Earning per Equity share (for discontinuing operation):				
	(1) Basic				
	(2) Diluted				
XVIII	Earning per Equity share :- (Face Value of Rs. 10 each) (not annualised)				
	(1) Basic	2.52	0.15	(0.57)	(1.67)
	(2) Diluted	2.52	0.15	(0.57)	(1.67)



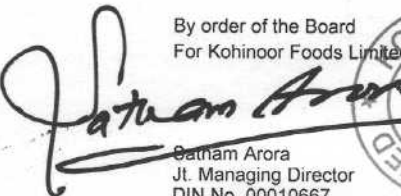
Kohinoor Foods Ltd.

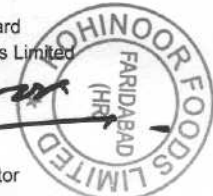
NOTE:

- 1) The Un-Audited consolidated Financial Results have been reviewed by Audit committee and approved by the Board of Directors in their meeting held on 8th July, 2022.
- 2) The consolidated financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, specified in Section 133 of Companies Act, 2013.
- 3) The Company is primarily engaged in the business of manufacturing, trading & marketing of food products which is a single segment, as per Indian Accounting Standard (IND AS) 108.
- 4) The Un-Audited consolidated Financial Results are given as per the requirement of Regulation 33 of the SEBI (LODR), Regulations 2015 and submitted to Stock Exchanges.
- 5) The Banks have classified the company's accounts as Non Performing asset and served recall Notice under section 13(2) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. The Company has given reply of said notices within the stipulated time.
- 6) The company has received Ex-parte Interim Order dated 25-06-2020 from Debt Recovery Tribunal-III, Delhi in the matter of ICICI Bank Vs. Kohinoor Foods Limited restraining the company from transferring/ alienating or otherwise dealing with, or disposing off or encumbering or creating any third party interest with respect of the hypothecated assets/immovable properties of Company until further orders. The company is contesting the matter and has filed its reply before DRT-III, Delhi.
- 7) The company has not provided interest on bank loans to the extent of Rs. 2766 lacs for the Quarter and Rs. 36845 lacs from the date on which the bank loans were classified as non-performing assets. Further, towards corporate guarantee, the company has not provided interest to the extent of Rs. 64 lacs for the quarter and Rs. 501 lacs, from the date of provision in the Books of Accounts.
- 8) As on date we have paid INR 40.09 crores to banks towards OTS and the said amount has been netted off in the total outstanding of Loan repayable on Demand from Banks. Against amount payable to Bank, management has raised certain disputes towards overcharged demand of interest.
- 9) The Creditors of the Company have filed petition under Section 7 of Insolvency and Bankruptcy Code, 2016, before the Hon'ble court of NCLT, Chandigarh Bench, which are not yet admitted. The Next Date of Hearing has been scheduled for 6th October 2022.
- 10) The Balances of some Debtors and creditors are subject to confirmation.
- 11) As per the assessment of Management the company continues to be going concern. This assessment is based on the sanction of One Time Settlement by lead Bank and the interest shown by prospective investors/imminent buyers of assets in the company.
- 12) The Lead Bank (PNB) has sanctioned one time settlement OTS proposal of the company. The company has requested for an extension towards satisfaction of OTS till 30th Sep 2022 to complete OTS payment process, which the consortium lenders are considering. The company is hopeful to meet the OTS within stipulated time. Meanwhile, on account payment of Rs 6 crores has been made towards the interest on OTS.
- 13) The outbreak of Covid 19 has severely impacted business globally including India. The company had some short term impact on operation and recoverability of amount due from Debtors due to Covid 19 and the lockdown imposed by the government.
- 14) The company had made disinvestment of its entire shareholding in its wholly owned subsidiary in U.K, "Indo European Foods Limited (I.E.F.L.)" during previous financial year, to M/s Herba Foods S.L.U., Spain, a company of Ebro Food Group (Ebro group). Ebro group has retained some funds in the Escrow account, to be released in 2 tranches in future years, this is in anticipation of any unforeseen expenses, if so arises, the same can be set off by the retained amount in Escrow. Ebro group has raised an invoice of GBP 30000 towards certain pending expenses incurred by them. The same has been adjusted against the said account.
- 15) The figures of the current quarter are the balancing figures between unaudited figures in respect of the quarter ended 30-06-2022 and the published audited figures for the year ended 31-03-2022 of previous financial year.
- 16) The figures of previous year have been regrouped / rearranged wherever considered necessary.
- 17) As per the assessment of the management the recoverable amount of the assets is higher than its carrying value and hence no impairment of assets needs to be recorded in the financial statement.
- 18) The company has received Rs. 780 lacs, as one time facilitation charges towards providing its expertise service, which has been treated as non operational income and shown under the head extraordinary item.
- 19) M/s. Regal Kitchen Foods Limited filed an arbitration petition towards alleged outstanding, against which company has filed its counter claim towards the financial losses. Company had booked income in the FY 2021-2022 towards the financial losses of Rs. 387 Lakhs (in FY 2021-2022), which is to be recoverable from M/s. Regal Kitchen Foods Limited. Case is filed in District and Session court Faridabad and the Hon'ble court has provided the next date of hearing on 09th September 2022.

Place : Faridabad
Date : 08th July, 2022

By order of the Board
For Kohinoor Foods Limited


Satnam Arora
Jt. Managing Director
DIN No. 00010667





N C RAJ & ASSOCIATES

Chartered Accountants
10, Community Centre No.2,
Ashok Vihar Phase-II,
Delhi – 110 052
Phone: +91-11-45172000-99
Website: www.ncraj.com
Email: info@ncraj.com

Independent Auditor's Review Report for Consolidated Unaudited Financial Results of Kohinoor Foods Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To Board of Director of
Kohinoor Foods Limited**

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results ("the statement") of Kohinoor Foods Limited ("The Holding Company") and its subsidiaries (the holding company and its subsidiaries together referred to as "the group"), for the quarter ended 30th June 2022 being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th June 2021 as reported in these financial results have been approved by the Holding Company's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



N C RAJ & ASSOCIATES

Chartered Accountants

Independent Auditor's Review Report for Consolidated Unaudited Financial Results of Kohinoor Foods Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of subsidiaries	Country
(i) Kohinoor Food USA Inc.	(USA)
(ii) Sachdeva Brothers Private Limited	(India)

5. Basis of Qualified Conclusion

As attention in:

- (i) In reference to Note No. 11 in the statement discloses the management's assessment of the company's ability to continue as going concern. The management's assessment of going concern is based on the OTS by the lead bank PNB and the interest shown by prospective investors in the company. However, in view of default in re-payment of borrowings, negative cash flows and negative net worth and due to financial constraints, material uncertainty exists about the company's ability to continue as going concern and the decision of the management of the company to prepare the accounts of the company on going concern basis. There may arise a need to adjust the realizable value of assets and liabilities in the event of failure of assumption as to going concern.
- (ii) As stated in Note No. 12, The Lead Bank (PNB) has sanctioned one time settlement OTS proposal of the company. The company has requested for an extension towards satisfaction of OTS till 30th Sep 2022, which the consortium lenders are considering. The company is hopeful to meet the OTS within due course. Meanwhile, the company has deposited Rs 6 crores towards satisfaction of the interest, which was approximately payable till 30th June 2022.
- (iii) As stated in Note No.7 of Standalone Unaudited Financial Results, Loss of the company is understated by Rs.2766 lakhs (approx.) due to non-provisioning of interest on bank loans for the period from 01/04/2022 to 30/06/2022, and Rs.36845 lakhs (approx.) from the date on which the account of the company was classified as NPA to the period covered under review, due to non-provisioning of interest on bank loans after the accounts of the company were classified as NPA. Further, towards corporate guarantee, the company has not provided interest to the extent of Rs. 64 lacs for the current quarter and Rs. 501 lacs for the period as on date, from the date of provision in the Books of Accounts, furthermore no provision has been made towards penal



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interest, any other penalty etc. as may be charged by lenders. In the absence of complete statement of account from the bank, the above amount has been arrived as per calculation made by the company. With the limited information the aggregate amount un-provided in books of account of the company is not ascertainable with accuracy.

6. Qualified Conclusion

Based on our review conducted and procedures performed as stated in paragraph 3 above except in "**Basis of Qualified conclusion**" paragraph mentioned in Para 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. EMPHASIS OF MATTER

- i. The holding company has not made Provision for the demand raised by various authorities (Such as Income Tax, Vat etc.) as the matters are pending before various appellate forums. We are unable to comment upon possible impact in the Consolidated Unaudited Financial Results for the three months ended 30th June 2022.
- ii. We draw attention to Note No. 9 of the statement of the company, that the lead consortium bank Punjab National Bank "erstwhile known as Oriental Bank of Commerce" has filed an application against company under section 7 of the Insolvency and Bankruptcy code, 2016 before National company Law Tribunal (NCLT) Chandigarh bench and the matter is adjourned to 06th October 2022. Further, certain operational creditors have also filed an application against company under section 9 of the Insolvency and Bankruptcy code, 2016 before National Company Law Tribunal (NCLT) Chandigarh bench. However, company has entered settlement agreement for above these operational creditors and said operational creditors have agreed to withdraw the application filed against the company before NCLT as per term of settlement agreement.
- iii. With reference to Note No. 8 against amount payable to Bank, management has raised certain disputes towards overcharging of Interest. As on date company has paid INR 40.09 crores to banks in the no-lien account, the said amount has been netted off in the total outstanding of Loan repayable on Demand from Banks.



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- iv. In reference to Note No.10, balances of some debtors and creditors are subject to their confirmations.
- v. In reference to Note No. 19, M/s. Regal Kitchen Foods Limited filed an arbitration petition towards alleged outstanding, against which company is in process of filing its counter claim towards the financial losses. Company had booked income in the FY 2021-2022 towards the financial losses of Rs. 387 Lakhs (in FY 2021-2022), which is to be recoverable from M/s. Regal Kitchen Foods Limited. Case is filed in District and Session court Faridabad and the Hon'ble court has provided the next date of hearing on 09th September 2022.
- vi. Note No. 6 of the Consolidated financial result stating that the company has received Ex-parte Interim Order dated 25-06-2020 from Debt Recovery Tribunal-III, Delhi in the matter of ICICI Bank Vs. Kohinoor Foods Limited restraining the company from transferring/ alienating or otherwise dealing with, or disposing off or encumbering or creating any third-party interest with respect of the hypothecated assets/immovable properties of Company until further orders. In response, the company is contesting the matter and has filed its reply before DRT-III, Delhi, wherein DRT had fixed the next date of hearing on 31st August 2022.
- vii. In reference to Note No. 17 of the statement which explains the management's assessment of impairment of assets due to COVID 19 pandemic situations. As per the assessment of the management, the recoverable amount of assets is higher than its carrying value and hence no impairment of assets needs to be recorded in the financial statements.
- viii. With reference to Note No. 14 The company has made disinvestment of its entire shareholding to Ebro in its wholly owned subsidiary in U.K, "Indo European Foods Limited (I.E.F.L.)" during previous financial year. Ebro (Erstwhile IEFL) has retained some funds in the Escrow account, to be released in 2 tranches in future years, this is in anticipation of any unforeseen expenses if so arises, the same can be set off by the retained amount in Escrow. Ebro has raised an invoice of GBP 30000 towards certain pending expenses incurred by them. The same has been adjusted against the said account.
- ix. In reference to Note No. 18, The company has received Rs. 780 lacs, as one time facilitation charges towards providing expertise service, which has been treated as non-operational income and shown under the head extraordinary item.



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Our conclusion is not modified in respect of this matter.

for N.C. Raj & Associates
Chartered Accountants
(FRN: 002249N)

(Sanjay Garg)

Partner

M.No-088636

Place: Delhi

Date: 08-07-2022

UDIN: 22088636AMMECJ9010

