



Annual Report  
2014-2015

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**IFB** Agro Industries Limited



IFB is served in most of India's best restaurants.

**Is yours one?**

Your reputation and success are based largely on safe, reliable, quality products, the type of products that IFB consistently crafts with your needs in mind. We go to great lengths to ensure that we maintain the highest standards. Additionally, we routinely monitor product quality and food safety systems to ensure compliance and customer satisfaction.

**The IFB quality code**

International quality premium products processed under strict adherence to FSSAI, HACCP, GMP, EU & BRC norms which ensure **Consistency, Freshness & Value for Money**



**Our esteemed clients**



**■ BOARD OF DIRECTORS**

Mr. Bijon Nag *Chairman*  
Mr. Bikram Nag *Joint Executive Chairman*  
Mr. Arup Kumar Banerjee *Managing Director*  
Mr. Amitabha Kumar Nag  
Mr. Nandan Bhattacharya  
Mr. Hari Ram Agarwal  
Mr. Manoj Kumar Vijay  
Mr. Sudip Kumar Mukherji  
Dr. Lakshmeshri Roy

**■ COMPANY SECRETARY**

Mr. Ritesh Agarwal

**■ CHIEF FINANCIAL OFFICER**

Mr. Dipak Sen

**■ AUDITORS**

Walker Chandio & Co LLP  
Chartered Accountants

**■ REGISTERED OFFICE**

Plot No. IND-5, Sector-1  
East Kolkata Township, Kolkata - 700 107  
Tel : (033) 3984 9675  
Fax No.: (033) 2442 1003  
E-mail : [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)  
CIN : L01409WB1982PLC034590

**■ REGISTRAR & SHARE TRANSFER AGENT**

*(For both Physical & Dematerialised Shares)*  
CB Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata - 700 019  
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263  
Fax : (033) 4011 6739  
E-mail: [rta@cbmsl.com](mailto:rta@cbmsl.com)  
Website : [www.cbmsl.com](http://www.cbmsl.com)

**■ WORKS**

Noorpur, P.S. Diamond Harbour  
Dist. : South 24 Parganas  
West Bengal - 743 368

Panagarh  
Bud Bud  
Dist. : Burdwan  
West Bengal - 713 148

Dankuni  
Dist. : Hooghly  
West Bengal - 712 306

Marine Product Processing Plant  
Kasba Industrial Estate  
East Kolkata Township  
Kolkata - 700 107

**■ BANKERS**

Indian Overseas Bank  
IDBI Bank Limited  
ICICI Bank  
HDFC Bank

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## Notice to the Members

### NOTICE

Notice is hereby given that the Thirty Third Annual General Meeting of the Members of IFB Agro Industries Limited will be held on 31st day of July, 2015, Friday, at 12.30 p.m. at Club Ecovista, Ecospace Business Park, Premises No. 2F/11, Action Area II, Rajarhat, New Town, Kolkata – 700156 to transact the following business:

#### AS ORDINARY BUSINESS:

##### Item No. 1 – Adoption of financial statements

To receive, consider and adopt the financial statements of the Company for the year ended on 31st March, 2015, including the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

##### Item No. 2- Appointment of Director

To appoint a Director in place of Mr. A. K. Nag (DIN 00117546), who retires by rotation and being eligible, seeks re-appointment.

##### Item No. 3 -Appointment of Auditors

To ratify the appointment of Auditors of the Company and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013, read with Rules made thereunder as amended from time to time, the Company hereby ratifies the appointment of M/s Walker Chandiook & Co LLP (Firm Registration No. 001076N/N500013), Chartered Accountants, as the Auditors of the Company to hold office till the conclusion of the 35th Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### AS SPECIAL BUSINESS:

##### Item No. 4 -Appointment of Dr. Lakshmeshri Roy (DIN 07145095) as an Independent Director.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013(‘The Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Dr. Lakshmeshri Roy (DIN 07145095) who was appointed as an Additional Director of the Company by the Board of Directors with effect from March 31, 2015 and who holds office till the date of this Annual General Meeting, in terms of Section 161 of the Act and who is eligible for the appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, upto March 31, 2016.”

##### Item No. 5 - Re-appointment of Mr Bikram Nag (DIN 00827155) as Joint Executive Chairman

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 198 read with Schedule V of the Companies Act, 2013 (‘The Act’) and the Rules made thereunder, Mr. Bikram Nag (DIN 00827155), be and is hereby reappointed as Joint Executive Chairman for a period of three years with effect from 27 January, 2016, liable to retire by rotation on such terms and conditions as set out in the statement annexed to the notice convening this meeting, with the liberty to the Board of Directors (herein after referred to as ‘The Board’ which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/ or remuneration as it may deem fit and as may be acceptable to Mr. Bikram Nag, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modifications or any re-enactment thereof.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Item No. 6 - To Authorise the Board of Directors for creation of charge on Assets of the Company against its borrowings.**

To consider and, if thought fit, to pass the following resolution with or without modification(s) as a special resolution:

“RESOLVED THAT in supersession of all resolutions passed by the Members of the Company under Section 293(1)(a) of the Companies Act, 1956, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 to the mortgaging and/or charging by the Board of Directors of the Company of all the movable and immovable properties of the Company wheresoever situated, present and future and whole of the undertaking(s) of the Company together with the power to take-over the management of the business and concern of the Company in certain events of default in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities.”

“RESOLVED FURTHER THAT the Company be and is hereby authorized to finalise the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution.”

By Order of the Board

Registered Office:  
Plot No. IND-5, Sector - 1  
East Kolkata Township  
Kolkata - 700 107  
CIN: L01409WB1982PLC034590  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)  
Kolkata, 30th May, 2015

Ritesh Agarwal  
Company Secretary

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Provided that a member holding more than ten percent 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 the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members are requested to:
  - a) bring their copy of Annual Report in the meeting.
  - b) bring duly filled attendance slips sent herewith for attending the meeting.
  - c) members holding shares in identical order of names in more than one folio is requested to write to the Company's Registrar & Share Transfer Agent, CB Management Services (P) Limited enclosing their share certificates for consolidation of all such shareholdings into one folio for better investor service. CB Management Services (P) Limited is the Share Transfer Agent for shares in physical as well as dematerialized form.
  - d) 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 company/ CB Management Services (P) Ltd.
  - e) provide their e-mail address to the Registrar.
6. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of business under Item Nos. 3 to 6 of the Notice is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered with the Stock Exchanges, of persons seeking appointment/reappointment of Directors under Item Nos. 2, 4 & 5 of the Notice are also annexed.
7. Members seeking any information or clarification on the Accounts are requested to send in written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting only.
8. The Register of Members and Share Transfer Registers of the Company will remain closed from July 25, 2015 to July 31, 2015 (both days inclusive).
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
10. Attendance Slip and Proxy Form are being despatched along with the Annual Report forming annexure to this Notice of the 33rd Annual General Meeting for the convenience of the Members.
11. The Notice of the Annual General Meeting along with Annual Report for 2014-2015 is being sent by electronic mode to all those Members whose email ID's are registered with the Company/Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. Physical copies of the Annual Report for 2014-2015 are being sent as per permitted mode to the Members who have not registered their email addresses. The Notice of 33rd Annual General Meeting and the Annual Report will also be available on the Company's website : [www.ifbagro.in](http://www.ifbagro.in)
12. Non-residents Indian Members are requested to inform CB Management Services (P) Ltd., immediately of:
  - a) Change in their residential status on return to India for permanent status.
  - b) Notify immediately any change in their address
  - c) Write to the Companies Registrar or Share Transfer Agents, M/s CB Management Services (P) Ltd., enclosing their Share Certificates for consolidation into one folio for better investor service, if they have more than one folio in identical orders of name(s).
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
14. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
15. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, shall be opened for inspection by the Members at the Registered Office of the Company on all working days except Saturdays, during business hours upto the date of the Annual General Meeting of the Company.

## 16. Voting through electronic means

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Annual General Meeting (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- ii. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on 28th July, 2015 (9.00 am) and ends on 30th July, 2015 (5.00 pm). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participant(s)]:
    - (i) Open PDF file viz; “IFB Agro.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select “EVEN” of “IFB Agro Industries Limited”.
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
    - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizerifb@gmail.com](mailto:scrutinizerifb@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. In case a Member receives physical copy of the Notice of Annual General Meeting [for Members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:
    - (i) Initial password is provided at the bottom of the Attendance Slip for the Annual General Meeting.
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th July, 2015.
- x. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 24th July, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [rta@cbmsl.com](mailto:rta@cbmsl.com).
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- xi. Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the Companies in which you are the shareholder.
- xii. Login to e-voting website will be disabled upon 5 unsuccessful attempts to key in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the website to reset the same.
- xiii. In case of joint holders, only one of the joint holders may cast his vote.
- xiv. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners maintained by the Depositories as on the cut off date shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.
- xv. Mr. Jitendra Patnaik, Practising Company Secretary (Membership No. FCS 5045) sole proprietor of M/s. J. Patnaik & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xvi. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “ballot paper” for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- xvii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xviii. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.ifbagro.in](http://www.ifbagro.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to BSE Limited and NSE Limited.

17. A route guide map of the Annual General Meeting venue is given in the last page of this Annual Report.

By Order of the Board

Registered Office:  
Plot No. IND-5, Sector - 1  
East Kolkata Township  
Kolkata - 700 107  
CIN: L01409WB1982PLC034590  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)  
Kolkata, 30th May, 2015

Ritesh Agarwal  
Company Secretary



### **Statement Pursuant to Section 102(1) of the Companies Act, 2013**

As required under Section 102(1) of the Companies Act, 2013 ('The Act'), the following statements set out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice dated 30th May, 2015.

#### **Item No. 3**

This statement is provided though strictly not required as per section 102 of the Act.

Walker Chandio & Co LLP, (Firm Registration No. 001076N/N500013), Chartered Accountants, were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting of the Company held on 30th July, 2014.

As per the provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the Members at every Annual General Meeting.

Accordingly, ratification of the Members is being sought for the proposal contained in the resolution set out at Item No 3 of the Notice.

None of the Directors, Key Managerial Personnel or their relatives, is interested or concerned in the resolution.

The Board commends the resolution set forth in Item No. 3 for the approval of the Members.

#### **Item No. 4**

Dr. Lakshmishri Roy is a Graduate in Pharmacy from KMIPS, Rourkela, Sambhalpur University in the year 1994. She was awarded Gold Medal by Governor of Orissa for her outstanding performance in B.Pharm. She completed her M.Tech, (Life Sciences and Biotechnology) from Jadavpur University in the year 1998. She obtained her Ph.D from IIT Kharagpur in the field of Agricultural and Food Engineering in the year 2013. Dr. Roy's appointment is valid till the date of this Annual General Meeting of the Company.

The Board of Directors upon recommendation of Nomination and Remuneration Committee appointed Dr. Lakshmishri Roy as an Additional Director of the Company with effect from 31st March, 2015, pursuant to Section 149, 152 and 161 of the Companies Act, 2013, read with Articles of Association of the Company and Clause 49 of the Listing Agreement.

In accordance to the provisions of Section 161 of the Companies Act, 2013, Dr. Lakshmishri Roy will hold office upto the date of the this Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a Member along with requisite deposit proposing the candidature of Dr. Lakshmishri Roy for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company has received from Dr. Lakshmishri Roy

- (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014,
- (ii) intimation in Form - DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and
- (iii) a declaration to the effect that she meets the criteria of independence provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of the Members for the appointment of Dr. Lakshmishri Roy as an Independent Director of the Company up to March 31, 2016 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Dr. Lakshmishri Roy, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is independent of the Management.

A copy of the draft letter for the appointment of Dr. Lakshmishri Roy as an Independent Director setting out the terms and conditions is available for inspection without any fees by the Members at the Company's Registered Office during normal business hours on working days upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Dr. Lakshmishri Roy, to whom the resolution relates, is interested or concerned in the resolution.

The Board commends the ordinary resolution set out in the Item No. 4 of the Notice for approval by the Members.

**Item No. 5**

Mr. Bikram Nag, BBA from Richmond College, U.K. was appointed as Director of the Company on 14th October, 1997. He has nineteen years of experience in the field of Marketing and Business Management. He has made several significant contributions to the Company's growth and implementation of investment plans and business strategies. His contributions have been invaluable.

Mr. Bikram Nag was appointed as the Executive Director of the Company at the Nineteenth Annual General Meeting held on 31st August, 2001, for a period of three years with effect from 27th January, 2001, which was further renewed from time to time. He was appointed as Joint Executive Chairman at the Annual General Meeting of the Company held on 26th July, 2013. The existing terms of Mr Nag will expire on 26th January, 2016. Since Mr. Nag's term will expire on 26th January, 2016, the Board of Directors of the Company had, at their meeting held on 30th May, 2015 on the recommendation of the Nomination and Remuneration Committee, reappointed Mr Nag for a further period of three years with effect from 27th January, 2016.

The terms and conditions of the reappointment including remuneration payable to Mr Bikram Nag are as follows :

1. Period of appointment: Three years effective from 27th January, 2016.
2. Remuneration:
  - a) Basic Salary : Rs.301000/- (Rupees three lacs one thousand only) per month with the liberty to the Board to review and set the level from time to time.
  - b) House Rent Allowance : 50% of basic salary
  - c) Commission : In addition to salary, perquisites and other allowances, one percent commission based on net profit of the Company computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or enactment thereof.
  - d) Perquisites : Classified into three categories - A, B and C.

**Part A**

- a) Medical Reimbursement: Expenses incurred for self and family, subject to the ceiling of one month's salary in a year or three month's salary over a period of three year.
- b) Leave Travel Allowance: For self and family, once a year incurred in accordance with the rules of the Company.
- c) Club fees: Fees of Clubs subject to maximum of two clubs. This will not include admission and life membership fees.
- d) Personal Accident Insurance: Premium not exceeding Rs. 30100/- per annum.

**Part B**

- a) Gratuity as per the scheme of the Company.
- b) Contribution to the Provident Fund, Superannuation Fund as per the scheme of the Company.
- c) Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

**Part C**

- a) Car : Provision of car for use on Company's business will not be considered as perquisites. However, use of car for private purpose will be billed by the Company to the Joint Executive Chairman.
- b) Telephone: Company will reimburse the expenses in connection with telephone at residence . However, personal long distance calls will be billed by the Company.

The terms and conditions of the said appointment and/or the Agreement are subject to the provisions of Section 196, 197 and 198 of the Companies Act, 2013, read with Part II of Schedule V and may be altered, and varied from time to time by the Board of Directors as it may in its discretion deem fit within the maximum amount of remuneration payable in accordance with the applicable rules and regulations.

In compliance with the provisions of the Companies Act, 2013 the appointment and the terms of remuneration specified above are now being placed before the Members in the Annual General Meeting for their approval. The Board recommends passing of the Ordinary Resolution in the best interests of the Company.

The above may be treated as an abstract of the terms of contract between the Company and Mr Bikram Nag under Section 190 of the Companies Act, 2013. A copy of the aforesaid document setting out the terms and conditions is available for inspection without any fees by the Members at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting.

In the case of inadequacy of profits during any financial year of his term the remuneration will be subjected to the provisions of Schedule V to the Companies Act, 2013.

The said appointment is subject to the approval of the Members in the Annual General Meeting.

None of the Directors, Key Managerial Personnel or their relatives, except Mr Bijon Nag and Mr Bikram Nag, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out in item No 5 of the Notice for approval by the Members.

**Item No.6**

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, a Company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Shareholders is obtained by way of a Special Resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create any charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders, for the purposes of securing the loan/credit facilities extended by them to the Company. Further, upon occurrence of default under the relevant loan/credit facility agreements and other documents as may be executed by the Company with the lenders, the lenders would have certain rights in respect of the Company's assets, properties and licenses including the rights of sale/dispose all thereof, creation of charge(s) as aforesaid and enforcement of assets by the Company's lender(s) upon occurrence of default would amount to lease/disposal of the whole or substantially the whole of the undertaking of the Company, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out in Item No. 6 of the Notice.

The Board commends the Special Resolution set out in item No 6 of the Notice for approval by the Members.

By Order of the Board

Registered Office:  
Plot No. IND-5, Sector - 1  
East Kolkata Township  
Kolkata - 700 107  
CIN: L01409WB1982PLC034590  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Websire : [www.ifbagro.in](http://www.ifbagro.in)  
Kolkata, 30th May, 2015

Ritesh Agarwal  
Company Secretary

**Details of Directors seeking Appointment/Re-appointment in the 33rd Annual General Meeting:**

<b>Particulars</b>	<b>Mr. Amitabha Kumar Nag</b>	<b>Mr Bikram Nag</b>	<b>Dr Lakshmishri Roy</b>
Date of Birth	23.06.1956	27.09.1973	13.03.1971
Date of Appointment	26.07.2003	14.10.1997	31.03.2015
Qualification	B.Com (H), M.Com, FCA	BBA from Richmond College, U.K	B.Pharm, M.Tech, (Life Sciences and Biotechnology) and Ph.D from IIT Kharagpur in the field of Agricultural and Food Engineering
Expertise in specific functional areas	34 years of enriched experienced in various areas of Finance, Accounts and Taxation.	19 years of enriched experienced in Marketing and Business Management	Wide experience in the field of Agriculture and Food Engineering.
Directorships held in other Public Companies (excluding foreign companies and section 8 companies)	NIL	Travel Systems Limited IFB Industries Limited	NIL
Memberships / Chairmanships of committees of other Public Companies (includes only Audit Committee and Stakeholders' Relationship Committee.	NIL	NIL	NIL
Number of shares held in the Company	NIL	NIL	NIL

## Report of the Directors' & Management Discussion and Analysis Report

### To the Shareholders,

Your Directors have pleasure in presenting the Annual Report together with the Audited Financial Statements for the year ended 31st March, 2015.

### Economic Environment:

The year under review (2014-15) was characterized by slow growth across the globe. Europe was under severe recession and quantitative easing (QE) as deployed by the Central Bank has impacted the EURO and it was traded at multi-year low against US\$. The stronger US economy was the only positive point and US\$ strengthened against most emerging market currencies. Commodity prices declined across the board with crude oil declined the most. The decline in crude oil prices has helped the emerging market economies, especially India. In India, the inflation has eased as compared to the previous financial year (2013-14). Current account deficit have also improved due to the falling crude prices. It is expected that Indian Economy will have robust growth in 2015-16 (as per World Bank report).

### Financial Results & Performance Review

The financial results for the year and for the previous year are summarized below:

#### FINANCIAL RESULT

(Rs in Lakhs)

	<b>Year Ended 31.03.2015</b>	Year Ended 31.03.2014
Revenue from Operations	<b>59,505</b>	50,689
Profits prior to finance charges and depreciation	<b>4,470</b>	4,888
Less: Finance Charges	<b>17</b>	37
Depreciation	<b>1,862</b>	930
Profit before exceptional item	<b>2,591</b>	3,922
Exceptional items	<b>—</b>	2,100
Profit Before Tax	<b>2,591</b>	6,022
Less: Provision for Taxation		
Current Tax	<b>117</b>	1,368
Deferred Tax	<b>820</b>	486
Income Tax adjustment for earlier years	<b>96</b>	—
Profit After Tax	<b>1,557</b>	4,168

During the year under review your Company has recorded net operational revenue of Rs 59,505 lakhs (as against Rs 50,689 lakhs in 2013-14) recording a growth of 17.4%.

Your Company has achieved a profit before tax of Rs 2,591 lakhs (as against Rs 6,022 lakhs in 2013-14 which included extraordinary item of Rs. 2,100 lakhs) and net profit of Rs 1,557 lakhs (as against Rs 4,168 lakhs in 2013-14). Higher depreciation related to recently commissioned DDGS and Captive power plant has impacted the overall financial performance during the current year.

Your Company remained debt free as on 31st March, 2015.

**INDUSTRY STRUCTURE AND DEVELOPMENT**

IFB Agro Industries Ltd is engaged primarily in two segments : Alcohol & Bottling and Marine.

***Alcohol & Bottling:***

Your Company operates a grain-based distillery in West Bengal at Noorpur. The plant based on 'multi-pressure-distillation' process is capable of distilling alcohol from multiple feed stock such as rice, wheat, barley, jowar etc.

The grain distillery along with carbon-di-oxide plant operated at optimum capacity during the current year. The DDGS and captive power plant were commissioned during the year. The captive power plant resulted in savings in power and fuel costs. The expected benefit from DDGS plant was not realized during the current year due to the lower soybean prices.

Your Company has undertaken a modernization drive that will double the present capacity at existing facility. It is expected that with this expansion, cost per unit of production will reduce. The total capital outlay for this expansion will be approx. Rs 5,300 lakhs. The increased capacity will be available from fourth quarter of 2015-16, subject to all the regulatory approvals.

Indian Made Indian Liquor (IMIL) division is characterized by excess capacity at the market place. The increased competition has resulted in higher retailer schemes and extended door delivery facility which has impacted operating margin. The increased credit facility is impacting the cash flow.

During the year under review, your Company has started operations from a third party bottling facility at Kandi, Murshidabad (West Bengal).

***Marine:***

Marine exports have registered 27 % growth in revenue during the current year. The export division was successful in penetrating new geographical areas and this augurs well for the future. The operating margin was under pressure due to sudden drop in realisation during the second half of the year under review due to economic turmoil in some of our major markets. During the current year (2015-16), your Company will start processing and exporting from an outsourced processing plant in Andhra Pradesh.

In Marine feed, turnover has increased by 61% during the year under review but operating margin reduced due to the inability in passing the input cost increases.

Sales of Marine domestic food business have grown by 18% during the year under review. The sales and distribution network have been expanded and revamped during the current year. Expansion of distribution reach in traditional trade have improved the retail sales.

Your Company is continuing its efforts to attain further efficiencies by reducing the wastage in all the divisions and ensuring optimal use of human resources on all fronts.

**OUTLOOK, OPPORTUNITIES, THREATS AND CONCERNS**

The current financial year will again be a year of tough business conditions and challenges. Spirit prices of other states such as Punjab and Uttar Pradesh continue to remain low which affects our pricing, coupled with the impact of spirit removal fee, distillery margins will remain under pressure. Your Company is continuing its efforts to attain further efficiencies by improving the yield at distillery, reducing the wastage in all the divisions and ensuring optimal use of human resources on all fronts.

IMIL segment will have pressure on sales and margin, due to severe competitive pressures.

Margin in marine export will be a concern due to competition from South East Asian Countries. Retail focus in the marine domestic market will be continued to improve sales and margin.

The high level of fluctuation in the prices of raw materials and exchange fluctuations are the constraints faced by the Company during the past years.

With the expectation of an improvement in the market conditions for ethanol procurement by oil companies coupled with the revenue from the DDGS and other by-products, the distillery operations of the Company will endeavor to perform better than last year. Competitive pressure from existing and new bottling plants will continue to keep IMIL operations under pressure. Marine exports will be under pressure in the financial year 2015-16 in view of the softening of global demand and prices; additional business from Andhra Pradesh plant is however expected to increase turnover over last year.

During the year (2015-16), your Company will incur capital expenditures aggregating Rs 64 Crores and discussions are going on for possible expansion in marine business amounting Rs 100 Crores. These expansions need to fulfill its return expectation else there may be pressure on the balance sheet.

## **RISKS & MITIGATING STEPS**

Pursuant to Clause 49 of the Listing Agreements, the Board has adopted a risk management policy whereby a proper framework is set up to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

Your Company has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of this Annual Report.

## **DIVIDEND**

Your Company is a debt free Company. However, during the current year, your Company has outlined expansion at distillery, marine-exports and IMIL divisions. In order to conserve resources for the proposed capital investments, your Directors have decided not to recommend any Dividend for the financial year under review.

## **TRANSFER TO RESERVE**

The company does not propose to transfer any amount to reserve.

## **BOARD MEETINGS**

The details of the Board Meetings held during the financial year 2014-15 has been furnished in the Corporate Governance Report forming part of this Annual Report.

## **EXTRACT OF ANNUAL RETURN**

The extracts of the Annual Return for the financial year 2014-15 as stipulated in MGT -9 pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 is given in Annexure I which forms part of this Report.

## **DIRECTORS**

Mr. Amitabha Kumar Nag, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

The three years term of Joint Executive Chairman, Mr Bikram Nag, is expiring on 26th January, 2016. It is proposed to re-appoint him for a further period of three years.

On 31st March, 2015 the Nomination and Remuneration Committee recommended the induction of Dr. Lakshmishri Roy as an Additional Director of the Company. Dr Lakshmishri Roy also acts as a Woman Director in independent capacity on the Board pursuant to Section 161, 149, 152 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder and Clause 49 of the Listing Agreement.

Dr. Lakshmishri Roy is a Graduate in Pharmacy from KMIPS, Rourkela, Sambhalpur University in the year 1994. She was awarded Gold Medal by Governor of Orissa for her outstanding performance in B.Pharm. She completed her M.Tech, (Life Science and Biotechnology) from Jadavpur University in the year 1998. She obtained her Ph.D. from IIT Kharagpur in the field of Agricultural and Food Engineering in the year 2013. Dr. Roy's appointment is valid till the date of this Annual General Meeting of the Company.

The Company has received a notice in writing from a member of the Company proposing her candidature for the office of Independent Director for a period of one year pursuant to Section 149(6), 160 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder and Clause 49 of the Listing Agreement.

Appropriate resolutions seeking the appointment of Directors are appearing in the Notice convening this Annual General Meeting of the Company. The details about their qualification, other directorships etc. as per Clause 49 of the Listing Agreement is annexed to the Notice of the 33rd Annual General Meeting.

## **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013 and the same have been placed and noted by the Board in its meeting held on 30th May, 2015.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

To familiarize the new Independent Directors with the strategy, operations and functions of our Company, the executive Directors / the senior managerial personnel make presentation to the inductees about the Company's strategy, operations, product and service offerings, markets, finance, quality etc.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities as a Director. The familiarisation programme are available at our website at the [weblink](http://www.ifbagro.in/pdf/Familiarisation-program.pdf) <http://www.ifbagro.in/pdf/Familiarisation-program.pdf>

### **ANNUAL EVALUATION OF BOARD'S PERFORMANCE**

According to Clause 49 of the Listing Agreement and Schedule IV of the Companies Act, 2013, a meeting of the Independent Directors is required to be held to review the performance of the Non-Independent Directors and the Board as a whole. Accordingly, a separate meeting of Independent Directors was held on 23rd March 2015 wherein the performance of the Non-Independent Directors and the Board as a whole was evaluated.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Act, the Directors state that:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. 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;
- iii. 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;
- iv. The Directors had prepared the annual accounts on a going concern basis; and
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. 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.

### **KEY MANAGERIAL PERSONNEL**

#### **Induction**

The Board appointed Mr Dipak Sen as “Chief Financial Officer” of the Company w.e.f 10th December, 2014 on recommendation of Nomination and Remuneration Committee and approval of Audit Committee.

The Board appointed Mr Ritesh Agarwal as “Company Secretary” of the Company w.e.f 10th December, 2014 on recommendation of Nomination and Remuneration Committee.

#### **Resignations**

Mr. Shyamal Bandopadhyay resigned from the position of “Sr VP Finance & Company Secretary” with effect from 10th December, 2014. The Board accepted the resignation of Mr Bandopadhyay on recommendation of the Nomination and Remuneration Committee. The Board placed on record its appreciation for the contributions made by Mr. Bandopadhyay during his tenure.

### **REMUNERATION POLICY**

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and Clause 49 of the Listing Agreement stating therein the Company's policy on Directors'/Key Managerial Personnel/other employees appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 23rd March, 2015.

The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in>.



## **REMUNERATION OF DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is given in Annexure II which forms part of this Report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans, guarantees or made any investments exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

A Related Party Policy has been devised by the Board of Directors at its meeting held on 23rd March, 2015 for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in>.

The Audit Committee reviews all related party transactions quarterly, if any.

The Company has not entered into the following kinds of related party transactions:

- Contracts/arrangements/transactions which are not at arm's length basis.
- Any Material contracts/arrangements/transactions.

## **ENERGY, TECHNOLOGY & FOREIGN EXCHANGE**

As required under Section 134(3)(m) of the Companies Act, 2013, read with rules made there under, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo is given in Annexure III which forms a part of this Report.

## **UTILISATION OF PROCEEDS OF PREFERENTIAL ALLOTMENT**

The entire proceeds from Preferential allotment of fully paid up Equity Shares 3,62,000 of Rs 10/- each issued at a premium of Rs 178/- each which was allotted to Promoter Group Company on preferential basis on 13th March, 2014 were utilized for the purpose for which the shares were issued.

## **SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES**

The Company does not have any subsidiary/associate/joint venture company for the year ended 31st March, 2015.

## **HUMAN RESOURCES**

For the development of the human resources, number of training programme were organized during the year. Internal personnel as well outside faculty members undertook these programme. Your Company plans to organize more such training programme for the overall development of its people. Total number of employees in the Company was 328 as on 31st March 2015 as against 284 as on 31st March 2014.

## **WEBSITE OF THE COMPANY**

The Company maintains a website [www.ifbagro.in](http://www.ifbagro.in) where detailed information of the Company and its products are provided.

## **AUDIT COMMITTEE**

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

**VIGIL MECHANISM**

The Company has a Whistle Blower Policy in place for vigil mechanism. The said policy has been amended keeping in view of the amendments in the Companies Act, 2013 and Clause 49 of the Listing Agreement. The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in/pdf/Whistle-Blower-Policy.pdf>

**INTERNAL CONTROL SYSTEMS**

Your Company maintains a system of internal control designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial control, compliance with applicable laws and regulations. The internal control system of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are placed before the Board.

**LISTING WITH STOCK EXCHANGES**

Your Company is listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited and the Company has paid the listing fees to each of the said Exchanges.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board of Directors constituted the CSR Committee at its meeting held on 31st October, 2014. The CSR policy was approved by the CSR Committee and adopted by the Board of Directors at its meeting held on 23rd March, 2015.

The said policy may be referred to, at the Company's official website at <http://www.ifbagro.in>.

The Company wishes to inform the Members that it is well aware of its responsibility towards fulfilling its social responsibility.

To conserve the resources for capital expenditure projects, the Company made an expenditure of Rs 8.05 Lakhs only against the stipulated amount of Rs 77.66 Lakhs. The initiatives taken by the Company on CSR Activities is given in Annexure IV, which forms part of this report.

**CORPORATE GOVERNANCE**

Your Company attaches considerable significance to good Corporate Governance as an important step towards building investor confidence, improving investors' protection and maximizing long-term shareholders value. The certificate of the Auditors, M/s Walker Chandio & Co LLP (Firm registration No 001076N/N500013), Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchanges forms part of this Annual Report.

**STATUTORY AUDITORS**

The Auditors of the Company M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No 001076N/N500013) have been appointed at the Annual General Meeting on 30th July, 2014 for a term of 3 years. The Company has received consent of the Auditors for continuation of office for the current year. Their appointment to the office is subject to the ratification by the Members at the each Annual General Meeting.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDITOR**

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1st April, 2014 by a Company Secretary in Practice. The Board in its meeting held on 23rd March, 2015 has therefore appointed Mr. Jitendra Patnaik, Practising Company Secretary (Certificate of Practice No. 3102) as the Secretarial Auditor for the financial year ending 31st March, 2015.

The Secretarial Auditors' Report for the financial year ending 31st March, 2015 is given in Annexure V, which forms part of this report.

#### **ACKNOWLEDGEMENT**

Your Directors express their sincere thanks and place on record their deep appreciation for the patronage extended by the shareholders, valued customers, financial institutions, bankers, government authorities and the investors for their continued support and confidence in the Company.

*Cautionary Statement: Statement in the Directors' Report and Management Discussion & Analysis Report describing the Company's expectations may be forward-looking within the meaning of applicable securities laws & regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demands and supply conditions affecting selling prices, new capacity additions, availability of critical materials and their costs, changes in government policies and tax laws.*

On behalf of the Board

Kolkata, 30th May, 2015

Bikram Nag  
Joint Executive Chairman

Arup Kumar Banerjee  
Managing Director

**Annexure I to Directors' Report**

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31st March,2015**

[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 : L01409WB1982PLC034590
- ii) Registration Date : 19.02.1982
- iii) Name of the Company : IFB AGRO INDUSTRIES LIMITED
- iv) Category / Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered Office and contact details : Plot No.IND-5, Sector-1, East Kolkata Township, Kolkata - 700 107.  
Tel No:(033)39849675.  
Fax No: (033) 24421003  
E-Mail: complianceifbagro@ifbglobal.com  
Website : www.ifbagro.in
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CB Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata-700019.  
Tel No: (033)40116700/22806692/22823643/22870263  
Fax No: (033) 40116739.  
E-mail: rta@cbmsl.com  
Website : www.cbmsl.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Alcohol (Spirits and Spirituous Beverages)	2207	73%
2	Marine Products	306	27%

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

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	None				

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

	Category of Shareholder	No.of Shares held at the beginning of the year 01.04.2014				No.of Shares held at the end of the year 31.03.2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals/ HUF	238824	-	238824	2.55	238824	-	238824	2.55	-
(b)	Central Government(s)	-	-	-	-	-	-	-	-	-
(c)	State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corporate	5848856	-	5848856	62.44	5848856	-	5848856	62.44	-
(e)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(f)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>-</b>
<b>2</b>	<b>Foreign</b>									
(a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Others	-	-	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>6087680</b>	<b>-</b>	<b>6087680</b>	<b>64.99</b>	<b>-</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	127500	9000	136500	1.46	-	9000	9000	0.10	-1.36
(b)	Bank/Financial Institutions	-	95850	95850	1.02	6789	95850	102639	1.09	0.07
(c)	Central Government(s)	-	-	-	-	-	-	-	-	-
(d)	State Government(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Other (specify)	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	<b>127500</b>	<b>104850</b>	<b>232350</b>	<b>2.48</b>	<b>6789</b>	<b>104850</b>	<b>111639</b>	<b>1.19</b>	<b>1.29</b>

	Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2014				No. of Shares held at the end of the year 31.03.2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate									
i)	Indian	769929	7196	777125	8.30	874069	6196	880265	9.40	1.10
ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	641737	408020	1049757	11.21	803073	378970	1182043	12.62	1.41
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1094363	-	1094363	11.68	994902	-	994902	10.62	-1.06
(c)	Other (specify)									
i)	NRI	25305	31142	56447	0.60	51034	30342	81376	0.87	0.27
ii)	Clearing Member	68889	-	68889	0.74	28706	-	28706	0.31	-0.43
iii)	OCB	-	-	-	-	-	-	-	-	-
iv)	Trust	-	-	-	-	-	-	-	-	-
v)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
vi)	Office of the Custodian Special Court	-	500	500	0.00	-	500	500	0.00	-
	<b>Sub-Total (B)(2)</b>	<b>2600223</b>	<b>446858</b>	<b>3047081</b>	<b>32.53</b>	<b>2751784</b>	<b>416008</b>	<b>3167792</b>	<b>33.82</b>	<b>1.29</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2727723</b>	<b>551708</b>	<b>3279431</b>	<b>35.01</b>	<b>2758573</b>	<b>520858</b>	<b>3279431</b>	<b>35.01</b>	<b>-</b>
	<b>TOTAL (A)+(B)</b>	<b>8815403</b>	<b>551708</b>	<b>9367111</b>	<b>100.00</b>	<b>8846253</b>	<b>520858</b>	<b>9367111</b>	<b>100.00</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by Custodians for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>8815403</b>	<b>551708</b>	<b>9367111</b>	<b>100.00</b>	<b>8846253</b>	<b>520858</b>	<b>9367111</b>	<b>100.00</b>	<b>-</b>

**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 share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total Shares	
1	Bijon Nag	237509	2.54	0	237509	2.54	0	0
2	Priyambaba Nag	1315	0.01	0	1315	0.01	0	0
3	Nurpur Gases Pvt. Ltd	785543	8.39	0	785543	8.39	0	0
4	Asansol Bottling & Packaging Co. Pvt. Ltd	307197	3.28	0	307197	3.28	0	0
5	Zim Properties Pvt. Ltd	385000	4.11	0	385000	4.11	0	0
6	Lupin Agencies Pvt. Ltd	385300	4.11	0	385300	4.11	0	0
7	Windsor Marketiers Pvt. Ltd	382916	4.09	0	382916	4.09	0	0
8	IFB Automotive Pvt. Ltd	3602900	38.46	0	3602900	38.46	0	0
	<b>Total</b>	<b>6087680</b>	<b>64.99</b>		<b>6087680</b>	<b>64.99</b>		

**(iii) Change in Promoters' Shareholding (please specify, if there is no change):**

Sl No.		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
	At the beginning of the year	There is no change in the Promoters' Shareholding between 01.04.2014 to 31.03.2015			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc)				
	At the end of the year				

**(iv) Shareholding Pattern of Top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

For each of the Top ten Shareholders	Shareholding at the beginning of the year (01-04-2014)		Cumulative Shareholding at the end of the year (31-03-2015)	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
SICGIL INDIA LIMITED	645458	6.89%	676530	7.22%
F L DADABHOY	195600	2.09%	217500	2.32%
P F DADABHOY	159000	1.70%	172800	1.84%
N F DADABHOY	148200	1.58%	150900	1.61%
R F DADABHOY	126300	1.35%	128700	1.37%
SBI SMALL AND MIDCAP FUND*	90000	0.96%	Nil	0.00%
DOLLY KHANNA	32973	0.35%	121162	1.29%
SHIRIN WATWANI	87900	0.94%	100800	1.08%
ABN-AMRO BANK N V CALCUTTA BRANCH A/C TRANSCOM INTERNATIONAL INC.	72500	0.77%	72500	0.77%
AJAYA JAIN*	50000	0.53%	NIL	0.00%
MADHU MANSHARAMANI *	37420	0.40%	NIL	0.00%
ASHA MUKUL AGRAWAL	25000	0.27%	25000	0.27%
ABN AMRO BANK A/C TRANSCOM INT. INC	22500	0.24%	22500	0.24%

\* Ceased to be in the list of Top ten Shareholders as on 31-03-2015.

Note: The date wise increase / decrease in Shareholding of the top ten Shareholders is part of additional information available on our official website at [www.ifbagro.in](http://www.ifbagro.in)

**(v) Shareholding of Directors and Key Managerial Personnel**

Name Of Director/KMP	Date	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
<b>Bijon Nag</b>					
At the beginning of the year	01/04/2014	237509	2.54	237509	2.54
At the end of the year	31/03/2015			237509	2.54
<b>Arup Kumar Banerjee</b>					
At the beginning of the year	01/04/2014	2250	0.02	2250	0.02
Sold during the year	13/06/2014	800	0.01	1450	0.02
At the end of the year	31/03/2015			1450	0.02



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

(Figure in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	420,96,055	-	-	420,96,055
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	420,96,055	-	-	420,96,055
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	
* Reduction	420,96,055	-	-	420,96,055
<b>Net Change</b>	420,96,055	-	-	420,96,055
<b>Indebtedness at the end of the financial year</b>				
i) Principal 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 and Whole time Director**

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD		Total Amount
		Arup Kumar Banerjee, Managing Director	Bikram Nag, Joint Executive Chairman	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	99,37,000	45,60,000	144,97,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9,73,933	3,32,000	13,05,933
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission payable - as % of profit	750000	750000	1500000
5	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	116,60,933	56,42,000	173,02,933
	<b>Ceiling as per the Act</b>	125,43,000	125,43,000	250,86,000

**B. Remuneration to other Directors:**

(Figure in Rs.)

Particulars of Remuneration	Name of Directors							Total Amount
	Mr. Bijon Nag	Mr. Amitabha Kumar Nag	Mr. Nandan Bhattacharya	Mr. Hari Ram Agarwal	Mr. Manoj Kumar Vijay	Mr. Sudip Kumar Mukherji	Dr. Lakshmeshri Roy*	
<b>Independent Directors</b>								
Fee for attending Board & Committee meetings	NA	NA	83,000	45,000	37,000	75,000	-	<b>2,40,000</b>
Commission	NA	NA	-	-	-	-	-	-
Others, please specify	NA	NA-	-	-	-	-	-	-
<b>Total (1)</b>	-	-	<b>83,000</b>	<b>45,000</b>	<b>37,000</b>	<b>75,000</b>	-	<b>2,40,000</b>
<b>Other Non-Executive Directors</b>								
Fee for attending board & committee meetings	5000	78000	NA	NA	NA	NA	NA	<b>83,000</b>
Commission	-	-	NA	NA	NA	NA	NA	-
Guarantee Commission	489063	-	NA	NA	NA	NA	NA	<b>4,89,063</b>
<b>Total (2)</b>	<b>494063</b>	<b>78000</b>	-	-	-	-	-	<b>5,72,063</b>
Total (B)=(1+2)	<b>494063</b>	<b>78000</b>	<b>83,000</b>	<b>45,000</b>	<b>37,000</b>	<b>75,000</b>	-	<b>8,12,063</b>
Total Managerial Remuneration (A+B)								<b>1,81,14,996</b>
Overall Ceiling as per the Act								<b>275,94,600</b>

\*Dr. Lakshmeshri Roy was appointed on 31st March, 2015.

**C. Remuneration to Key Managerial Personnel other than MD/WTD**

(Figure in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CS	CS	CFO	Total
		Mr Shyamal Bandopadhyay (Resigned with effect from 10th December, 2014)	Mr Ritesh Agarwal (Appointed with effect from 10th December, 2014)	Mr Dipak Sen (Appointed with effect from 10th December, 2014)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3066834	781025	1600250	5448109
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	227381	26647	92763	346791
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total	3294215	807672	1693013	5794900

**VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:** There is no penalty, punishment or compounding of offences during the year ended 31st March, 2015.

## Annexure II to Directors' Report

- (i) **The Ratio of the remuneration of each Director to the median remuneration to the employee of the Company for the financial year 2014-15**

Director's Name*	Ratio to median remuneration
Mr. Arup Kumar Banerjee, Managing Director	36.02
Mr. Bikram Nag, Joint Executive Chairman	15.91

\*Directors other than Executive Directors have received sitting fees for attending meeting of the Board or its Committees as disclosed in the Corporate Governance Report. The figures are non comparable.

- (ii) **The Percentage increase in remuneration of each Director, Chief Financial Officer (CFO), Company Secretary (CS) in the financial year 2014-15.**

Director's/CFO/CS name	% increase / (decrease) in remuneration in the Financial Year 2014-15
Mr. Arup Kumar Banerjee, Managing Director	(17.04)*
Mr. Bikram Nag, Joint Executive Chairman	19.69
Mr. Dipak Sen, Chief Financial Officer (Appointed during the year)	Not Applicable
Mr. Ritesh Agarwal Company Secretary (Appointed during the year)	Not Applicable
Mr Shyamal Bandopadhyay Sr VP Finance & Co Secretary (Resigned during the year)	Not Applicable

\*The Remuneration for the year decreased because variable component reduced due to fall in profits of the Company

- (iii) **Percentage increase in the median remuneration of employees in the financial year 2014-15 : 15.36%**  
 (iv) **Number of permanent employees on the rolls of the company as on 31.03.2015 : 328**  
 (v) **Explanation on the relationship between average increase in remuneration and the company performance**

On an average, employees received an annual increase of 15%. In order to ensure that remuneration reflects Company's performance, the performance pay of some employees is also linked to organizational performance apart from an individual performance.

- (vi) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company**

(Amount Rs. in Lakhs)

Aggregate Remuneration of Key Managerial Personnel as defined u/s 203 of the Companies Act, 2013 in the year 2014-15	231
Revenue	59505
Remuneration of KMP (as % of Revenue)	0.38
Profit Before Tax (PBT)	2591
Remuneration of KMP (as % of PBT)	8.91

**(vii) Variations in the Market Capitalisation of the Company, Price Earning Ratio as at closing date of the Current financial year and previous financial year**

Details	31.03.2015	31.03.2014	% increase / decrease
Market Capitalisation (Rs. in Lakhs)	23417	17048	37.36
Price Earning Ratio	16.63	46.19	(-) 64.00

**(viii) Percentage Increase over decrease in the Market Quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:**

Particulars	31st March, 2015	Right Issue (1994)	% Change
Market price (BSE) (in Rs.)	250.30	35	615.14
Market Price (NSE) (in Rs.)	250.55	35	615.86

**(ix) Average percentile increase in salaries of Employees other than managerial personnel in the last Financial year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:**

The average annual increase was around 15.35%.

The average increase in staff salary for the year 2014-15 was 15.36%.

The average increase in Managerial Remuneration for the year 2014-15 was 15.35%

**(x) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company**

	Mr. Arup Kumar Banerjee, Managing Director	Mr. Bikram Nag, Joint Executive Chairman	Mr. Dipak Sen, Chief Financial Officer*	Mr. Ritesh Agarwal, Company Secretary*	Mr. Shyamal Bandopadhyay, VP - Finance & Company Secretary*
Remuneration in FY 15 (Rs in Lakhs)	116.61	56.42	16.93	8.07	32.94
Total Revenue (Rs in Lakhs)	59505				
Remuneration as % of Total Revenue	0.20	0.09	0.03	0.01	0.06
Profit Before Tax (PBT) Rs in Lakhs	2591				
Remuneration (as % of PBT)	4.50	2.18	0.65	0.31	1.27

\* Being for the part of the year.

**(xi) Key parameter for any variable component of remuneration availed by the Directors:**

The executive directors has variable component in their remuneration which is 1% commission on Net Profits of the Company (calculated pursuant to Section 198 of the Companies Act, 2013).

No variable remuneration was given to the Non Executive and Independent Directors.

**(xii) The Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year: None**
**(xiii) Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**(xiv) The Statement containing the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.**

**Annexure III to Directors' Report****STATEMENT PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014.****[A] CONSERVATION OF ENERGY****a) Energy conservation measures taken:**

1. Successfully continued Very High Gravity (VHG) Fermentation process in the distillery, using special yeast strain and up to 20% recycling of thin effluent. This has led to further lowering water conservations (14% additional reduction in water usage) and corresponding energy consumption compared to last year.
2. Newly commissioned 22 TPH high pressure boiler (operating at 485°C at 67Bar(g), along with matching high efficiency turbine operations have been stabilized, and standalone grain distillery has recorded 12935061 Kwh (Kilo watt hour) of incidental power generation (85.93% of total power requirement) as against last year's figure of 4463690 Kwh (Kilo watt hour). Contribution of incidental power has been improved to 0.587KW per BL of finished product, against achieved figure of 0.202KW per BL last year.
3. Low pressure Jet cooker is being introduced to liquefaction process, which has resulted in energy savings and maximized incidental power generation.
4. Incorporation of insulated thin slop tanks in DDGS has reduced steam consumption significantly.
5. Newly installed ESP system as air pollution control (APC) device, and concealed ash conveying system, is highly energy efficient and also successfully taken care of environmental air pollution control requirements.
6. Continuous up gradation of power bank capacitor mechanism has steadied power factor in the range of 0.9767 in FY-2014-15 for the distillery division.
7. Our continuous effort to reuse / recycle ground water has shown further improvement, Overall Water recycling and reuse has gone up to 70% from earlier standard of 48%, with the regular operation of Rochem Reverse osmosis plant.

**b) Additional investment proposals, if any, being implemented for further reduction of Energy Consumption:**

1. Installation of Heat Pump (VAM) for utilization of waste heat and generation of cold water for fermentation and Liquefaction section.

**c) Impact of measures of (a) & (b) above for reduction of energy consumption and consequent impact on cost of production of goods:**

The impact of above measures undertaken for reduction of energy consumption through the optimization of production process will improve the profitability.

**[B] TECHNOLOGY ABSORPTION****a) Efforts made in technology absorption as per Form B****1. Research & Development (R&D)**

- 1.1 In house R&D has successfully tested special low temperature process enzymes and put to current process of fermentation process in combination to existing ones, thereby enhancing viscosity reduction, higher conversion efficiencies and yield.
- 1.2 The R&D Department has successfully conducted laboratory and pilot trials to introduce micro nutrient supplements to grain fermentation process, which has contributed to further yield improvement irrespective of grain variants, ranging about 1.5% - 1.9% with respect to starch content.
- 1.3 A liquid organic manure product containing 'Humic Acid' has been successfully developed in laboratory, out of distillery waste. Pilot field trial on various vegetable crops has shown encouraging results.
- 1.4 New formulation for organic manure has been successfully developed maintaining FCO requirements, which has been approved by Department of Agriculture, Govt. of West Bengal.
- 1.5 Plant has successfully tested saw dust and groundnut shell dust as an alternate fuel, which will lead to reduction in fuel cost because of higher calorific value

**2. Benefits derived as a result of R&D:**

- 2.1 Improved fermentation efficiency by 0.83% and yield by 0.53% irrespective of little downtrend in grain quality.
- 2.2 Improved product quality and market acceptability.
- 2.3 Cost saving.
- 2.4 Generation of wealth utilizing various plant wastes.
- 2.5 Reduction in fuel cost.
- 2.6 Has become the first distillery in Eastern India to obtain organic manure manufacturing and selling license following FCO Regulations.

**3. Projects under Implementation to Improve Productivity, Water Conservation, Environmental Protection & Safety:**

- 3.1 Husk Bailing machine is being installed to save on fuel cost, environment protection.  
 3.2 'ECO SMART' distillation technology with integrated evaporation plant to ensure improvement in productivity and energy savings.  
 3.3 Value engineering in cake transfer process to improve productivity at reduced cost.  
 3.4 Fuel storage under shed is being expanded with water sprinkler arrangements to prevent dust spillage possibility.

**4. Expenditure on R&D:**

- 4.1 Capital : NIL  
 4.2 Recurring : Rs 3.79 lakhs  
 4.3 Total : Rs 3.79 lakhs

**Technology Absorption, Adaptation & Innovation**

## 1. Efforts:

- (a) Adoption of genetically modified high yielding imported yeast strain to support high gravity fermentation.  
 (b) Incorporation of ESP (Electro static precipitator) technology for air pollution control measures in boiler operation.  
 (c) Modifications of M/s Macwbre make pneumatic ash conveying and storage silo system, for total control of air pollution against boiler ash generation.  
 (d) Installation of fluidized bed shaking dryer for DDGS processing, thereby ensuring optimum product quality.  
 (e) Introduction of water cooled screw type brine chiller with refrigerant R134A, which is environment friendly, and does not lead to GHG (greenhouse gas) emission.

## 2. Benefits:

- (a) Improvement in fermentation efficiencies and overall yield.  
 (b) Better environmental protection in and around the distillery.  
 (c) Improved quality, productivity and yield in grain distillery operation.  
 (d) Better utilization and development of value added by-products.  
 (e) Lowering of steam and water consumption through very high gravity fermentation technique, multi effect evaporation plant operation, and utilization of Rochem reverse osmosis plant to clean treated effluent water.  
 (f) Ground Water conservation.  
 (g) Better fuel burning efficiencies in Boiler.

**[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**
**1. Total Foreign Exchange earned and used:**

	<b>31.03.2015</b>	(Rs. in Lakhs) 31.03.2014
a) Foreign Exchange Earnings (FOB value)		
– Exports (FOB value)	<b>12201.92</b>	9664.14
b) Foreign Exchange Outgo:		
– Raw Materials	<b>39.69</b>	147.15
– Capital Goods & Spare Parts	<b>89.57</b>	1025.51
– Travelling	<b>51.51</b>	23.88
– Commission	<b>11.88</b>	—
– Testing Fees	<b>8.15</b>	—
	<b>200.80</b>	1196.54

On behalf of the Board

Kolkata, 30th May, 2015

 Bikram Nag  
*Joint Executive Chairman*

 Arup Kumar Banerjee  
*Managing Director*

## Annexure IV to Directors' Report

### CORPORATE SOCIAL RESPONSIBILITY

During the year, Company constituted a Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below :

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. Weblink	The CSR Committee evolved a policy to spend the amount towards the activities mentioned in Clause i & ii of Schedule VII of the Companies Act, 2013. <a href="http://www.ifbagro.in">www.ifbagro.in</a>
2.	The Composition of the CSR Committee.	Mr. A.K. Banerjee - Chairman Mr. H.R. Agarwal Member Mr. M.K. Vijay- Member
3.	Average net profit of the Company for last three financial years.	Average net profit of Rs. 3882.91 Lakhs
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).	Rs. 77.66 Lakhs
5.	Details of CSR spent during the financial year 2014-15	
	(a) Total amount to be spent for the financial year 2014-15	Rs. 77.66 Lakhs
	(b) Amount unspent , if any	Rs. 69.61 Lakhs

#### (c.) Manner in which the amount spent during the financial year is detailed below:

SL No	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken.	Amount outlay (budget) project or programs wise.	Amount spent on the projects or programs sub heads: 1) Direct Expenditure on projects or programs 2) Overheads	Cumulative Expenditure upto to the reporting Period.	Amount spent Direct or through implementing Agency.
1	Eradicating hunger, malnutrition and sanitation etc	Eradicating hunger, malnutrition and sanitation etc	Noorpur, South 24 Parganas, West Bengal	1.72	1.72	1.72	Direct
2	Safe drinking water	Safe drinking water	Noorpur, South 24 Parganas, West Bengal	1.05	1.05	1.05	Direct
3	Cerebral Palsy	Promoting Health Care	Noorpur, South 24 Parganas, West Bengal	3.35	3.35	3.35	Through Indian Institute of Cerebral Palsy
4	Promoting education	Promoting education	Burdwan, South 24 Parganas, West Bengal	1.93	1.93	1.93	Direct
	<b>TOTAL</b>			<b>8.05</b>	<b>8.05</b>	<b>8.05</b>	

The Committee has stated that the implementation and monitoring of CSR policies are in compliance with CSR objectives and policy of the Company.

Kolkata, 30th May, 2015

Arup Kumar Banerjee  
Managing Director &  
Chairman of CSR Committee

**Annexure V to Directors' Report****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2015

To,  
The Members,  
IFB Agro Industries Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFB Agro Industries Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 has 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by IFB Agro Industries Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (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;
- (v) Factories Act, 1948;
- (vi) The Payment of Wages Act, 1936;
- (vii) The Minimum Wages Act, 1948;
- (viii) The Payment of Gratuity Act, 1972;
- (ix) The Child Labour (Prohibition & Regulations) Act, 1986;



- (x) The Environment (Protection) Act, 1986, Read with the Environment (Protection) Rules, 1986;
- (xi) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975;
- (xii) The Air (Prevention & Control of Pollution) Act, 1981, Read with the Air (Prevention & Control of Pollution) Rules, 1982;

I have also examined compliance with the applicable clauses of the followings:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Though the SS-1 and SS-2 are applicable with effect from 01/07/2015).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange Limited and Bombay Stock Exchange Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

In respect of other laws specifically applicable to the Company, I have relied in information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

**I 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 to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

**I further report that** during the audit period the company has not made Right issue of shares, No buy-back of securities, no Merger/amalgamation/reconstruction, etc have taken place, No Foreign technical collaborations have taken place or the Company has not entered in any events, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : Kolkata  
Date : 20/05/2015

For J. Patnaik & Associates  
Company Secretaries

J. Patnaik, Proprietor  
FCS No. : 5045  
C. P. No.: 3102

## Report on Corporate Governance

(Pursuant to Revised Clause 49 of Listing Agreement)

### 1) Company's philosophy on code of Governance

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, empowerment, accountability, motivation in all operations and all interactions with its shareholders, investors, lenders, employees and customers.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

### 2) Board of Directors

#### A) The composition of the Board of Directors as at 31st March, 2015 is as follows:

Name	Category	No. of Board Meetings attended during 2014-15	Whether attended in AGM held on 30th July, 2014	No. of * Directorships in other Indian Public Limited Companies as on 31st March, 2015	No. of Committee position held in other Indian Public Limited Companies as on 31st March, 2015**	
					Chairman	Member
Mr Bijon Nag (Chairman)	Non-Executive	1	No	1	NIL	NIL
Mr Bikram Nag (Joint Executive Chairman)	Executive Director	6	Yes	2	NIL	NIL
Mr Arup Kumar Banerjee	Managing Director	8	Yes	NIL	NIL	NIL
Mr Nandan Bhattacharya	Non-Executive & Independent Director	8	Yes	5	NIL	1
Mr Amitabha Kumar Nag	Non-Executive Director	8	Yes	NIL	NIL	NIL
Mr Hari Ram Agarwal	Non-Executive & Independent Director	4	No	NIL	NIL	NIL
Mr Manoj Kumar Vijay	Non-Executive & Independent Director	5	Yes	2	NIL	NIL
Mr Sudip Kumar Mukherji	Non-Executive & Independent Director	8	Yes	NIL	NIL	NIL
Dr. Lakshmishri Roy***	Non-Executive & Woman Independent Director	NIL	N.A	NIL	NIL	NIL

\* Number includes only Public Limited Companies as per Indian Companies Act.

\*\* Only Membership/ Chairmanship of Audit Committee, Stakeholder's Relationship Committee have been considered.

\*\*\* Appointed as Additional Director w.e.f. 31st March, 2015.

**B) Composition of the Board of Directors:**

The Board comprises of five Independent Directors.

No Director is a member of more than ten Committees or Chairman of more than five Committees across all companies in which they are directors.

**C) Meetings held in the financial year 2014-2015 and attendance of Directors :**

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 4 months.

During the year under review eight meetings were held on the following dates:

7th April 2014, 28th May 2014, 31st July 2014, 24th September 2014, 31st October 2014, 10th December 2014, 21st January 2015 and 23rd March 2015.

**3) Audit Committee**

**Terms of Reference:-**

The Audit Committee reviews the Audit Reports submitted by the Internal Auditors, Statutory Auditors, financial results, effectiveness of internal audit process, the Company's Risk Management Strategy and to established the vigil mechanism. It reviews the Company's established systems and the Committee is governed by the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**Composition, Name of members, Number of meetings, Chairperson and attendance of the Audit Committee during the financial year 2014-15:**

Name of Members	Members/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	6	6
Mr. Amitabha Kumar Nag	Member	6	6
Mr. Hari Ram Agarwal	Member	6	3
Mr. Sudip Kumar Mukherji	Member	6	6

During the year under review six meetings were held on the following dates :

7th April 2014, 28th May 2014, 31st July 2014, 31st October 2014, 21st January 2015 and 23rd March 2015.

The Company Secretary acted as the 'Secretary' to the Audit Committee.

**4) Nomination and Remuneration Committee:**

Pursuant to Section 178 of the Companies Act, 2013, and the Listing Agreement the existing "Remuneration Committee" was renamed as "Nomination and Remuneration Committee".

**Terms of reference:-**

This Committee identifies the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also carries out evaluation of every director's performance. The Committee also formulate the criteria for determining qualifications, positive attributes, independence of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

**Composition, Name of members, Number of meetings, Chairperson and attendance of the Nomination and Remuneration Committee during the financial year 2014-15:**

Name of Members	Member/Chairman	No. of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	5	5
Mr. Amitabha Kumar Nag	Member	5	5
Mr. Manoj Kumar Vijay	Member	5	4
Mr. Hari Ram Agarwal	Member	5	4

During the year under review five meetings were held on the following dates:

28th May 2014, 31st October 2014, 10th December 2014, 23rd March 2015 and 31st March 2015.

**Nomination and Remuneration Policy:**

The said policy may be referred to at the Company's official website: [www.ifbagro.in](http://www.ifbagro.in)

**Remuneration/ Commission paid to Directors during the financial year 2014-15:**

(Figures in Rupees)

Name of Director	Sitting Fees	Salary, Perquisites & Commission	Guarantee Commission	Total
Mr. Bijon Nag	5,000	—	4,94,063	4,99,063
Mr. Bikram Nag	—	56,42,000	—	56,42,000
Mr. Arup Kumar Banerjee	—	1,16,60,933	—	1,16,60,933
Mr. Nandan Bhattacharya	83,000	—	—	83,000
Mr. Amitabha Kumar Nag	78,000	—	—	78,000
Mr Hari Ram Agarwal	45,000	—	—	45,000
Mr Manoj Kumar Vijay	37,000	—	—	37,000
Mr Sudip Kumar Mukherji	75,000	—	—	75,000
Dr. Lakshmishri Roy*	—	—	—	—

\*Dr. Lakshmishri Roy appointed on 31st March, 2015

**5) Stakeholder's Relationship Committee:**

Pursuant to Section 178 of the Companies Act, 2013, and the Listing Agreement the existing "Shareholder/Investor Grievance Committee" was renamed as "Stakeholder's Relationship Committee".

**Terms of reference:**

The Committee focuses primarily on monitoring expeditious redressal of investors /stakeholders grievances and also function in an efficient manner that all issues /concerns stakeholders are addressed / resolved promptly.

**Composition, Name of members, Number of meetings, Chairperson and attendance of the Stakeholder's Relationship Committee during the financial year 2014-15:**

Name of Members	Member/Chairman	No of Meetings held	No. of Meetings attended
Mr. Nandan Bhattacharya	Chairman	3	3
Mr. Amitabha Kumar Nag	Member	3	3
Mr. Manoj Kumar Vijay	Member	3	2

In view of compulsory trading of shares in dematerialized form and consequent lowering of volume of physical transfers there were very few complaints which were sufficiently addressed to at the level of the Compliance Officer and CB Management Services (P) Ltd., the Registrar & Share Transfer Agent of the Company for shares both in physical and demat modes.

During the year under review three meetings were held on the following dates:

10th July 2014, 31st October 2014 and 21st January 2015.

No. of shareholders complaints received so far	—	3	}
No. of complaints not solved to the satisfaction of shareholders	—	Nil	
No. of pending complaints	—	Nil	

*Name, Designation & Address of the Compliance Officer:*

Mr. Ritesh Agarwal,  
Company Secretary

**IFB Agro Industries Limited**

Plot No- IND 5, Sector-1,  
East Kolkata Township, Kolkata-700 107  
Tel: (033) 39849524 • Fax: (033) 24421003  
E-Mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)

6) **General Body Meetings:**

a. Location & time where last 3 AGMs were held:

AGM	For the year ended	Date	Venue of the AGM	Time
32nd	2013-2014	30.07.2014	Club Ecovista Eco Space (Business Park), Premises No. 2F/11, Action Area II Rajarhat, New Town Kolkata - 700 156.	12.30 P.M
31st	2012-2013	26.07.2013	Ecohub Eco Space (Business Park), Ambuja Reality, Plot No 2F/11, New Town, Rajarhat, North 24-Parganas Kolkata - 700 156.	12.00 Noon
30th	2011-2012	30.7.2012	Ecohub Conclave Club Eco Space (IT Park), Plot No 2F/11, New Town Rajarhat, North 24-Parganas Kolkata - 700 156.	10.30 A.M

b. Whether any special resolution passed in the previous three AGMs : Yes

c. Whether any special resolution passed last year through postal ballot : No

Details of voting pattern : N.A.

Person who conducted the postal ballot exercise : N.A.

d. Whether any special resolution is proposed to be conducted through postal ballot : No

e. Procedure for postal ballot:

Your Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the shareholders by such process under the Companies Act, 2013 and Rules made there under, if any.

7) **Disclosure:**

a. Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No. 33 “Notes to Financial Statements” annexed to the Financial Statements for the year.

b. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years : *None*.

c. The financial statements for the year 2014-15 have been prepared in accordance with the applicable accounting standards prescribed by The Institute of Chartered Accountants of India and there are no deviations.

d. The Board has noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year 2014-2015.

e. The Company has adopted Whistle Blower/Vigil Mechanism Policy for Directors and employees which has been placed in the official website of the Company at [www.ifbagro.in](http://www.ifbagro.in)

f. The Company has periodically reviewed and reporting to the Board of Directors of risk assessment by senior executives with a view to minimise risk.

g. Reconciliation of Share Capital Audit

A Qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit during the financial year 2014-15 on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit Report confirms that the total Paid up Share Capital is in agreement with the total number of Shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

h. A Separate Meeting of the Independent Director

As per Companies Act, 2013 and the Listing Agreement, the Independent Directors are required to hold at least one separate meeting in a year. Accordingly, a meeting had been held on 23rd March, 2015.

i. Risk Management Committee

As required under Clause 49 of the Listing Agreement, the Board in its meeting held on 21st January, 2015 have constituted a Risk Management Committee, defining the roles and responsibilities of the Committee and have delegated to the Committee the function of monitoring and reviewing the Risk Management Policy of the Company. The Committee has the overall responsibility of dealing and approving the various risk policies and associated practices of the Company.

j. Code of Conduct for Board Members and Senior Management

The Board of Directors has laid down the 'Code of Conduct' for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Code is available on the Company's Official website under the weblink: <http://www.ifbagro.in/code-conduct.php>

k. Familiarisation Programme for Independent Director

To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company. The programmes/presentations also familiarises the Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business operates, business model of the Company etc. through various programmes.

The familiarisation programme is available on the Company's official website [www.ifbagro.in](http://www.ifbagro.in)

#### 8) Means of communication:

The quarterly and half yearly results of the Company are forthwith communicated to the Stock Exchanges with whom the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company. Further, the results are generally published in leading newspapers such as Business Standard (English) and Aajkal/Khabar 365 Din (Bengali). No presentation was made to the institutional investors or analysts during the financial year 2014-2015.

The quarterly, half-yearly and annual financial results and Official News releases are posted in respective Stock Exchange websites and also on the official web site of the Company.

#### 9) General Shareholder information:

i) 33rd AGM date, time and venue : 31st day of July, 2015

At 12.30 p.m

Club Ecovista, Ecospace Business Park,  
Premises No. 2F/11, Action Area II,  
Rajarhat, New Town, Kolkata 700156.

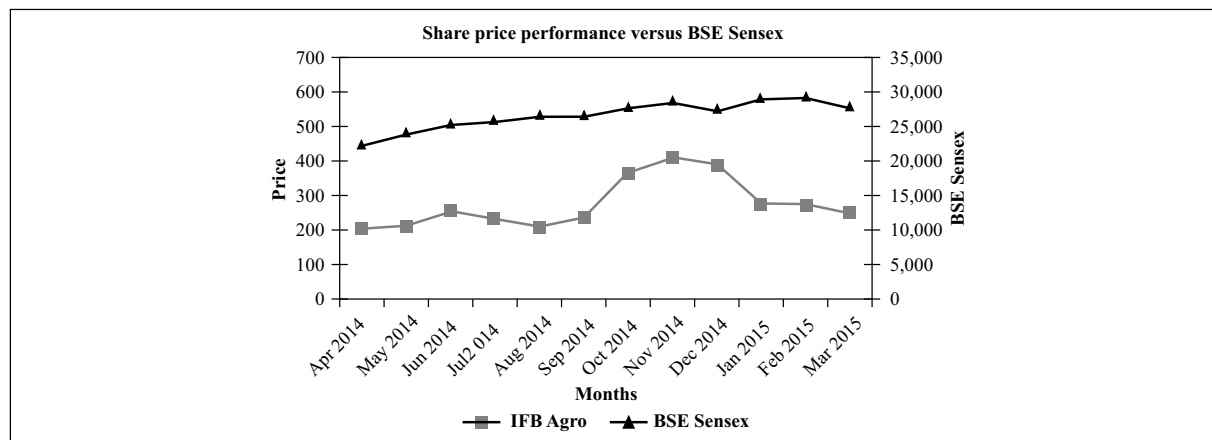
- ii) Financial year : 1st April, 2014 to 31st March, 2015.
- iii) Book closure date : 25th July, 2015 to 31st July, 2015 (both days inclusive)
- iv) Dividend Payment date : Not Applicable.
- v) Listing on Stock Exchanges: a) Bombay Stock Exchange  
b) National Stock Exchange
- vi) Stock Code: BSE : 507438  
NSE : IFB Agro EQ  
NSDL & CDSL : ISIN No. INE 076C01018

vii) Market Price Data

Monthly high and low quotation of shares traded at National Stock Exchange of India Ltd & Bombay Stock Exchange Limited during the financial year 2014-15.

Month	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-14	216.80	148.00	215.90	174.50
May-14	227.00	175.10	228.80	175.80
Jun-14	291.90	192.00	292.00	196.00
Jul-14	263.70	208.05	265.00	206.40
Aug-14	229.95	192.20	230.00	192.00
Sep-14	234.15	202.00	230.45	200.10
Oct-14	415.00	233.15	415.70	238.80
Nov-14	520.60	347.00	521.70	346.00
Dec-14	445.00	321.00	447.00	320.05
Jan-15	452.95	275.00	452.50	274.00
Feb-15	319.00	255.00	319.00	251.95
Mar-15	322.50	230.00	321.80	230.10

viii) Share price performance in comparison to broad based indices- BSE Sensex and NSE Nifty



- ix) Registrar & Share Transfer Agent : CB Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata - 700 019  
Tel : (033) 4011 6700/2280 6692/2282 3643/2287 0263  
Fax : (033) 4011 6739  
E-mail : rta@cbmsl.com  
Website :www.cbmsl.com

x) Share Transfer System

M/s CB Management Services (P) Ltd. of P-22, Bondel Road, Kolkata - 700 019, a SEBI registered Registrar is the Registrar of the Company both in physical and dematerialised segment.

Since the Company's shares can be traded only in demat mode, shareholders would be required to send their physical shares certificates, Demat Request Forms (DRF) etc. directly to the Share Transfer Agent, CB Management Services (P) Ltd. Shareholders would also have to ensure that their respective Depository Participant(s) do not delay in sending the DRF and physical share certificates to the aforesaid Share Transfer Agents so that no demand requests from any shareholders remains pending with the Share Transfer Agent beyond a period of 30 days.

xi) Distribution of Shareholding & Shareholding Pattern:

(a) *Distribution of Shareholding as on 31st March, 2015:*

Range		No. of Shareholders	% of total	No. of Shares	% of total
From	To				
1	500	7070	93.77	786821	8.4
501	1000	255	3.38	197852	2.11
1001	2000	106	1.41	153609	1.64
2001	3000	40	0.53	96754	1.03
3001	4000	19	0.25	67088	0.72
4001	5000	10	0.13	46368	0.49
5001	10000	11	0.15	77577	0.83
10001	9999999	29	0.38	7941042	84.78
<b>TOTAL</b>		<b>7540</b>	<b>100</b>	<b>9367111</b>	<b>100</b>

b) *Shareholding Pattern as on 31st March 2015:*

	No. of Shares	% of total	% Dematerialised
Indian Promoters	6087680	64.99	64.99
Mutual Funds/UTI	9000	0.10	0.00
Banks, Financial Institutions & Insurance Companies	102639	1.10	0.07
Private Corporate Bodies	880265	9.39	9.33
Indian Public	2176945	23.24	19.19
Non- Resident Indians	81376	0.87	0.55
Clearing Members	28706	0.31	0.31
Office of the Custodian Special Court	500	0.00	0.00
<b>TOTAL</b>	<b>9367111</b>	<b>100.00</b>	<b>94.44</b>

xii) Dematerialization of shares:

As on 31st March 2015, 94.44% of the Company's total shares representing 8846253 shares were held in dematerialised form and the balance 5.56% representing 520858 shares were held in physical form.

- xiii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity : The Company has not issued any Convertible instruments, conversion any GDRs/ ADRs/Warrants or date and likely impact on equity any convertible instruments.



## xiv) Plant locations :

Alcohol plant – Noorpur, P.S. Diamond Harbour,  
South 24-Parganas,  
West Bengal - 743 386

Country Spirit Bottling Plant 1) Panagarh  
Dist. Burdwan  
West Bengal - 713 148

2) Dankuni  
Dist. Hooghly,  
West Bengal - 712 306

Marine Product Processing plant – Kasba Industrial Estate,  
East Kolkata Township,  
Kolkata - 700 107

## xv) Address for correspondence :

Registered office – IFB Agro Industries Limited  
CIN : L01409WB1982PLC034590  
Plot No.IND-5, Sector-1  
East Kolkata Township  
Kolkata - 700 107  
Tel. : (033) 3984 9675  
Fax : (033) 2442 1003  
E-mail: [complianceifbagro@ifbglobal.com](mailto:complianceifbagro@ifbglobal.com)  
Website : [www.ifbagro.in](http://www.ifbagro.in)

On behalf of the Board

Kolkata, 30th May, 2015

Bikram Nag  
*Joint Executive Chairman*

Arup Kumar Banerjee  
*Managing Director*

**Certificate of Compliance with Code of Conduct Policy**

I declare that in terms of sub-clause (II) E of Clause 49 of the Listing Agreement with Stock Exchanges, the Company has received affirmation of Compliance with Code of Conduct from all Board members and Senior Management Personnel of the Company for the financial year ended 31st March, 2015.

For IFB Agro Industries Limited

Place : Kolkata  
Date : 30th May 2015

Arup Kumar Banerjee  
Managing Director

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**Auditors' Certificate on Corporate Governance**

To the Members of  
**IFB Agro Industries Limited**

We have examined the compliance of the conditions of Corporate Governance by IFB Agro Industries Limited, Plot No IND - 5, Sector - 1, East Kolkata Township, Kolkata - 700 107, for the year ended 31 March 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governances is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

For Walker Chandiook & Co LLP  
*Chartered Accountants*  
Firm Registration No. 001076N/N500013

Place : Kolkata  
Date : 30 May 2015

per Anamitra Das  
*Partner*  
Membership No.: 062191

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

To  
The Board of Directors  
IFB Agro Industries Limited  
Kolkata

Dear Sirs,

Sub: CEO & CFO Certificate

We, A.K.Banerjee, Managing Director and Dipak Sen, Chief Financial Officer responsible for the finance function certify to the Board that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2015 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2015 are fraudulent, illegal or violates the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal control for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
  - i) There has not been any significant change in internal control over financial reporting during the year under reference.
  - ii) There has not been any significant changes in accounting policies during the year.
  - iii) We are not aware of any instances during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : 30th May, 2015

Arup Kumar Banerjee  
Managing Director

Dipak Sen  
Chief Financial Officer

## **Independent Auditors' Report to the Members of IFB Agro Industries Limited.**

### **Report on the financial statements**

1. We have audited the accompanying financial statements of IFB Agro Industries Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

2. 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 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 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; 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.

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. 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.
5. We conducted our audit in accordance with the Standards of 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 financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' 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 controls relevant to the Company's preparation of the 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 Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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 financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2015, and its profit and its cash flows for the year ended on that date.

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

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. As required by Section 143(3) of the Act, 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 purpose 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 financial statements dealt with by 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 (as amended);
- e. on the basis of written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
- f. with respect to the 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:
  - i. as detailed in Note 34 to the financial statements, the Company has disclosed the impact of pending litigations on its financial position;
  - ii. the Company did not have any long-term contracts including derivatives contract for which there were any material foreseeable losses; and
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Walker Chandiook & Co LLP  
*Chartered Accountants*  
Firm Registration No. 001076N/N500013

per Anamitra Das

*Partner*

Membership No.: 062191

Place : Kolkata

Date : 30 May 2015

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT of even date to the members of IFB Agro Industries Limited, on the financial statements for the year ended 31 March 2015**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner during the year, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amount payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax Act, 1994	Sales tax	25.44	Nil	2004-05	Sr. Jt. Commissioner (Commercial Taxes), West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	344.66	Nil	2005-06	Addl. Commissioner of Commercial Taxes, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	41.38	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	405.48	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal Sales Tax Act, 1994	Sales tax	175.11	Nil	2008-09	Appellate and Revisional Board, West Bengal

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount Paid Under Protest (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales tax	9.08	Nil	2005-06	Appellate and Revisional Board, West Bengal
Central Sales Tax Act, 1956	Sales tax	1.75	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	131.00	Nil	2005-06	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	5.75	Nil	2006-07	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	924.60	Nil	2007-08	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	569.98	Nil	2008-09	Appellate and Revisional Board, West Bengal
West Bengal VAT Act, 2003	Value added tax	0.60	Nil	2010-11	Addl. Commissioner of Commercial Taxes, West Bengal
The Bengal Excise Act, 1909	State excise duty	84.69	Nil	1998-99	Commissioner, Department of Excise, Govt. of West Bengal
The Customs Act, 1962	Customs duty	38.02	Nil	2013-14	Commissioner of Customs (Appeals)

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Accordingly, the provisions of clause 3(vii)(c) of the Order are not applicable.

(viii) In our opinion, the Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and the immediately preceding financial year.

(ix) In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.

(x) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 3(x) of the Order are not applicable.

(xi) The Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

(xii) No fraud on or by the Company has been noticed or reported during the period covered by our audit

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No. 001076N/N500013  
per Anamitra Das  
Partner  
Membership No.: 062191

Place : Kolkata  
Date : 30 May 2015

## Balance Sheet as at 31st March, 2015

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2015	As at 31 March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	4	936.71	936.71
Reserves and surplus	5	21,225.78	19,668.33
		<b>22,162.49</b>	<b>20,605.04</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities, net	6	1,749.62	929.24
Other long term liabilities	7	400.02	400.02
Long-term provisions	8	250.16	151.08
		<b>2,399.80</b>	<b>1,480.34</b>
<b>Current liabilities</b>			
Short-term borrowings	9	–	420.96
Trade payables	10	1,327.55	686.23
Other current liabilities	11	1,564.26	2,341.75
Short-term provisions	8	116.84	62.38
		<b>3,008.65</b>	<b>3,511.32</b>
<b>Total</b>		<b>27,570.94</b>	<b>25,596.70</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	12	11,803.12	9,694.20
Capital work-in-progress		55.42	2,134.84
Non-current investments	13	296.17	296.17
Long-term loans and advances	14	773.70	63.26
Other non-current assets	15	205.30	220.01
		<b>13,133.71</b>	<b>12,408.48</b>
<b>Current assets</b>			
Current investments	16	–	500.00
Inventories	17	4,408.53	2,447.84
Trade receivables	18	2,678.90	923.93
Cash and bank balances	19	5,789.48	4,886.38
Short-term loans and advances	14	1,367.78	2,177.27
Other current assets	20	192.54	2,252.80
		<b>14,437.23</b>	<b>13,188.22</b>
<b>Total</b>		<b>27,570.94</b>	<b>25,596.70</b>

Notes 1 to 37 form an integral part of these financial statements

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

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

per Anamitra Das  
Partner  
Membership No.: 062191  
Kolkata, 30th May, 2015

For and on behalf of the Board of Directors

Bikram Nag  
Joint Executive Chairman

Arup Kumar Banerjee  
Managing Director

Dipak Sen  
Chief Financial Officer

Ritesh Agarwal  
Company Secretary

Kolkata, 30th May, 2015



## Statement of Profit and Loss for the year ended 31st March, 2015

(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2015	Year ended 31 March 2014
<b>REVENUE</b>			
Revenue from operations, gross	21	81,279.09	73,183.52
Less : Excise duty		(21,773.74)	(22,494.97)
Revenue from operations, net		59,505.35	50,688.55
Other income	22	428.97	365.28
<b>Total revenue</b>		<b>59,934.32</b>	<b>51,053.83</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	33,765.57	30,379.15
Purchases of traded goods	24	13,452.70	8,075.74
Changes in inventories of finished goods, work-in-progress and traded goods	25	(1,113.76)	13.65
Employee benefits expense	26	2,350.91	2,049.69
Finance costs	27	17.14	36.84
Depreciation and amortisation	28	1,862.27	929.62
Other expenses	29	7,008.68	5,647.18
<b>Total expenses</b>		<b>57,343.51</b>	<b>47,131.87</b>
<b>Profit before exceptional items and tax</b>		<b>2,590.81</b>	<b>3,921.96</b>
Exceptional items		–	2,100.00
<b>Profit before tax</b>		<b>2,590.81</b>	<b>6,021.96</b>
<b>Tax expense</b>			
Current tax		592.38	1,368.38
MAT credit entitlement		(475.19)	–
Deferred tax		820.38	486.04
Tax - earlier years		95.79	–
		<b>1,033.36</b>	<b>1,854.42</b>
<b>Profit after tax</b>		<b>1,557.45</b>	<b>4,167.54</b>
<b>Earnings per equity share of ₹ 10 paid up per share</b>			
<b>Basic and diluted</b>	30	<b>16.63</b>	<b>46.19</b>

Notes 1 to 37 form an integral part of this financial statements.

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

For Walker Chandniok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

per Anamitra Das  
Partner  
Membership No.: 062191

Kolkata, 30th May, 2015

For and on behalf of the Board of Directors

Bikram Nag Arup Kumar Banerjee  
Joint Executive Chairman Managing Director

Dipak Sen Ritesh Agarwal  
Chief Financial Officer Company Secretary

Kolkata, 30th May, 2015

## Cash Flow Statement for the Year ended 31st March, 2015

(All amounts in ₹ lacs, unless otherwise stated)

	Year ended 31 March 2015	Year ended 31 March 2014
<b>A. Cash flow from Operating Activities :</b>		
<b>Net Profit Before Tax</b>	<b>2,590.81</b>	3,921.96
<i>Adjustment for :</i>		
Depreciation, amortisation and impairment	1,862.27	929.62
Bad debts/advances written off	114.55	5.17
Bad debt/receivables provided	176.78	–
(Gain)/Loss on sale of fixed assets, net	(33.38)	(14.70)
Profit on sale of Investment	(230.57)	(234.79)
Dividend income	(0.30)	–
Provision for employee benefits	178.71	88.04
Liability no longer required, written back	(32.01)	(43.71)
Interest income	(124.19)	(64.71)
Interest and other finance costs	17.14	36.84
	<b>4,519.81</b>	4,623.72
<b>Operating Profit before Working Capital Changes</b>		
<i>Adjustment for :</i>		
Inventories	(1,960.69)	630.71
Trade receivables	602.92	(2,502.09)
Trade and other payable	430.74	523.18
Income tax paid	(679.22)	(1,133.19)
<b>Net cash from operating activities</b>	<b>2,913.56</b>	2,142.33
Exceptional items	–	2,100.00
<b>Net cash from operating activities after exceptional item (A)</b>	<b>2,913.56</b>	4,242.33
<b>B. Cash flow from Investing Activities</b>		
Addition to fixed assets (including changes to capital work in progress)	(2,603.69)	(4,785.66)
Sale of fixed assets	176.29	72.85
Purchase of investments	(9,625.57)	(12,900.00)
Sale of investments	10,356.12	12,634.79
Interest received	124.19	64.71
Dividend received	0.30	–
<b>Net cash (used) in Investing Activities (B)</b>	<b>(1,572.36)</b>	(4,913.31)
<b>C. Cash flow from Financing Activities</b>		
Proceeds/(repayments) from working capital facilities	(420.96)	420.96
Proceeds from equity, including premium	–	680.56
Interest and other finance costs	(17.14)	(36.84)
<b>Net Cash from/ (used) in Financing Activities (C)</b>	<b>(438.10)</b>	1,064.68
<b>Net Increase/(Decrease) in Cash &amp; Bank Balances (A+B+C)</b>	<b>903.10</b>	393.70
Cash and Bank Balances as at the beginning of the year	4,886.38	4,492.68
Cash and Bank Balances as at the end of the year	5,789.48	4,886.38

**Notes:**

This is the Cash Flow Statement referred to in our report of even date.

For Walker Chandiook & Co LLP  
*Chartered Accountants*  
 Firm Registration No.: 001076N/N500013  
 per Anamitra Das  
*Partner*  
 Membership No.: 062191  
 Kolkata, 30th May, 2015

*For and on behalf of the Board of Directors*

Bikram Nag  
*Joint Executive Chairman*

Arup Kumar Banerjee  
*Managing Director*

Dipak Sen  
*Chief Financial Officer*  
 Kolkata, 30th May, 2015

Ritesh Agarwal  
*Company Secretary*

## Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lacs, unless otherwise stated)

### 1. Background and nature of operations

IFB Agro Industries Limited (the “Company”) is engaged in the business of manufacturing alcohol, bottling of branded alcoholic beverages as well as processed and packed marine foods both for domestic and export markets. The Company is listed on Bombay Stock Exchange and The National Stock Exchange of India Ltd.

### 2. Basis of preparation

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India (“Indian GAAP”) and comply in all material respects with the mandatory Accounting Standards (“AS”) prescribed under section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and with the relevant provisions of the Act and pronouncements of the Institute of Chartered Accountants of India (‘ICAI’). The financial statements have been prepared on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

### 3. Significant Accounting Policies

#### a) Use of Estimates

In preparing the Company's financial statements in conformity with the accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

#### b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### i) Sale of products

Revenue from sale of products is recognized in the accounts on passing of title to the goods. Gross sales are inclusive of excise duty but are net of trade discounts, where applicable.

##### ii) Dividend

Dividend income is recognized and accounted for when the right to receive payment is established.

##### iii) Interest income on loan/deposits

Interest income on loans/deposits is recognized in time proportion basis taking into account the amount outstanding and the rate applicable.

##### iv) Benefit under export incentive / duty drawback scheme

Revenue in respect of export incentive scheme including duty drawback scheme is recognized when the entitlement to receive the benefit is established.

##### v) Insurance and other claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**c) Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use. Subsequent expenditures, if any, related to an item of fixed assets are added to its book value only if they increase the future benefits from existing asset beyond its previously assessed standard of performance.

**d) Depreciation**

Depreciation on all fixed assets is provided on written down value method over the useful lives of assets prescribed under Schedule II of the Act. In respect of additions, depreciation is provided on pro-rata basis from the date of acquisition/installation. Written down value of all assets acquired prior to 1st April 2014 are being depreciated over their remaining useful life as prescribed in Schedule II of the Act, except in case of plant and machinery of bottling units which are being depreciated over a useful life different from that stated as per Schedule II, based on technical evaluation.

Depreciation on leasehold improvements is provided over their respective lease period or estimated useful life of lease assets whichever is shorter.

**e) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable certainty that the grant/subsidy will be received and all attaching conditions are complied. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

**f) Borrowing Cost**

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. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**g) Impairments of assets**

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 a previously assessed impairment loss no longer exists then the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

**h) Investments**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Non-current investment is carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair value.

**i) Inventories**

Raw materials, work-in-progress, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost of Inventories is computed on a weighted average/FIFO basis.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### j) Foreign Currency Transactions

Transactions in foreign currency are recognized at the rates of exchange prevailing on the dates of the transactions.

Liabilities/assets in foreign currencies are reckoned in the accounts as per the following principles:

Exchange differences arising on a monetary item for the purchase of depreciable asset is added to / deducted from the value of the asset and is depreciated over the life of the asset as per the notification in "Gazette of India" dated 31.3.2009 vide G.S.R. 225(E) read with G.S.R. 913(E) dated 29.12.2011.

Exchange differences in respect of all other monetary assets and liabilities denominated in foreign currency are restated at the rates ruling at the year end and all exchange gains/ losses arising there from are adjusted to the Statement of Profit and Loss, except those covered by forward contracted rates where the premium or discount arising at the inception of such forward exchange contract is amortized as expense or income over the life of the contract.

Exchange differences on forward contracts are recognized in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward contracts is recognized as income or expense for the year.

For forward exchange contracts and other derivatives that are not covered by AS 11 'The Effects of Changes in Foreign Exchange Rates', the Company follows the guidance in the announcement of the Institute of Chartered Accountants of India (ICAI) dated 29 March, 2008, whereby for each category of derivatives, the Company records any net mark-to-market losses. Net mark-to-market gains are not recorded for such derivatives.

### k) Employee Retirement Benefits:

#### i) Defined Contribution Plans:

The Company provides Defined Contribution Plans for post employment benefits in the form of Provident Fund and Superannuation fund administered by Regional Provident Fund Commissioner and Life Insurance Corporation respectively. The Company's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as and when incurred. Provident Fund and Superannuation fund are classified as defined contribution plans as the Company has no further obligation beyond making the contributions.

#### ii) Defined Benefit Plans:

Liability for Compensated Absence and Gratuity is provided on the basis of valuation as at the Balance Sheet date carried out by independent actuary. Projected Unit Credit (PUC) actuarial method is used to measure the Plan liabilities, including those to death-in-service and incapacity benefits. The Plan Liability is the actuarial present value of the 'projected accrued benefits' as of the beginning of the year for active members.

Termination benefits are recognised as an expense as and when incurred. Actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss of the year.

### l) Leases

Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term.

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**m) Accounting for taxes on income**

The tax expense comprises of current taxes and deferred taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of the Income-tax Act, 1961 ("IT Act"). The Company accounts for tax credit in respect of Minimum Alternate Tax ("MAT") in situations where the MAT payable is higher than tax payable under normal provisions of the IT Act. The credit so availed is adjusted in future years when the tax under normal provisions is higher than MAT payable to the extent of the said difference.

Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/ virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**n) Provisions, Contingent liabilities and Contingent Assets**

- i) A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.
- ii) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.
- iii) Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

**o) Segment reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further,

- a) Inter segment revenue has been accounted for based on the transactions price agreed to between segments which is primarily market based.
- b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated expenses net of un-allocated income".

**p) Earnings per share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**q) Cash and cash equivalents**

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible into known amounts of cash to be cash equivalents.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2015		As at 31 March 2014	
	Number	Amounts	Number	Amounts
<b>4 Share capital</b>				
<b>Authorised share capital</b>				
Equity shares of ₹ 10 each	12,000,000	1,200.00	12,000,000	1,200.00
	<u>12,000,000</u>	<u>1,200.00</u>	<u>12,000,000</u>	<u>1,200.00</u>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each	9,367,111	936.71	9,367,111	936.71
	<u>9,367,111</u>	<u>936.71</u>	<u>9,367,111</u>	<u>936.71</u>
<b>i) Reconciliation of equity share capital</b>	<b>Number</b>	<b>Amounts</b>	<b>Number</b>	<b>Amounts</b>
Balance at the beginning of the year	9,367,111	936.71	9,005,111	900.51
Add : Issued during the year	-	-	362,000	36.20
Balance at the end of the year	<u>9,367,111</u>	<u>936.71</u>	<u>9,367,111</u>	<u>936.71</u>
<b>ii) Shareholders holding more than 5% of the shares</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
Equity shares of ₹ 10 each				
IFB Automotive Private Limited	3,602,900	38.46	3,602,900	38.46
Nurpur Gases Private Limited	785,543	8.39	785,543	8.39
SICGIL India Limited	676,530	7.22	645,458	6.89
	<u>5,064,973</u>	<u>54.07</u>	<u>5,033,901</u>	<u>53.74</u>
<b>iii) Terms of issue</b>				
The Company has only one class of equity shares having a par value of ₹ 10 each. Such holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders are entitled to receive assets of the Company in proportion to the number of shares held by them. During the year the Company has not proposed/declared any dividend.				
<b>5 Reserves and surplus</b>		<b>As at 31 March 2015</b>		<b>As at 31 March 2014</b>
<b>i) Capital reserves</b>				
Balance brought forward		7.77		7.77
<b>ii) Securities premium account</b>				
Balance at the beginning of the year		3,193.72		2,549.36
Add : Additions made during the year		—		644.36
Balance at the end of the year		<u>3,193.72</u>		<u>3,193.72</u>
<b>iii) General reserve</b>				
Balance brought forward		284.94		284.94
<b>iv) Surplus in the statement of profit and loss</b>				
Balance at the beginning of the year		16,181.90		12,014.36
Add : Transferred from statement of profit and loss		1,557.45		4,167.54
Balance at the end of the year		<u>17,739.35</u>		<u>16,181.90</u>
		<u>21,225.78</u>		<u>19,668.33</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
<b>6 Deferred tax liabilities, net</b>		
<b>Deferred tax liabilities</b>		
Timing difference on fixed assets depreciation and impairment	<b>1,983.94</b>	1,073.46
	<b>1,983.94</b>	1,073.46
<b>Deferred tax assets</b>		
Provision for employee benefits	<b>(112.36)</b>	(64.34)
Provision for doubtful debts and advances and other unascertained liabilities	<b>(74.34)</b>	–
Voluntary retirement Scheme payments	<b>(47.62)</b>	(79.88)
	<b>(234.32)</b>	(144.22)
<b>Net deferred tax liability</b>	<b>1,749.62</b>	929.24
<b>7 Other long term liabilities</b>		
Security Deposits <i>(Refer note below)</i>	<b>400.02</b>	400.02
	<b>400.02</b>	400.02

**Note:**

Other long term liabilities include an amount of ₹ 240.02 lacs (Previous Year ₹ 240.02 lacs) as security deposit which was obtained as a part of sale and lease back agreement entered into by the Company with Rajasthan State Electricity Board (RSEB) which expired on 28 February 2004. In terms of the said agreement, the residual value of the assets under lease acquired and leased back to RSEB (under physical possession of RSEB) is required to be adjusted against the corresponding amount of security deposit as mentioned above. As Company's appeal towards certain claims against RSEB is pending before the Honorable Jaipur High Court, consequential adjustments arising therefrom have not been considered in the financial statements.

	<u>As at 31 March 2015</u>		<u>As at 31 March 2014</u>	
	<u>Long term</u>	<u>Short term</u>	<u>Long term</u>	<u>Short term</u>
<b>8 Provisions</b>				
Provisions for employee benefits <i>(refer note 26)</i>	<b>250.16</b>	<b>65.80</b>	151.08	20.29
Provision for taxation, net of advance tax	–	<b>51.04</b>	–	42.09
	<b>250.16</b>	<b>116.84</b>	151.08	62.38
<b>9 Borrowings</b>				
<b>Secured</b>				
From banks	–	–	–	420.96
	–	–	–	420.96

The above loan outstanding as of March 31, 2014 was in the nature of buyers' credit and was secured by (i) hypothecation ranking pari passu inter se on the Company's entire current assets, (ii) second charge ranking pari passu inter se on the Company's fixed assets.



## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2015	As at 31 March 2014
<b>10 Trade payables</b>		
Dues to micro and small enterprises (refer note below)	–	1.33
Dues to others	1,327.55	684.90
	<b>1,327.55</b>	<b>686.23</b>

### Note:

The Company has identified micro, small and medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA) on the basis of information made available by and confirmation sent to the respective supplier or vendors of the Company. Based on the information available with the Company and confirmations received, as at the year end there are no dues to micro, small and medium enterprises (previous year ₹ 1.33 lacs).

	As at 31 March 2015	As at 31 March 2014
<b>11 Other current liabilities</b>		
Advance from customers	175.33	162.64
Other creditors	372.51	310.29
Security deposits	161.12	114.99
Statutory dues	162.24	239.56
Outstanding liability for expenses	493.33	719.47
Liabilities for capital expenditure	189.72	758.73
Other payables	10.01	36.07
	<b>1,564.26</b>	<b>2,341.75</b>

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 12 Tangible Assets

Particulars	Gross block			Depreciation/ amortisation			Impairment			Net block			
	As at 01 April 2014	Additions during the year	Sales/ adjustments during the year	As at 31 March 2015	Upto 31st March 2014	For the year	Sales/ adjustments during the year	Upto 31 March 2015	As at 01 April 2014	Additions during the year	Reversals during the year	As at 31 March 2015	As at 31 March 2014
<b>Owned:</b>													
Freehold land	385.36	52.24	-	437.60	-	-	-	-	-	-	-	437.60	385.36
Buildings	3,007.52	623.76	36.34	3,594.94	1,306.34	270.03	44.58	1,531.79	42.83	-	42.83	2,020.32	1,658.35
Plant and machinery	13,477.97	3,396.82	662.98	16,211.81	6,299.91	1,365.42	449.40	7,215.93	61.64	53.32	82.26	8,913.62	7,116.42
Furniture and fittings	168.58	5.73	0.56	173.75	133.81	14.13	0.47	147.47	-	-	-	26.28	34.77
Office equipments	197.25	38.07	20.54	214.78	117.21	56.57	12.46	161.32	-	-	-	53.46	80.04
Vehicles	110.03	-	(60.04)	170.07	62.53	37.89	(24.66)	125.08	-	-	-	44.99	47.50
<b>Assets under lease:</b>													
Land	131.74	-	-	131.74	-	64.91	-	64.91	-	-	-	66.83	131.74
Plant and machinery	601.55	-	-	601.55	361.53	-	-	361.53	-	-	-	240.02	240.02
Previous year	18,080.00	4,116.62	660.38	21,536.24	8,281.33	1,808.95	482.25	9,608.03	104.47	53.32	32.70	11,803.12	9,694.20
	15,551.71	3,512.80	984.51	18,080.00	7,963.11	905.30	587.08	8,281.33	403.14	24.32	322.99	104.47	9,694.20

- The factory buildings at Noorpur and Dankuni, West Bengal have been constructed on land taken on lease/rent from related parties.
- Company's marine product processing plant at Kolkata has been erected on land obtained under lease for ninety nine years, valid upto 9 August 2093 through license from Kolkata Metropolitan Development Authority, for which formal lease deed is yet to be executed.
- Plant & machinery includes electrical installation and laboratory equipment.
- Out of total value of Building, ₹ 2,941.62 lacs (previous year ₹ 2,354.21 lacs) has been constructed on leasehold land.
- Land under lease represents payments made and costs incurred in connection with acquisition of Leasehold rights and are being amortised over the period of lease. Out of ₹ 64.91 lacs, ₹ 64.06 lacs pertains to periods prior to current financial year.
- Additions to freehold land include ₹ 46.24 lacs acquired from Nurpur Gases Private Limited for which registration is pending.
- In accordance with the transitional provisions provided in Para 7(b) of the Notes to Schedule II of the Companies Act, 2013, the written down value of the assets whose remaining useful life as on 01 April 2014 was nil aggregating to ₹ 64.74 lacs has been included in the depreciation charge for the year.

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<u>As at 31 March 2015</u>	<u>As at 31 March 2014</u>
<b>13 Non-current investments (non trade) (Valued at cost unless stated otherwise)</b>		
<b>In equity instruments (quoted) fully paid up</b>		
CPL Projects Limited	1.85	1.85
90,000 shares (previous year 90,000 shares) of ₹ 10 each		
IFB Industries Limited	11.31	11.31
172,733 shares (previous year 172,733 shares) of ₹ 10 each		
Tamilnadu Newsprint Limited	4.72	4.72
5,000 shares (previous year 5,000 shares) of ₹ 10 each		
	<u>17.88</u>	<u>17.88</u>
<b>In equity instruments (unquoted) fully paid up</b>		
Zenith Investments Limited	2.60	2.60
260,000 shares (Previous year 260,000 shares) of ₹ 10 each		
Asansol Bottling and Packaging Company Private Limited	23.90	23.90
23,900 shares ( Previous year 23,900 shares) of ₹ 100 each		
Nurpur Gases Private Limited	14.50	14.50
145,000 shares (Previous year 145,000 shares) of ₹ 10 each		
IFB Automotive Private Limited	237.29	237.29
955,998 shares (Previous year 955,998 shares) of ₹ 10 each		
	<u>278.29</u>	<u>278.29</u>
	<u>296.17</u>	<u>296.17</u>
<b>Aggregate market value of quoted investments</b>	<b>1,018.35</b>	<b>143.22</b>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	As at 31 March 2015		As at 31 March 2014	
	Long term	Short term	Long term	Short term
<b>14 Loans and advances</b>				
Capital advances (Unsecured, considered good)	<b>298.51</b>	–	63.26	–
	<b>298.51</b>	–	63.26	–
Security deposits (Unsecured, considered good)	–	<b>99.76</b>	–	82.07
	–	<b>99.76</b>	–	82.07
Other loans and advances (Unsecured, considered good)				
- MAT credit entitlement	<b>475.19</b>	–	–	–
- Prepaid expenses	–	<b>162.26</b>	–	115.02
- Deposit with port trust, excise and others	–	<b>384.60</b>	–	835.72
- Advance to suppliers	–	<b>254.11</b>	–	497.82
- Other advances *	–	<b>467.05</b>	–	646.64
	<b>475.19</b>	<b>1,268.02</b>	–	2,095.20
	<b>773.70</b>	<b>1,367.78</b>	63.26	2,177.27

\* Other advances include balance due from tie up IMIL/IMFL units. (Also refer note 32)

	As at 31 March 2015	As at 31 March 2014
<b>15 Other non-current assets</b>		
Non-current bank deposits (refer note below)	<b>179.77</b>	184.55
Interest accrued but not due on fixed deposit	<b>25.53</b>	35.46
	<b>205.30</b>	220.01

**Note:**

Fixed deposits for ₹ 134.76 lacs (previous year ₹ 139.55) is under lien.

**16 Current investments**
**Valued at lower of cost and fair value**

Investments in mutual funds - unquoted (Nil; Previous year 5,000,000 units of ICICI prudential mutual fund fixed maturity plan at ₹ 10 each)	–	500.00
	–	500.00

**17 Inventories (valued at cost or lower of net realisable value)**

Raw materials	<b>1,617.27</b>	963.34
Raw material in transit	<b>191.48</b>	91.21
Work-in-progress	<b>78.53</b>	63.19
Finished goods	<b>1,609.65</b>	992.94
Traded goods	<b>690.35</b>	231.47
Stores and spares	<b>221.25</b>	105.69
	<b>4,408.53</b>	2,447.84

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>As at 31 March 2015</b>	As at 31 March 2014
<b>18 Trade receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	–	121.72
Considered doubtful	<b>114.87</b>	–
Less: Provision	<b>114.87</b>	–
	–	121.72
<b>Other debts</b>		
Secured, considered good	<b>228.21</b>	81.33
Unsecured, considered good	<b>2,450.69</b>	720.88
	<b>2,678.90</b>	923.93
<b>19 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Balances with banks		
– in current accounts	<b>395.59</b>	827.50
– in deposit accounts (with maturity upto 3 months)	<b>5,350.39</b>	3,908.82
–Cash in hand	<b>4.35</b>	7.00
–Cheques, drafts in hand	<b>39.15</b>	17.75
	<b>5,789.48</b>	4,761.07
<b>Other bank balances</b>		
Deposits with maturity more than 3 months but less than 12 months		
Balances with bank held as margin money	–	125.31
	–	125.31
	<b>5,789.48</b>	4,886.38
<b>20 Other current assets</b>		
Receivable		
Considered doubtful	<b>61.91</b>	–
Less: Provision	<b>61.91</b>	–
	–	–
Other receivables	<b>177.79</b>	612.14
Receivable from sale of IMFL brands, secured by bank guarantee	–	1,600.00
Deferred premium on forward contract	–	25.95
Interest accrued but not due on fixed deposit	<b>14.75</b>	14.71
	<b>192.54</b>	2,252.80

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2015</b>	Year ended 31 March 2014
<b>21 Revenue from operations</b>		
Sale of products		
Export	12,511.51	9,865.01
Domestic	<u>67,559.29</u>	<u>61,552.36</u>
<b>Revenue from operations, gross</b>	<b>80,070.80</b>	71,417.37
Less : Excise duty	<u>(21,773.74)</u>	<u>(22,494.97)</u>
<b>Revenue from operations, net</b>	<b>58,297.06</b>	48,922.40
Other operating revenue	<u>1,208.29</u>	1,766.15
	<u><b>59,505.35</b></u>	<u>50,688.55</u>
<b>a) Details of products sold</b>		
<b>Manufactured goods</b>		
– Spirits	47,949.15	48,957.26
– Marine products	15,529.45	12,448.52
– Others	<u>1,747.27</u>	<u>771.67</u>
	<u><b>65,225.87</b></u>	<u>62,177.45</u>
<b>Traded goods</b>		
– Marine feed	<u>14,844.93</u>	9,239.92
	<u><b>80,070.80</b></u>	<u>71,417.37</u>
<b>b) Earning in foreign exchange</b>		
FOB value of export	<u>12,201.92</u>	9,664.14
	<u><b>12,201.92</b></u>	<u>9,664.14</u>
<b>22 Other income</b>		
Interest income	124.19	64.71
Dividend income	0.30	–
Net gain on foreign currency transactions and translations	0.12	0.34
Insurance claim	6.00	4.25
Net gain on sale of investments	230.57	234.79
Profit on sale of fixed assets, net	33.38	14.70
Liabilities written back to the extent no longer required	32.01	43.71
Miscellaneous	<u>2.40</u>	2.78
	<u><b>428.97</b></u>	<u>365.28</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2015</b>	<b>Year ended 31 March 2014</b>
<b>23 Cost of materials consumed</b>		
Opening stock	1,054.55	1,707.29
Add : Purchases during the year	34,519.77	29,726.41
Less : Closing stock	1,808.75	1,054.55
Raw materials and components	<u>33,765.57</u>	<u>30,379.15</u>
<b>a) Details of consumption of raw material</b>		
Grain	6,623.61	6,669.84
Spirit	7,091.86	6,683.09
Marine products	14,640.94	11,635.70
Others *	5,409.16	5,390.52
	<u>33,765.57</u>	<u>30,379.15</u>

\* Other materials include chemicals, bottles, labels etc.

**b) Particulars of imported and indigenous raw material consumption**

	<b>Year ended 31 March 2015</b>		<b>Year ended 31 March 2014</b>	
	<b>Amount</b>	<b>% of consumption</b>	<b>Amount</b>	<b>% of consumption</b>
Imported	39.26	0.12	214.05	0.70
Indigenous	33,726.31	99.88	30,165.10	99.30
	<u>33,765.57</u>	<u>100.00</u>	<u>30,379.15</u>	<u>100.00</u>

	<b>Year ended 31 March 2015</b>	<b>Year ended 31 March 2014</b>
<b>24 Purchases of traded goods</b>		
Marine feed and feed suppliments	13,452.70	8,075.74
	<u>13,452.70</u>	<u>8,075.74</u>
<b>25 Changes in inventories of finished goods, work-in-progress and traded</b>		
Opening stock		
- Manufactured goods	992.94	1,057.37
- Work-in-progress	63.19	60.32
- Traded goods	231.47	167.02
	<u>1,287.60</u>	<u>1,284.71</u>
Closing stock		
- Manufactured goods	1,609.65	992.94
- Work-in-progress	78.53	63.19
- Traded goods	690.35	231.47
	<u>2,378.53</u>	<u>1,287.60</u>
Excise duty on stock	22.83	(16.54)
	<u>(1,113.76)</u>	<u>13.65</u>

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	Year ended 31 March 2015	Year ended 31 March 2014
<b>26 Employee benefits expense</b>		
Salaries, wages and bonus	1,855.93	1,620.61
Contribution to gratuity, provident and other defined contribution funds (refer note 26(b))	237.13	226.26
Staff welfare expenses	257.85	202.82
	<u>2,350.91</u>	<u>2,049.69</u>

a) As per Accounting Standard 15 "Employee Benefits", the required disclosures are given below.

b) **Defined Contribution Plans:**

The Company has recognized as expense the following amounts:

Employer's contribution to Provident and Family Pension Fund	99.17	81.58
Employer's contribution to Superannuation Fund	94.64	77.86
Employer's contribution to Employees' State Insurance Corporation	3.84	5.72
	<u>197.65</u>	<u>165.16</u>

c) **Defined Benefit Plans/ Compensated Absences:**

A. **Change in Defined Benefit Obligations**

	31 March 2015		31 March 2014	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of obligation as at the beginning of the year	295.82	97.49	251.71	88.71
Current service cost	23.64	26.96	18.55	4.35
Past service cost	-	79.01	-	-
Interest cost	23.67	8.77	20.14	7.98
Acquisitions	12.51	12.46	-	-
Actuarial losses	10.74	26.30	39.23	16.83
Benefits paid	(17.75)	(12.72)	(33.81)	(20.38)
Present value of obligation as at the end of the year	<u>348.63</u>	<u>238.27</u>	<u>295.82</u>	<u>97.49</u>

B. **Change in the fair value of assets**

	31 March 2015		31 March 2014	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Plan assets as at the beginning of the year	221.94	-	216.35	-
Actual return on plan assets	20.39	-	18.94	-
Actual company contributions	37.10	12.72	20.46	20.38
Fund transferred	9.26	-	-	-
Benefits paid	(17.75)	(12.72)	(33.81)	(20.38)
Plan assets as at the end of the year	<u>270.94</u>	<u>-</u>	<u>221.94</u>	<u>-</u>



**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	31 March 2015		31 March 2014		
	Gratuity	Leave encashment	Gratuity	Leave encashment	
<b>C. Net Asset/ (Liability) recognized in the Balance Sheet</b>					
<b>I. Funded status</b>					
Present value of defined benefit obligation	348.63	238.28	295.82	97.49	
Fair value of plan assets	270.94	–	221.94	–	
Funded status deficit	(77.69)	(238.28)	(73.88)	(97.49)	
<b>II. Net asset/(liability) recognized in Balance Sheet</b>					
Net asset/(liability) recognized in Balance Sheet at beginning of period	(73.88)	(97.49)	(35.36)	(88.71)	
Employer expense	37.66	141.05	58.88	29.16	
Net acquisitions	(3.24)	12.46	–	–	
Actual contributions	(37.10)	(12.72)	(20.36)	(20.38)	
Net asset/(liability) recognized in Balance Sheet at end of the period	(77.68)	(238.28)	(73.88)	(97.49)	
<b>D. Total expense recognized in the Statement of Profit and Loss:</b>					
<b>I. Components of employer expense</b>					
Current service cost	23.64	26.97	18.55	4.35	
Interest cost	23.67	8.77	20.14	7.98	
Expected return on plan assets	(19.42)	–	(18.94)	–	
Curtailement cost/(credit)	–	–	–	–	
Settlement cost/(credit)	–	–	–	–	
Amortization of past service cost	–	79.01	–	–	
Actuarial losses/(gains)	9.77	26.30	39.13	16.83	
Total expense recognized in the Statement of Profit and Loss	37.66	141.05	58.88	29.16	
<b>II. Actual contributions and benefit payments for the year</b>					
Actual benefit payments	17.75	12.72	33.81	20.38	
Actual contributions	37.10	12.72	20.36	20.38	
<b>E. Principal Actuarial Assumptions used as at the Balance Sheet date:</b>					
Discount rate	7.80%	7.80%	8%	8%	
Rate of increase in salaries	5%	5%	4%	5%	
Expected average remaining working lives of employees (years)	17.96	17.96	17.96	16.50	
Withdrawal rate per annum	2%	2%	2%	2%	
<b>F. Amount for the current year and previous four years are as follows (to the extent available):</b>					
<b>Particulars</b>					
<b>Compensated absences ( non-funded)</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2010-11</b>
Defined benefit obligation	(238.28)	(97.49)	(88.71)	(68.79)	(55.74)
Plan assets	–	–	–	–	–
Deficit	(238.28)	(97.49)	(88.71)	(68.79)	(55.74)

The Leave Encashment Scheme is not funded through any trust fund and therefore no assumption regarding expected rate of return on assets is applicable.

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	Year ended 31 March 2015	Year ended 31 March 2014
<b>27 Finance costs</b>		
Interest expenses	17.14	36.84
	<u>17.14</u>	<u>36.84</u>
<b>28 Depreciation and amortisation expense</b>		
Depreciation on tangible assets <i>(refer note 12)</i>	1,862.27	929.62
	<u>1,862.27</u>	<u>929.62</u>
<b>29 Other expenses</b>		
Consumption of stores and spare parts	206.54	163.98
Power and fuel	2,151.85	1,422.50
Rent	121.76	142.35
Repairs to buildings	38.52	38.74
Repairs to machinery	65.83	31.16
Repair others	59.52	119.15
Insurance	108.00	144.75
Rates and taxes	114.54	83.68
Manufacturing tie up payments	7.24	57.56
Office expenses	630.26	585.53
Travelling	278.44	230.23
Freight	1,112.36	766.19
Sales promotion	300.72	546.22
Contract services	1,127.47	902.93
Payment to Auditors <i>(refer note a below)</i>	14.39	19.09
Advertisement and publicity	8.24	6.23
Bad debt written off	9.37	5.17
Provision for doubtful debts/receivables	176.78	-
Miscellaneous	476.85	381.72
	<u>7,008.68</u>	<u>5,647.18</u>
<b>a) Payments to auditors (including service tax)</b>		
<b>As auditor</b>		
Statutory audit	5.62	5.62
Limited review	6.74	6.74
Tax audit	1.12	1.12
	<u>13.48</u>	<u>13.48</u>
<b>In other capacity</b>		
Other services	0.26	4.56
	<u>0.26</u>	<u>4.56</u>
Reimbursement of expenses	0.65	1.05
	<u>14.39</u>	<u>19.09</u>
<b>b) Expenditure in Foreign Currency</b>		
Value of imports on CIF basis		
-Raw materials	39.69	147.15
-Components and spare parts	5.13	4.23
-Capital goods	84.44	1,021.28
Travelling	51.51	23.88
Commission	11.88	-
Testing fees	8.15	-

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*

	<b>Year ended 31 March 2015</b>	Year ended 31 March 2014		
<b>30 Earnings Per Share (EPS)</b>				
Profit for the year after tax attributable to equity shareholders	<b>1,557.45</b>	4,167.54		
Weighted average number of Equity Shares outstanding	<b>9,367,111</b>	9,022,963		
Basic and diluted earnings per Equity Share (nominal value of Rs.10 each)	<b>16.63</b>	46.19		
<b>31 Segment reporting</b>				
<b>Primary Business segments</b>				
<b>Year ended 31 March 2015</b>				
<b>Particulars</b>	<b>Spirit, Liquor, Spirituos Beverages</b>	<b>Marine</b>	<b>Unallocated</b>	<b>Total</b>
<b>Revenue</b>				
External sales	28,212.51	31,292.84	–	59,505.35
Inter-segment sales	–	–	–	–
<b>Total revenue</b>	<b>28,212.51</b>	<b>31,292.84</b>	<b>–</b>	<b>59,505.35</b>
<b>Results</b>				
Segment result	1,070.70	1,294.43	–	2,365.13
Unallocated expenses	–	–	–	–
<b>Operating profit</b>	<b>1,070.70</b>	<b>1,294.43</b>	<b>–</b>	<b>2,365.13</b>
Interest expenses	–	(9.27)	(7.87)	(17.14)
Provision for debts/Bad debts written off	(64.48)	(121.67)	–	(186.15)
Other income including exceptional income	70.17	6.88	351.92	428.97
<b>Profit before extraordinary items and tax</b>	<b>1,076.39</b>	<b>1,170.37</b>	<b>344.05</b>	<b>2,590.81</b>
Extraordinary items	–	–	–	–
<b>Profit for the year</b>	<b>1,076.39</b>	<b>1,170.37</b>	<b>344.05</b>	<b>2,590.81</b>
<b>Other information</b>				
Segment assets	15,613.27	3,918.00	8,039.67	27,570.94
Segment liabilities	2,091.47	557.51	2,759.47	5,408.45
Capital expenditure	4,004.45	161.18	6.41	4,172.04
Depreciation and amortisation	1,546.71	166.13	149.43	1,862.27
Other non-cash expenses	–	–	178.71	178.71

**Summary of significant accounting policies and other explanatory information (Contd.)**
*(All amounts in ₹ lacs, unless otherwise stated)*
**31 Segment reporting (Contd.)**
**Primary Business segments**
**Year ended 31 March 2014**

Particulars	Spirit, Liquor, Spirituos Beverages	Marine	Unallocated	Total
<b>Revenue</b>				
External sales	28,060.64	22,627.91	–	50,688.55
Inter-segment sales	–	–	–	–
<b>Total revenue</b>	<b>28,060.64</b>	<b>22,627.91</b>	<b>–</b>	<b>50,688.55</b>
<b>Results</b>				
Segment result	2,510.89	1,082.63	–	3,593.52
Unallocated expenses	–	–	–	–
<b>Operating profit</b>	<b>2,510.89</b>	<b>1,082.63</b>	<b>–</b>	<b>3,593.52</b>
Interest expenses	–	(31.85)	(4.99)	(36.84)
Other income including exceptional income	2,151.38	19.58	294.32	2,465.28
<b>Profit / (loss) before extraordinary items and tax</b>	<b>4,662.27</b>	<b>1,070.36</b>	<b>289.33</b>	<b>6,021.96</b>
Extraordinary items	–	–	–	–
<b>Profit / (loss) for the year</b>	<b>4,662.27</b>	<b>1,070.36</b>	<b>289.33</b>	<b>6,021.96</b>
<b>Other information</b>				
Segment assets	13,596.11	2,609.36	9,391.23	25,596.70
Segment liabilities	2,325.27	417.61	2,248.78	4,991.66
Capital expenditure	5,523.04	65.97	50.08	5,639.09
Depreciation and amortisation	797.21	93.67	38.74	929.62
Other non-cash expenses	–	–	88.04	88.04

**Notes:**

- 1 The Company's operations are diversified into two main business segments, namely :
  - a) Spirit, Liquor and Spirituous Beverages comprising manufacturing of Extra Neutral Alcohol, Rectified Spirit, Indian Made Indian Liquor and Indian Made Foreign Liquor.
  - b) Marine, comprising Marine products processing, for sale in export and domestic markets and Marine Feed trading.
- 2 Segments have been identified and reported taking into account, the nature of products and services, different risks and returns reporting systems.
- 3 Segment revenue in each of the above business segments primarily includes sales, processing charges and export incentives in the respective segments.
- 4 Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### Secondary segment reporting (by geographical segment)

#### Year ended 31 March 2015

Particulars	Revenue	Segment assets	Capital expenditure
Domestic	46,993.84	24,981.97	3,958.62
Exports	12,511.51	2,588.97	161.18
<b>Total</b>	<b>59,505.35</b>	<b>27,570.94</b>	<b>4,119.80</b>

#### Year ended 31 March 2014

Particulars	Revenue	Segment assets	Capital expenditure
Domestic	40,823.54	23,452.03	5,573.12
Exports	9,865.01	2,144.67	65.97
<b>Total</b>	<b>50,688.55</b>	<b>25,596.70</b>	<b>5,639.09</b>

- 32 The Company has entered into arrangements with a bottling unit (“tie-up unit”) in West Bengal for production and marketing of its own IMIL brands. The production in the premises of the tie-up unit under the said arrangement is carried out under close supervision of the Company. The Company is also required to ensure adequate finance to the tie-up unit wherever required. Though under the agreement, the production and sale are accounted for by and in the books of the tie-up unit, the Company promotes its brands through this arrangement. Accordingly, it is considered appropriate to disclose the following quantitative and value information for the year, as furnished by the tie-up unit.

- i. Loss from tie-up operations detailed as under is included in Miscellaneous under schedule 29.

	2014-15	2013-14
Net Sales	267.87	–
Cost of Sales	238.75	–
Gross Profit	29.12	–
Expenses	35.47	–
Gross Income	(6.35)	–

- ii. Quantitative information for tie-up operations: –

	31 March 2015		31 March 2014	
	Qty (bottles)	Value	Qty (bottles)	Value
a) Opening stock	–	–	–	–
b) Production	14.47	–	–	–
c) Sales	14.46	267.87	–	–
d) Closing stock	0.01	0.46	–	–

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**33 Related Party Disclosures**

As per Accounting Standard-18 issued by the Institute of Chartered Accountants of India, disclosures in respect of “Related Parties” are as follows:-

**A. List of Related Parties:****Key Management Personnel:**

Mr. Bijon Nag, Chairman  
Mr. Bikram Nag, Joint Executive Chairman  
Mr. A.K. Banerjee, Managing Director  
Mr. Indroneel Goho, President and COO  
Mr. Dipak Sen, Chief Financial Officer  
Mr. Ritesh Agarwal, Company Secretary  
Dr. J. A. Gore, President - Distillery  
Mr. Santanu Ghosh, GM- Distillery  
Mr. S.K. Bayen, VP-Projects and Diversification - Distillery  
Mr. Rana Chaterjee, Chief Financial Officer (Distillery)  
Mr. Pratap Mukherjee, COO - Marine Business  
Mr. D Deb, AGM, Head - EXIM Desk  
Mr. Abhijeet Banerjee, Business Head - Marine Foods  
Mr. Soumen Basu Chowdhury, AGM - Marine Feed  
Mr. Debojyoti Bandopadhyay, Head-IMIL operations and Safety Dankuni Plant  
Mr. Debasish Ghosh, Head - Bottling Plant  
Mr. Kanak Ghosh, AVP-HR  
Mr. S. K. Kundu, AGM - Raw Materials  
Mr. Dipayan Basu, Senior Manager  
Mr. Sanjoy Bhattacharya, Unit Head -Panagarh

**Enterprises exercising control over the Company/KMP having significant influence or control**

Nurpur Gases Private Limited  
IFB Automotive Private Limited  
Asansol Bottling and Packaging Company Private Limited  
CPL Industries Limited  
CPL Projects Limited  
Travel Systems Limited  
IFB Industries Limited  
Special Drinks Private Limited  
Zenith Investments Limited

**Note:** Related parties' relationships as identified by the Company and relied upon by the Auditors.

## Summary of significant accounting policies and other explanatory information (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

### 33 Related Party Disclosures (Contd.)

B. During the year, the Company entered into transactions with related parties. Those transactions along with related balances as at the year end and for the year ended are presented in the following table:-

(i) **With Enterprises exercising control over the Company/KMP having significant influence or control**

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
<b>Nurpur Gases Private Limited</b>		
- Purchase of goods	0.56	5.21
- Sale of goods	11.54	131.07
- Purchase of Carbon Di Oxide and Dry Ice business	805.00	-
- Issue of equity shares including premium	-	680.56
- Outstanding receivable/ (payable)	-	0.88
<b>Asansol Bottling and Packaging Company Private Limited</b>		
- Sale of goods	841.83	103.36
- Sale of fixed assets	35.05	1.18
- Purchase of goods	-	0.42
- Reimbursement of expenses	-	0.27
<b>IFB Industries Limited</b>		
- Purchase of goods	1.17	4.19
- Purchase of fixed assets	1.34	5.35
- Income from rent and other services	99.62	115.95
- Payment of rent and other services	7.76	8.97
- Security deposit payable	160.00	160.00
- Outstanding receivable/(payable)	(24.38)	(33.19)
<b>Travel Systems Limited</b>		
- Purchase of services	69.31	34.34
- Income from rent	9.07	7.94
- Outstanding receivable/(payable)	(1.50)	(0.48)
<b>Special Drinks Private Limited</b>		
- Payment of rent	1.20	1.20

(ii) **With Key Management personnel**

Particulars	Year ended 31 March 2015	Year ended 31 March 2014
Remuneration	699.26	610.78
Guarantee commission	4.94	19.76

**Summary of significant accounting policies and other explanatory information (Contd.)**

(All amounts in ₹ lacs, unless otherwise stated)

**34 Claims against the company not acknowledged as debt**

	Year ended 31 March 2015	Year ended 31 March 2014
a) Show Cause Notice issued by Customs Department against the Marine Division. The Company had filed suitable reply and also faced personal hearing. The adjudication order is still awaited. The Company is of the considered view that the demand is not sustainable.	210.53	210.53
b) Demand issued by Excise Department for payment of duty not acknowledged by the Company being not sustainable. Matter pending with Commissioner of Excise, Government of West Bengal.	10.95	10.95
c) Demand raised by Sales Tax Department under West Bengal Sales Tax Act 1994 for the years 2004-05, 2005-06, 2006-07, 2007-08 and 2008-09, Central Sales Tax Act 1956 for 2005-06 and 2007-08 and under West Bengal VAT Act 2003 for the year 2005-06, 2006-07, 2007-08, 2008-09 and 2010-11 for payment of duty including interest and penalty not acknowledged by the Company being not sustainable in the Company's considered view. Matter pending under appeal with West Bengal Commercial Taxes Appellate and Revisional Board/ Additional Commissioner of Commercial Taxes, West Bengal.	2,634.83	2,548.81

- 35 The Company has purchased all the assets and liabilities of the food grade/industrial grade carbon dioxide, dry ice business of Nurpur Gases Private Limited (a related party) with effect from 01 May 2014 for a consideration of ₹ 805 lacs vide an approval from the Board by a resolution dated 07 April 2014.
- 36 Estimated amount of capital contracts remaining to be executed and not provided for, net of advances ₹ 2632.60 lacs (previous year ₹ 433.00 lacs).
- 37 Previous year's amounts have been regrouped/ rearranged to conform to the classification of the current year, wherever considered necessary.

For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013  
per Anamitra Das  
Partner  
Membership No.: 062191  
Kolkata, 30th May, 2015

*For and on behalf of the Board of Directors*

Bikram Nag Joint Executive Chairman	Arup Kumar Banerjee Managing Director
Dipak Sen Chief Financial Officer	Ritesh Agarwal Company Secretary
Kolkata, 30th May, 2015	



## Ten Years' Financial Summary

*Rs in Lakhs*

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Sales	22,579.94	26,671.46	32,146.58	37,512.86	39,517.88	55,640.42	61,180.00	66,536.08	73,183.52	81,279.09
Profit before Interest and Tax (after extraordinary items)	260.70	569.58	1,241.62	2,187.18	826.43	2,807.01	3,852.73	3,948.31	6,058.80	2,607.95
Profit after Tax and Extraordinary Items	187.31	281.60	786.90	1,290.34	442.45	1,782.41	2,654.70	2,620.02	4,167.54	1,557.45
Net Worth*	4,715.71	4,846.51	5,693.87	7,336.15	7,806.00	9,498.64	11,980.53	16,200.14	21,534.28	23,912.11
Total Debts	530.46	1,230.34	2,746.37	905.73	3,141.38	448.62	18.56	-	420.96	-
Net Fixed Assets	3,522.61	4,898.19	5,380.03	7,223.47	6,775.45	7,103.44	7,831.35	7,377.85	11,829.04	11,858.54
Net Working Capital	1,790.17	1,567.63	3,080.18	1,050.36	3,875.76	2,547.65	4,202.95	8,693.95	9,676.90	11,428.58
Dividend (%)	-	-	-	-	-	-	-	-	-	-
Earnings per share (Rs.)	2.43	3.65	10.21	16.40	5.53	22.26	33.15	32.30	46.19	16.63
Book value per share (Rs.)	61.19	62.88	73.88	91.62	97.49	118.63	149.62	179.90	229.90	255.28
<b>Key Ratios:</b>										
Return on Capital Employed	4.97	9.37	15.48	28.55	7.55	28.22	32.87	24.74	28.45	11.02
Return on Sales (after Tax)(%)	0.83	1.06	2.45	3.44	1.12	3.20	4.34	3.94	5.69	1.92
Fixed Assets Turnover	6.41	5.45	5.98	5.19	5.83	7.83	7.81	9.02	6.19	6.85
Working Capital Turnover	12.61	17.01	10.44	35.71	10.20	21.84	14.56	7.68	7.56	7.11
Debt Equity Ratio	0.11	0.25	0.48	0.12	0.45	0.05	-	-	0.02	-
Current Ratio	1.59	1.28	2.07	1.21	2.04	1.66	2.06	5.65	3.76	4.80

\* Includes deferred tax liability, which is a reserve for payment of income tax in future, if any.





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