

DIRECTORS' REPORT

To,
The Members,

The Directors have pleasure in presenting the 35th Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2017.

1. FINANCIAL RESULTS

The financial results for the year ended 31st March, 2017 are briefly given below:-

Particulars	2016-17 (Rs.)	2015-2016 (Rs.)
Sales & Other Income	51,94,23,465	42,11,36,650
Profit before Depreciation & Interest	1,96,62,693	3,38,75,811
Less:- Depreciation	1,28,95,000	1,16,93,000
Interest/Finance cost	1,39,90,830	1,45,05,016
Profit before exceptional Item	(72,23,137)	76,77,795
Add; Exceptional Items	-	-
Add: Extra Ordinary Item of Income	-	-
Profit before Tax	(72,23,137)	76,77,795
Less: Provision for Taxation	-	25,00,000
Profit after Taxation for the Year	(72,23,137)	51,77,795

**2. COMPANY'S AFFAIRS PERFORMANCE AND
MANAGEMENT DISCUSSION & ANALYSIS REPORT**
Financial and Present Performance

During the year under review the Revenue from Operations of the Company was Rs. 5190.48 Lacs as against Rs. 4,131.70 Lacs of the previous year. The Company has suffered a loss of Rs. 72.23 lacs after carrying out depreciation, interest and tax as against the Profit of Rs. 51.77 Lacs of the previous year.

The Company so far was earning reasonable profits.

Considering the present scenario in the industry, the big players entering this market, the Company during the financial year 2016-17 has totally revamped its Marketing strategies, so as to benefit the Company in the years to come. As a result of this, the Company has incurred the loss during the financial year. However this is temporary phase and the Company shall start earning reasonable profits in the near future.

Industry Structure, Development, Opportunities and Outlook

The Company is mainly engaged in the food processing Industry which is showing remarkable growth. The Governments both Central and State are focusing on development of preservation of Agro Products and the main thrust is for processing of more and more agro cultivation.

The main revenue of the Company is from Products like Pickles and Ketchups. The said products are not the staple items in the Indian food habits and thus are low growth oriented.

The Company is diversifying their activities by coming out with some fast and running instant food items which are non seasonal in nature, which would contribute to the better performance.

With the long standing in the food industry and having its own Research and Development department and the full

fledged Laboratory and Quality Control force in place, your Directors are confident that the Company can develop new product mixes.

3. TRANSFER TO RESERVES

Your Company has not proposed to transfer any amount to the General Reserve. The loss for the year of Rs.72,23,137/- is carried over to Profit and Loss Account under the heading of Reserve and Surplus.

4. DIVIDEND

As the Company has suffered a loss during the financial year 2016-17, your Directors do not recommend any dividend on the shares of the Company.

5. COMPOSITE SCHEME OF ARRANGEMENT OF AMALGAMATION AND DE-MERGER:

Considering the expansion /diversification of the business/ products, the Board of Directors of your Company in its meeting held on 3rd May, 2017 approved the "Scheme of Arrangement" for Amalgamation of Pravin Foods Pvt. Ltd. (PFPL) and De-merger of an undertaking consisting of food related business includes Manufacturing units, tiny units, cold storage & Agri Tech centre, R & D/ Lab facilities, warehouse facilities, block shed of Chordia Food Park and Properties Limited (CFPPL) in to Chordia Food Products Limited (CFPL)

Accordingly the Company has approached BSE Limited (Bombay Stock Exchange) by submitting the draft Scheme of Arrangement to effect the above mergers. The Company's application with BSE Limited is yet to be cleared.

Once cleared by BSE Limited, it is subject to the approval of the shareholders and creditors of all the three concerned companies and is further subject to approval of Hon'ble National Company Law Tribunal (NCLT).

6. CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to management discussion and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual Results might differ materially from those either expressed or implied.

7. DIRECTORS

- In accordance with provisions of Section 152 of Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Hukmichand S. Chordia [DIN: 00389587], retires by rotation at forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.
- The term of appointment of Mr. Pradeep Chordia, as the Managing Director is due to expire as on 30th September, 2017.
- In pursuance to the provisions of Section 161 of Companies Act, 2013 your Company has appointed Mrs. Zalak Shah as an Additional Director of the Company w.e.f 11th August, 2017 till the ensuing Annual General Meeting.

Necessary resolutions for appointment of Mr. Hukmichand Chordia as Director, Re-appointment of Mr. Pradeep Chordia as the Managing Director of the Company and Appointment of Mrs. Zalak Shah as an Independent Woman Director of the Company are recommended for your approval.

Mrs. Gargi Sharma, a Women Independent Director of the