

Kohinoor Foods Ltd.

28.09.2020

**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 28th September, 2020

This is to inform you that the Board of Directors of the Company at its Meeting held today, i.e. on 28th September, 2020 which commenced at 12.00 Noon and concluded at 5.45 P.M. has, *inter-alia*, taken the following decisions: -

1. The Board approved the Un-Audited Standalone and Consolidated Financial Results of the Company for the first quarter ended on 30th June, 2020. Copy of the said results along with Limited Review Report thereon by the Statutory Auditors of the Company is submitted herewith in compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Board gave its approval for reappointment of Mr. Satnam Arora as Director of the Company liable to retire by rotation, subject to approval of shareholders in Annual General Meeting.
3. The Board has given its approval to identify and invite potential investor/investors for investment in Food Factory or sale of its food factory situated at 42-43 Milestone, G.T.Karnal Road, Village Sultanpur, Bahalgarh, Sonapat (Haryana)-131021 subject to approval of Debt Recovery Tribunal, Banks and shareholders in Annual General Meeting.
4. The Board has given its approval to identify and invite potential investor/investors for investment in its subsidiary Indo European Foods Limited or for sale of the shareholding of Kohinoor Foods Limited in Indo European Foods Limited subject to approval of shareholders in Annual General Meeting.



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5. The **31st Annual General Meeting** of the Company is scheduled to be held on **11:00 A.M. on Friday, the 13th November, 2020.**
6. Pursuant to Section 91 of the Companies Act, 2013 and as per SEBI (LODR), Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **Friday, the 6th November, 2020 to Thursday, the 12th November, 2020** (both days inclusive) in connection with the 31th Annual General Meeting scheduled to be held on Friday, 13th November, 2020.
7. As per the SEBI Circular SEBI/HO/CFD/CMD/CIR/PD018177 dated May 03, 2018, the company has received notices for Movement to "Z" Category ("BZ Series") from NSE and Shifting of Scrips to 'Z/ZP/ZY' Group from BSE for non-compliance with the corporate governance requirement from the stock exchanges (NSE) & (BSE). The Company has already submitted request for waiver and to hold all action w.r.t., the above notice for said non-compliance with the NSE and BSE.
8. As per the SEBI Circular SEBI/HO/CFD/CMD/CIR/PD018177 dated May 03, 2018, the company has received notices for non-compliance of Listing Regulation 33 from the stock exchanges (NSE) on August 18, 2020. The Company has already paid the said fine with the stock exchange. Further, NSE vide its mail dated 25.09.2020 has further claimed the balance due amount under SOP amounting to 59,000/- which the company is in process of depositing the same in due course.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

For **Kohinoor Foods Limited**




(Satnam Arora)
Jt. Managing Director



Kohinoor Foods Ltd.

STANDALONE STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020.

Sl. No.	Particulars	QUARTER ENDED			
		30.06.2020 UN-AUDITED	31.03.2020 AUDITED	30.06.2019 UN-AUDITED	31.03.2020 AUDITED
I	Revenue from Operation	472	504	1031	3,180
II	Other Income	150	47	0	48
III	Total Income (I+II)	622	551	1,031	3,227
IV	Expenses				
	Cost of material consumed	191	338	787	2,062
	Purchase of stock-in-trade	-	0	0	-
	(Increase)/Decrease in Inventories of finished goods, stock-in-trade and work-in-progress	22	-158	54	(74)
	Employee benefits expense	176	204	183	713
	Finance Costs	7	281	1	283
	Depreciation and amortisation expense	227	269	269	1,083
	Impairment of Assets	-	-	0	-
	Other Expenses	206	607	320	1,650
	Total expenses (IV)	828	1,540	1,614	5,717
V	Profit/ (Loss) before exceptional items and tax (III-IV)	(207)	(989)	(583)	(2,490)
VI	Exceptional Items	-	9,053	7,249	19,396
VII	Profit/ (Loss) before tax (V-VI)	(207)	(10,041)	(7,831)	(21,886)
VIII	Tax Expense				
	(1) Current Tax				
	(2) Income Tax for Prior Years		835		835
	(3) Deferred tax		(144)	-	(144)
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	(207)	(10,733)	(7,831)	(22,577)
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)	(207)	(10,733)	(7,831)	(22,577)
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		12	-	12
	(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)	(207)	(10,721)	(7,831)	(22,565)
XVI	Earning per Equity share (for continuing operation):				
	(1) Basic	(0.56)	(28.92)	(21.12)	(60.87)
	(2) Diluted	(0.56)	(28.92)	(21.12)	(60.87)
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	(0.56)	(28.92)	(21.12)	(60.87)
	(2) Diluted	(0.56)	(28.92)	(21.12)	(60.87)

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 28th September, 2020.
- 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 not provided interest on bank loans to the extent of Rs. 2455 lacs for 1st Quarter of the current year and Rs. 16204 Lacs from the date on which the bank loans were classified as non-performing assets.
- 7) The Creditors of the Company have filed petition under Section 7 and Section 9 of Insolvency and Bankruptcy Code, 2016, before the Honbl'e court of NCLT, Chandigarh Bench, which are not yet admitted.
- 8) The Balances of some Debtors and creditors are subject to confirmation.
- 9) As per the assessment of Management the company continues to be going concern. This assessment is based on Resolution plan and an offer of One Time Settlement submitted to the Banks by company and the interest shown by prospective investors in the company.
- 10) The Company has issued 58,14,000 Convertible Warrants into Equity Shares to Promoters on Preferential basis on 04th October 2018, out of the above the Promoters opted to exercise the option of 18,30,000 Convertible Warrants into Equity Shares. For the remaining 39,84,000 Convertible Warrants into Equity Shares, the company has neither received any request for conversion of Share warrants into Equity Shares, nor has received any balance sums payable on such conversion option being exercised by any of the Share Warrant holder. Therefore as per SEBI (ICDR) Regulations, 2009, the consideration therefore paid by such Warrant Holders at the time of issuance of share warrants amounting to Rs. 756.96 Lacs stand forfeited.
- 11) 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 in process of filing suitable reply of the aforesaid notice and taking necessary action.
- 12) 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. However, it will not have significant long term impact on the operation of the company. The management has made assessment of impairment of assets due to covid 19 pandemic situation. As per assessment of the management, the recoverable amount of assets is higher than its carrying value and hence no impairment of assets need to be recorded in the financial statements.
- 13) The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- 14) The figures of previous quarter/year have been regrouped / rearranged whenever considered necessary.

Place : Faridabad
Date : 28th September, 2020



By order of the Board
For Kohinoor Foods Limited


Satnam Arora
Jt. Managing Director
DIN No. 00010667

Kohinoor Foods Ltd.

CONSOLIDATED STATEMENT OF UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020.

Sl. No.	Particulars	CONSOLIDATED			
		QUARTER ENDED		30.06.2019	31.03.2020
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		UN-AUDITED	AUDITED	UN-AUDITED	AUDITED
I	Revenue from Operation	5,809	7230	3949	21,526
II	Other Income	150	50	0	51
III	Total Income (I+II)	5,959	7,280	3,949	21,576
IV	Expenses				
	Cost of material consumed	4,074	4785	2779	14,447
	Purchase of stock-in-trade	-	0	0	-
	(Increase)/Decrease in Inventories of finished goods, stock-in-trade and work-in-progress	22	-161	54	(76)
	Employee benefits expense	463	618	555	1,935
	Finance Costs	86	520	48	678
	Depreciation and amortisation expense	259	302	305	1,212
	Impairment of Assets	-	-	0	-
	Other Expenses	933	1918	836	5,270
	Total expenses (IV)	5,836	7,982	4,577	23,465
V	Profit/ (Loss) before exceptional items and tax (III-IV)	123	(702)	(628)	(1,889)
VI	Exceptional Items	-	5,447	7,249	15,790
VII	Profit/ (loss) before tax (V-VI)	123	(6,150)	(7,877)	(17,679)
VIII	Tax Expense				
	(1) Current Tax		-		-
	(2) Income Tax for Prior Years		835		835
	(3) Deferred tax		(144)		(144)
IX	Profit/(Loss) for the period from continuing operations (VII-VIII)	123	(6,841)	(7,877)	(18,371)
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)	123	(6,841)	(7,877)	(18,371)
XIV	Other Comprehensive Income				
	A (i) Items that will not be reclassified to profit or loss		12		12
	(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)	123	(6,829)	(7,877)	(18,359)
XVI	Earning per Equity share (for continuing operation):				
	(1) Basic	0.33	(18.42)	(21.25)	(49.52)
	(2) Diluted	0.33	(18.42)	(21.25)	(49.52)
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	0.33	(18.42)	(21.25)	(49.52)
	(2) Diluted	0.33	(18.42)	(21.25)	(49.52)



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 28th September, 2020.
- 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 not provided interest on bank loans to the extent of Rs. 2455 lacs for 1st Quarter of the current year and Rs. 16204 Lacs from the date on which the bank loans were classified as non-performing assets.
- 7) The Creditors of the Company have filed petition under Section 7 and Section 9 of Insolvency and Bankruptcy Code, 2016, before the Honbl'e court of NCLT, Chandigarh Bench, which are not yet admitted.
- 8) The Balances of some Debtors and creditors are subject to confirmation.
- 9) As per the assessment of Management the company continues to be going concern. This assessment is based on Resolution plan and an offer of One Time Settlement submitted to the Banks by company and the interest shown by prospective investors in the company.
- 10) The Company has issued 58,14,000 Convertible Warrants into Equity Shares to Promoters on Preferential basis on 04th October 2018, out of the above the Promoters opted to exercise the option of 18,30,000 Convertible Warrants into Equity Shares. For the remaining 39,84,000 Convertible Warrants into Equity Shares, the company has neither received any request for conversion of Share warrants into Equity Shares, nor has received any balance sums payable on such conversion option being exercised by any of the Share Warrant holder. Therefore as per SEBI (ICDR) Regulations, 2009, the consideration therefore paid by such Warrant Holders at the time of issuance of share warrants amounting to Rs. 756.96 Lacs stand forfeited.
- 11) 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 in process of filing suitable reply of the aforesaid notice and taking necessary action.
- 12) The outbreak of Covid 19 has severally 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. However, it will not have significant long term impact on the operation of the company. The management has made assessment of impairment of assets due to covid 19 pandemic situation. As per assessment of the management, the recoverable amount of assets is higher than its carrying value and hence no impairment of assets need to be recorded in the financial statements.
- 13) The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- 14) The figures of previous quarter/year have been regrouped / rearranged whenever considered necessary.

Place : Faridabad
Date : 28th September, 2020



By order of the Board
For Kohinoor Foods Limited


Satnam Arora
Jt. Managing Director
DIN No. 00010667

RAJENDER KUMAR SINGAL & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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 2020, 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, which is the responsibility of the Company's Management and has been approved by the Company's Board of Directors
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 about whether the financial statement is 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. 9 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 Resolution plan submitted to the Banks by company and the interest shown by prospective investors in the company. However, in view of default in re-payment of borrowings, default in payment of undisputed statutory dues, one time settlement proposal declined by banker, significant decline of revenue, continuous losses, 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. 6 of Standalone Unaudited Financial Results, Loss of the company is understated by ₹ 2455.29 lakhs (approx.) due to non-provisioning of



interest on bank loans for the period from 01/04/2020 to 30/06/2020 and ₹ 16203.75 lakhs (approx.) from the date on which the account of the company was classified as NPA to the period covered under review. Further 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 unprovided in books of account of the company is not ascertainable with accuracy.

- (iii) In reference to note no. 8, provisions for doubtful debts and bad debts were made by management in earlier years for various reason, mainly on the basis of arbitration award, dispute with debtors due to quality issue of rice and covid-19 situation. In light of these circumstances, dispute with debtors, and write -off significant debtors as bad debts, we are unable to comment on realizability of amount due from debtors and its possible effect on Standalone financial result of the company.
- (iv) The management of company has provided some confirmation of accounts from creditors. In the absence of third-party confirmation, we are unable to comment on actual liability to creditors (including squared up accounts) and its possible effect on standalone unaudited financial results of the company.
- (v) The investment of the company in of M/S. Indo European Food Limited a UK based subsidiary company is amounting of ₹ 4959.42 Lacs. In reference to note no 2.2 of standalone financial statements for the financial year 2019-20 of M/S. Indo European Food Limited a UK based subsidiary company read with auditor opinion on materiality uncertainty related to going concern, which indicate that there are material uncertainties identified that may cast significant doubt on the company's ability to continue as a going concern and hence we are unable to comment on its impact on carrying amount of investment.
- (vi) An amount of ₹ 1340.12 lakh has been outstanding from its U.K. based subsidiary company, Indo-European Food Limited since long. It includes a stand by letter of credit amounting to ₹ 749.86 Lakh (GBP 7,98,837/-) invoked by OBC bank on the account of default made by Indo-European Food Limited. Due to material uncertainties identified that may cast significant doubt on the company's ability to continue as a going concern, we are unable to comment on realizability of such amount.
- (vii) We were not provided with the balance confirmation and reconciliation, if any, of some bank accounts (including dormant/inoperative a/c) appearing in books of accounts of the company. In the absence of having aforementioned confirmation and reconciliation, the impact thereof is unascertainable, and therefore, is not being commented upon in this report.



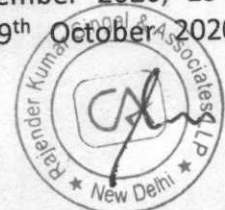
- (viii) Corporate guarantee was invoked by PNB bank Hongkong against loan was given to one of its subsidiary company Kohinoor food USA Inc. The company made provision against the above corporate guarantee for an amount of ₹ 3605.41 Lakhs (USD 47,83,816). However, in the absence of audited financial statement of Kohinoor food USA Inc. and confirmation from PNB Bank Hongkong, we are unable to comment on extent of provision required and its consequential impact on financial statement.

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 company statement of standalone unaudited financial result prepared in accordance with applicable accounting standard and other recognized accounting practices and policies has not disclose the information required to be disclose in term of regulation 33 of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015, including the manner in which it is to be disclose, 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 as the matters are pending before various appellate forum. We are unable to comment upon possible impact of non-provision in the standalone financial statement for the year ended 31th March 2020.
- ii. In reference to Note No 10 in the statement, the company has allotted 18,30,000 equity shares on conversion of warrant into equity shares issued on preferential basis to its promoters. The company has filed application for listing of 18,30,000 equity shares to both the stock exchange (NSE & BSE). As per information provided by management, such application is closed by BSE due to non-submission of documents by the company and due to which theses shares are not yet dematerialised. The consequential effect the above, on the standalone financial statement is not ascertainable.
- iii. We draw attention to Note No. 7 of the statement of the company, that the lead consortium bank “Oriental Bank of Commerce” have 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 next date 22nd October 2020. Further, certain operational creditors M/S. Norton Rose Fulbright, M/S. Uma Polymers, International Cargo Terminal & Infrastructure (P) Ltd, International Cargo Terminal & Rail Infrastructure (P) Ltd and JPS Plastic (P) Ltd. 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. The NCLT has fix the next date of hearing on 2nd November 2020, 29th September 2020, 26th October 2020, 26th October 2020 and 09th October 2020 respectively.



- iv. In reference to note no. 12 of the statement which explain management's assessment of impairment of assets due to COVID 19 pandemic situation. As per assessment of the management, the recoverable amount of assets is higher than it carrying value and hence no impairment of assets need to be recorded in the financial statements.

Our conclusion is not modified in respect of this matter.

Place: Delhi
Date: 28.09.2020

For Rajender Kumar Singal and Associates LLP
(Chartered Accountants)
Firm Reg. No. 016379N


(SHASHI PAL RAWAT)
PARTNER
M.No. 413795



RAJENDER KUMAR SINGAL & ASSOCIATES LLP

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

**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'), and its share of net profit/(loss) after tax and total comprehensive income/loss of its associates and joint ventures for the quarter ended 30th June 2020 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 2018, 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.



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. Basis of Qualified Conclusion

- (i) In reference to Note No. 9 in the statement discloses the management's assessment of the holding company's ability to continue as going concern. The management's assessment of going concern is based on Resolution plan submitted to the Banks by company and the interest shown by prospective investors in the company. However, in view of default in re-payment of borrowings, default in payment of undisputed statutory dues, one time settlement proposal declined by banker, significant decline of revenue, continuous losses, negative cash flows and negative net worth, resignation of KMP 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. 6 in the statement, profit of the company is overstated by Rs 2455.29 lakhs (approx.) for the period from 01/04/2020 to 30/06/2020 and Rs 16203.75 lakhs (approx.) from the date of account being classified as NPA of holding company 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 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 unprovided in books of account of the holding company is not ascertainable with accuracy.
- (iii) In reference to note no.8 of the statement, provisions for doubtful debts and bad debts were made by management of the holding company in earlier years for various reason, mainly on the basis of arbitration award, dispute with debtors due to quality issue of rice and covid-19 situation. In light of these circumstances, dispute with debtors, and write -off significant debtors as bad debts, we are unable to comment on realizability of amount due from debtors and its possible effect on consolidated financial result of the company.



- (iv) The management of holding company has provided some confirmation of accounts from creditors. In the absence of third-party confirmation, we are unable to comment on actual liability to creditors (including squared up accounts) and its possible effect on consolidated unaudited financial results of the company.
- (v) We were not provided with the balance confirmation and reconciliation, if any, of some bank accounts (including dormant/non-operative accounts closed during the year) appearing in books of accounts of the group. In the absence of having aforementioned confirmation and reconciliation, the impact thereof is unascertainable, and therefore, is not being commented upon in this report.
- (vi) We have not been provided any financial statement/financial information of U.S.A. based subsidiary company Kohinoor Foods USA Inc. and Indian subsidiary company M/S. Sachdeva Brothers Private Limited. The management of the holding company consolidated only financial result of these subsidiaries and not whole financial statement of group. We are unable to comment on adjustment that may have been required to this consolidated unaudited financial result.

5. **Qualified Conclusion**

Based on our review conducted and procedures performed except in "Basis of Qualified conclusion" paragraph mentioned in para 4, 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.

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

- (i) Indo European Food Limited (U.K.)
- (ii) Kohinoor Food USA Inc. (USA)
- (iii) Sachdeva Brothers Private Limited (India)

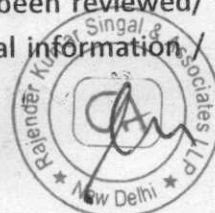


7. EMPHASIS OF MATTER

- i. The holding company has not made Provision for the demand raised by various authorities 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 Quarter ended 30th June, 2020.
- ii. In reference to Note No 10 in the statement, the holding company has allotted 18,30,000 equity shares on conversion of warrant into equity shares issued on preferential basis to its promoters. The company has filed application for listing of 18,30,000 equity shares to both the stock exchange (NSE & BSE). As per information provided by management, such application is closed by BSE due to non-submission of documents by the company and due to which these shares are not yet dematerialised. The consequential effect the above, on the consolidated financial statement is not ascertainable.
- iii. We draw attention to Note No. 7 of the statement of the company, that the lead consortium bank "Oriental Bank of Commerce" have 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 next date 22nd October 2020. Further, certain operational creditors M/S. Norton Rose Fulbright, M/S. Uma Polymers, International Cargo Terminal & Infrastructure (P) Ltd, International Cargo Terminal & Rail Infrastructure (P) Ltd and JPS Plastic (P) Ltd. 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. The NCLT has fix the next date of hearing on 2nd November 2020, 29th September 2020, 26th October 2020, 26th October 2020 and 09th October 2020 respectively.
- iv. In reference to note no. 12 of the statement which explain management's assessment of impairment of assets due to COVID 19 pandemic situation. As per assessment of the management, the recoverable amount of assets is higher than it carrying value and hence no impairment of assets need to be recorded in the financial statements.

Our conclusion is not modified in respect of this matter.

8. The Consolidated unaudited financial result includes the interim financial statements/ financial information/ financial result of 3 subsidiaries which have not been reviewed/ audited by their auditors, whose interim financial statements / financial information/




financial results reflect total revenues of Rs. 5337.65 Lakh and total net profit before tax adjustment Rs. 330.27 Lakh and total comprehensive income of Rs. 330.27 lakh for the quarter ended 30th June 2020, as considered in the consolidated unaudited financial results. Our conclusion on the Statement, in so far as it relates to the aforesaid subsidiaries, are based solely on such unreviewed interim financial results. According to the information and explanations given to us by the management.

Total Assets of group and net cash flow of group not available as the holding company consolidated only financial result of the group and not whole financial statement.

Place: Delhi
Date: 28.09.2020

For Rajender Kumar Singal and Associates LLP
(Chartered Accountants)

Firm Reg. No. 016379N



(SHASHI PAL RAWAT)

PARTNER

M.No. 413795