



HINDUSTAN FOODS LIMITED

www.hflgoa.com

29th Annual Report 2013-14

HINDUSTAN FOODS LIMITED

29th Annual Report 2013-14 (Financial Period is from 1st October, 2013 to 31st March, 2014)

Directors:

Mr. Shrinivas V. Dempo	<i>Chairman</i>
Mr. Soiru V. Dempo	<i>Additional Director</i>
Dr. A. B. Prasad	<i>Director</i>
Adv. Sudin M. Usgaonkar	<i>Director</i>
Mr. Ashok N. Manjrekar	<i>Director</i>
Mr. Ganesh T. Argekar	<i>Executive Director (w.e.f. 19th May, 2014)</i>

General Manager (Corporate Affairs)

Mr. G. K. S. Kerkar

Registered Office :

Dempo House,
Campal, Panaji,
Goa. 403001.

Website:

www.hflgoa.com

Investor Email Id:

hflinvestorrelations@dempos.com

Works:

Usgao, Ponda,
Goa. 403407.

Auditors:

R. Sundararaman & Co.
Chartered Accountants,
No.30/2, Indira Colony,
Ashok Nagar,
Chennai - 600 083.

Registrars & Transfer Agents:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai - 400078.

Bankers:

Bank of Maharashtra

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NOTICE

Notice is hereby given that the Twenty-Ninth Annual General Meeting of the Members of **Hindustan Foods Limited** ('the Company') will be held at the Registered Office of the Company at **Dempo House, Campal, Panaji, Goa 403001, on Saturday, the 27th of September, 2014 at 10:30 a.m.** to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2014 and Profit and Loss Account and Cash Flow Statement for the financial period comprising 6 months period ended on that date as also the reports of the Directors and Auditors thereon.
2. To appoint M/s. R. Sundararaman & Co., Chartered Accountants, (Firm Registration No. 004219S), as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 to hold office for a period of three years from the conclusion of this Annual General Meeting and to authorize the Board of Directors of the Company to fix the remuneration of the Auditors.

SPECIAL BUSINESS:

3. To appoint Dr. Asht Bhujra Prasad (holding DIN 00817902), as an Independent Director and in this regard 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr. Asht Bhujra Prasad (holding DIN 00817902), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation".

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED that Mr. Soiru V. Dempo (holding DIN 00206062) who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Companies Act, 2013 and who vacates his office at this Annual General Meeting and in respect of whom a notice in writing pursuant to Section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as a Director of the Company liable to retire by rotation"

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED that Mr. Ganesh Tukaram Argekar (holding DIN 0685379) who was appointed by the Board of Directors as an Additional Director under Section 161(1) of the Companies Act, 2013 and who vacates his office at this Annual General Meeting and in respect of whom a notice in writing pursuant to Section 160 of the Companies Act, 2013 has been received in the prescribed manner, be and is hereby appointed as a Director of the Company liable to retire by rotation"

6. To consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

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"RESOLVED that, pursuant to Section 196, 203 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder, the Company be and hereby approves the appointment of Mr. Ganesh Tukaram Argekar (holding DIN 06865379) as Whole-Time Director of the Company, designated as "Executive Director" for a period of 3 years effective from 19th May, 2014 to 18th May, 2017, without any remuneration."

7. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Adv. Sudin M. Usgaonkar (holding DIN 00326964), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation."

8. 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Ashok N. Manjrekar (holding DIN 00496542), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation."

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED that in supersession of the Ordinary Resolution adopted at the Extra Ordinary General Meeting of the Company held on 27th March, 1996 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 25 crore (Rupees Twenty Five crore) over and above the aggregate of the paid up share capital and free reserves of the Company."

10. To ratify the appointment of Cost Auditors for the year 2014-15. In this connection, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus service tax and out of pocket expenses for the Financial Year ending March 31, 2015 as approved by the Board of Directors of the Company, to be paid to Mr. Dilip M. Vengurlekar, Cost Accountant, Panaji-Goa, having Membership no. 5824 and Firm Registration no. 100623 for the conduct of the cost audit of the Company's Food Processing manufacturing unit at Usgao, be and is hereby ratified and confirmed."

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement setting out all material facts as required Section 102 of the Companies Act, 2013 in respect of the special business is annexed hereto.
3. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting (AGM), forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
4. The Register of Members and Share Transfer Books of the Company will be closed from **Tuesday, the 23rd September, 2014 to Saturday, the 27th September, 2014** (both days inclusive).
5. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
6. The 29th Annual Report 2013-14 and the Notice of the 29th AGM is placed on the website of the Company viz. www.hflgoa.com and also on the website of CDSL viz. www.cdslindia.com

7. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with the stock exchange, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The instructions for members for voting electronically are as under:-

- (i) The voting period begins on Saturday, September 20, 2014 and ends on Monday, September 22, 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 15, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	- Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. - In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "HINDUSTAN FOODS LIMITED" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
8. In case of those Members, who do not have access to e-voting facility, they can use the assent/dissent form sent herewith or can be downloaded from our website www.hflgoa.com and convey their assent/dissent to each one of the items of business to be transacted at the ensuing AGM and **send the form to reach Mr. Sadashiv V. Shet, Scrutinizer appointed by the Company at the registered office of the Company on or before September 22, 2014 (5.00 pm).**
 9. Members can choose only one of the two options, namely e-voting or voting through physical assent/dissent form. In case the votes are casted through both the formats, then votes casted through e-voting shall stand cancelled and those votes casted through physical assent/dissent form would be considered, subject to the assent/dissent form being found to be valid.
 10. The Results of e-voting, physical assent / dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hflgoa.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the Bombay Stock Exchange Limited.
 11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours on all working days, up to and including the date of the AGM.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM 3

Dr. Asht Bhujia Prasad is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2002. Dr. Prasad is a member of the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee of the Board of Directors of the Company.

Dr. Prasad is a Chemical Engineer with Masters from IIT, Bombay and Ph.D. in Chemical Engineering. He has extensive experience in the operation and management of process industries and project engineering.

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Dr. Prasad is a Director in Goa Carbon Ltd., Dempo Global Corporation Pte. Ltd. and Goa Medical Research Pvt. Ltd.; the Member of the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee of Goa Carbon Ltd.

Dr. Prasad holds 500 equity shares in the Company, which works out to 0.01% of the total capital of the Company.

Dr. Prasad retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Dr. Prasad being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation. A notice has been received from a member proposing Dr. Prasad as a candidate for the office of Director of the Company.

In the opinion of the Board, Dr. Prasad fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Dr. Prasad as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Dr. Prasad as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Dr. Prasad as an Independent Director, for the approval by the shareholders of the Company.

Except Dr. Prasad, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 3. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 4

In order to adhere to the new provisions of the Companies Act, 2013, Mr. Soiru V. Dempo resigned as Executive Director of the Company with effect from May 19, 2014. Accordingly, the Board of Directors of the Company at their meeting held on May 19, 2014 appointed Mr. Soiru V. Dempo as Additional Director of the Company pursuant to section 161(1) of the Companies Act, 2013 ('the Act') in the category of Non-Executive Non-Independent Director. As an Additional Director, Mr. Soiru V. Dempo will hold office only upto the date of this Annual General Meeting. The Company has received requisite notice from a member under Section 160 of the Act, proposing the candidature of Mr. Dempo to the office of Director.

Mr. Dempo is a Bachelor in Economics. He is an Industrialist and brings his wide experience in decision making into the Company's Board.

Mr. Dempo holds directorship and membership of the Committees of the Board of Directors of the under stated other companies in India:

- Whole time Director in V. S. Dempo Holdings Pvt. Ltd. and Managing Director in Dempo Shipbuilding and Engineering Pvt. Ltd.
- Director in Celtic Investments Pvt. Ltd, Ameya Investments Pvt. Ltd., V. S. Dempo Mining Corporation Pvt. Ltd., Dempo Travels Pvt. Ltd., Vision Dempo Hospitality and Estates Pvt. Ltd., Vishwas Media and Entertainment Pvt. Ltd. and Goa Carbon Ltd.

Member of the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee of Goa Carbon Ltd.

Mr. Dempo does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Board of Directors commend passing of the resolution set out in item No.4 of the Notice.

Except Mr. Dempo, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 5 & 6

Consequent to the resignation of Mr. Soiru V. Dempo as Executive Director of the Company, the Board of Directors of the Company at their meeting held on May 19, 2014 appointed Mr. Ganesh Tukaram Argekar as Additional Director of the Company and as Whole-time Director, designated as Executive Director, for a period of 3 years from April 19, 2014 to April 18, 2017, subject to the approval of the Members at the ensuing Annual General Meeting.

Mr. Argekar is BSC (Chemistry) and PGDMM – IIMM.

Mr. Argekar is the Head – Supply Chain of Vanity Case Group of Companies and has about 19 years of overall work experience during which time he has held various managerial positions.

Mr. Argekar does not hold any other directorship in any company in India, other than Hindustan Foods Ltd.

Mr. Argekar does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

The Board of Directors commend passing of the resolutions set out in item No.5 & 6 of the Notice.

Except Mr. Argekar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item no. 5 & 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 7

Adv. Sudin M. Usgaonkar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October, 2002. Adv. Usgaonkar is a Member of the Audit Committee of the Board of Directors of the Company.

Adv. Usgaonkar is B.A., LL.B and is a Senior Advocate, Bombay High Court.

Adv. Usgaonkar holds directorship of the under stated other companies in India:

- Director in Marmagoa Shipping & Stevedoring Co. Pvt. Ltd., Devashri Investments Pvt. Ltd., V. S. Dempo Mining Corporation Pvt. Ltd., Dempo Industries Pvt. Ltd. and Govind Poy Oxygen Ltd.

Adv. Usgaonkar does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Adv. Usgaonkar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Adv. Usgaonkar being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation. A notice has been received from a member proposing Adv. Usgaonkar as a candidate for the office of Director of the Company.

In the opinion of the Board, Adv. Usgaonkar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Adv. Usgaonkar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Adv. Usgaonkar as an Independent Director.

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Accordingly, the Board recommends the resolution in relation to appointment of Adv. Usgaonkar as an Independent Director, for the approval by the shareholders of the Company.

Except Adv. Usgaonkar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 7. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 8

Mr. Ashok N. Manjrekar is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in January, 2006. Mr. Manjrekar is the Chairman of the Nomination and Remuneration Committee and a Member of the Audit Committee of the Board of Directors of the Company.

Mr. Manjrekar is M. Tech. in Food Technology from U.D.C.T., Mumbai and is a Food and Nutrition Consultant.

Mr. Manjrekar has vast experience in development of Packaging, Nutrition, Microbiology, Quality Assurance and other statutory requirements. He has in the past been associated with Glaxo and Heinz in the Food Research & Development capacities.

Mr. Manjrekar does not hold any other directorship in any company in India, other than Hindustan Foods Ltd.

Mr. Manjrekar does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Manjrekar is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Manjrekar being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years up to the fifth consecutive AGM of the Company to be held in the year 2019, not liable to retire by rotation. A notice has been received from a member proposing Mr. Manjrekar as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Manjrekar fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mr. Manjrekar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Manjrekar as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Manjrekar as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Manjrekar, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 8. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

ITEM 9

The members of the Company at their Extra Ordinary General Meeting held on 27th March, 1996 approved by way of an Ordinary Resolution under Section 293(1)(d) of the erstwhile Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 10 crore (Rupees Ten crore).

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

The Ministry of Corporate Affairs (MCA) has vide its General Circular no. 04/2014 dated March 25, 2014 clarified that the resolution passed under Section 293 of the erstwhile Companies Act, 1956 prior to September 12, 2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the company will be effective for a period of one year from the date of notification of Section 180 of the Act which would be September 11, 2014.

In order to foresee the future expansion of the business it is required to enhance the borrowing limits of the Company from Rs. 10 Crore to Rs. 25 Crore.

It is, therefore, necessary that the members pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 9 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 25 crore (Rupees Twenty Five crore) in excess of the aggregate of the paid up share capital and free reserves of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9.

ITEM 10

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a Cost Accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of Audit Committee at its meeting held on 19th May, 2014, the Board has considered and approved appointment of Mr. Dilip M. Vengurlekar, Cost Accountant, Panaji-Goa, for the conduct of the Cost Audit of the Company's Food Processing manufacturing unit at Usgao, at a remuneration of Rs.40,000/- (Rupees Forty Thousand only) plus service tax and out of pocket expenses for the Financial Year ending March 31, 2015.

The Resolution at Item no. 10 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 10.

For and on behalf of the Board of Directors

Ganesh T. Argekar
Executive Director

Panaji, August 14, 2014

Registered Office:
Dempo House, Campal,
Panaji-Goa 403001

CIN: L15139GA1984PLC000601
Website: www.hflgoa.com

Hindustan Foods Limited

DIRECTORS' REPORT

Your Directors present the Twenty-Ninth Annual Report and the Audited Accounts of the Company for the Six months period ended 31st March, 2014.

Financial Results:

The Financial Results of the Company for the period under review are as follows:

(₹ in Lacs)

	For the Six months ended 31 st March, 2014	For the Twelve months ended 30 th September, 2013
Profit/(Loss) for the year before	(49.72)	(5.23)
Finance charges and depreciation	<u>68.55</u>	<u>92.56</u>
Finance charges	(118.27)	(97.79)
Profit/(Loss) before depreciation	<u>14.68</u>	<u>22.43</u>
Depreciation	(132.95)	(120.22)
Profit/(Loss) carried to Balance Sheet		

Change in Shareholding (Holding Company) due to the Scheme of Amalgamation of Dempo Foods Pvt. Ltd. with Vanity Case India Pvt. Ltd.

During the year under review, Dempo Foods Pvt. Ltd., the Holding Company has merged / amalgamated in Vanity Case India Pvt. Ltd. in terms of the Bombay High Court Order dated 22nd November, 2013.

Consequent to the above amalgamation, the merged entity, Vanity Case India Pvt. Ltd. will hold 74.45% of the paid-up share capital of the Company and will be considered as "Promoter" / (New Holding Company) of Hindustan Foods Limited.

Company's Activities:

During the period under report, the Company has continued to manufacture intermediate foods for third parties. Your Company recorded a net turnover of Rs.318 lacs and loss after tax of Rs.133 lacs.

The Company has started commercial production of snack food 'Kurkure' from February, 2014 for M/s. Pepsico India Holdings Pvt. Ltd.

The Company has entered into a Manufacturing & Supply Agreement with M/s. Nutricia International Pvt. Ltd. to manufacture Weaning Cereals - Complementary Foods, for a period of 5 years.

Dividend :

In view of loss for the period under report and accumulated losses of previous years, the Directors regret their inability to recommend dividend.

Accreditation:

The Company continues to enjoy ISO 22000:2006 accreditation made by Bureau Veritas.

Public Deposits:

Your Company has not accepted or renewed any fixed deposits from the public during the period under report.

Directors :

In terms of the Articles of Association of the Company, Dr. Asht Bhuja Prasad, Director, retires at the ensuing Annual General Meeting.

The Company has received requisite notice in writing from a member proposing Dr. Asht Bhuja Prasad for appointment as an Independent Director under the Companies Act, 2013, not liable to retire by rotation.

The Company has also received requisite notices in writing from a member proposing to appoint Adv. Sudin M. Usgaonkar and Mr. Ashok N. Manjrekar (currently Directors of the Company liable to retire by rotation) for appointment as Independent Directors under the Companies Act 2013, not liable to retire by rotation.

The Company has received declarations from the Independent Directors proposed to be appointed at the forthcoming Annual General Meeting confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing agreement with the stock exchange.

In order to adhere to the new provisions of the Companies Act, 2013, Mr. Soiru V. Dempo resigned as Executive Director of the Company with effect from May 19, 2014. Accordingly, the Board of Directors of the Company at their meeting held on May 19, 2014 appointed Mr. Soiru V. Dempo as an Additional Director effective from May 19, 2014. Mr. Dempo holds office up to the date of the ensuing Annual General Meeting but is eligible for reappointment.

Consequent to the resignation of Mr. Soiru V. Dempo as Executive Director of the Company, the Board of Directors of the Company at their meeting held on May 19, 2014 appointed Mr. Ganesh T. Argekar as an Additional Director and Whole-time Director with the designation "Executive Director" effective from May 19, 2014 for a period of three years. His appointment is subject to the approval of the Members of the Company.

Directors' Responsibility Statement:

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors hereby state and confirm that:

- a) In the preparation of accounts for the Six months period ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have 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 Six months period and of the loss of the Company for the period under review;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors have prepared the accounts for the Six months period ended 31st March, 2014 on a going concern basis.

Auditors :

The Auditors, R. Sundararaman & Co., Chartered Accountants, Chennai retire at the ensuing Annual General Meeting and have confirmed their availability within the limits of Section 139(1) of the Companies Act, 2013.

The Board recommends their appointment as Statutory Auditors of the Company

Particulars of Employees:

None of the employees of the Company was in receipt of remuneration exceeding the limit prescribed in the Companies (Particulars of Employees) Rules, 1975 read with section 217(2A) of the Companies Act, 1956.

Hindustan Foods Limited

Particulars of Conservation of Energy etc.:

In terms of Section 217(1)(e) of the Companies Act, 1956 [as amended] and the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, the additional information, as required, is furnished as Annexure forming part of this Report.

Auditors Report :

In respect of the observations of the auditors in their report, the relevant financial notes are self-explanatory.

Corporate Governance :

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a Management Discussion and Analysis Report and a report on Corporate Governance are provided in separate sections as a part of this Annual Report. A Certificate from the Statutory Auditors of the Company certifying the Company's compliance with the requirement of corporate governance in terms of Clause 49 of the Listing Agreement with the Stock Exchange is also annexed to the section on Corporate Governance.

Acknowledgments :

Your Directors also place on record their deep appreciation for the valuable support and guidance from M/s. Vanity Case India Pvt. Ltd., the holding company from time to time as well as Bank of Maharashtra, the bankers.

The Directors acknowledge the co-operation and contribution of the employees of the Company.

For and on behalf of the Board of Directors

Ganesh T. Argekar
Executive Director

Panaji
Dated : 14th August, 2014

ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 217(1) [e] of the Companies Act, 1956 read with the Companies [Disclosure of Particulars in the Report of Board of Directors] Rules 1988, and forming part of the Directors' Report for the Six months period ended 31st March, 2014.

I Conservation of Energy:

1. Energy consumption: Energy consumption have been higher per unit of production due to increase in fuel rates and lower tonnage.
2. Total energy consumption and energy consumption per unit of production are as under:

(A) POWER AND FUEL CONSUMPTION

Current year

1. Electricity			
a) Purchased Units	Kwh		180600
* Total amount	Rs.		11,05,950
* Rate/Unit	Rs./Kwh		6.12
* including Demand charges			
b) Own Generation			
Through Diesel Generator			
Units	Kwh		69849
Units per Ltr.of Diesel Oil	Kwh		3.57
Cost/Unit	Rs./Kwh		16.87
2. Coal [Specify quality & where used]			
Quantity (Tonnes)			--
Total Cost			--
Average Rate			--
3. Furnace Oil (H.S.D. for Brand Drier)			
Quantity	L		13715
Total Amount	Rs.		8,91,127
Average Rate	Rs.		65.026
4. Others / internal generation (Please give details)			
Quantity			--
Total Cost			--
Rate / Unit			--

(B) CONSUMPTION PER UNIT OF PRODUCTION

	<u>Standards - if any</u>	<u>Current Year</u>
(Products with details - Units)		
Cereal based food products (tonnes)	---	422.91
Electricity (Units)	---	427.04
H.S.D. Oil (Units)	---	165.16
Coal [Specify quality]	---	---
Others (Specify)	---	---

II. Research and Development and Technology Absorption:

The Company is keeping abreast the developments in the extruder technology and has assimilated the latest technologies in the related fields.

III. Foreign Exchange Earnings and Outgoings:

Earnings	-	Nil
Outgoings	-	Nil

Hindustan Foods Limited

MANAGEMENT DISCUSSION AND ANALYSIS :

The Financial Year 2013-14 was for six months period, and ended on 31st March 2014. These six months was also a challenging period for the Company. During the period under consideration, the Company continued to manufacture intermediate foods for third parties. Full fledged trials were taken for Snack food "Kurkure". Commercial production for the same began in February 2014. The Company also signed an agreement with M/s Nutricia International Private Limited for manufacture and finished packaging of their brand FAREX in November 2013 for a period of 5 years. Trials for this were also conducted during the period under consideration. The Company also continued to cater to its earlier customer base for various intermediate products which it has been doing for a long time. With commercial production of Kurkure in place, and trials of Farex complete packing also successfully concluded, your company expects to utilise the production capacities to maximum. The profitability is also expected to improve.

Your Company is having competent and qualified Food Technologists and Engineers, and takes various initiatives to keep them updated on new technologies and knowledge, to achieve cost effectiveness wherever possible.

The Company enjoys cordial relations with the employees.

Your Company has proper and adequate system of internal control to ensure that all assets are protected and safeguarded. Your Company has well documented operating procedures and authorizations which itself are adequate for internal controls. Adequate internal checks are built in to cover all financial transactions with systematic delegation of authority.

The Company is also adopting to additional and specific internal controls to all the individual customers whenever they have asked for.

Some of the statements given in the above Management discussions and analysis about the Company's projections, estimates or expectations may be 'forward looking statements'. Actual results may differ substantially from those expressed or implied statements. Your company undertakes no obligations to publicly revise any forward looking statement to reflect future events or circumstances.

CORPORATE GOVERNANCE REPORT**Company's Philosophy in Corporate Governance.**

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair and transparent governance practices. Transparency in all dealings, effective control and management of organization, investor friendly attitude towards shareholders has been the basic objective of the corporate governance of the Company.

This Report is for a period of six months (from 1st October, 2013 to 31st March, 2014).

I. Board of Directors:**a) Composition of Board**

The present Board consists of one Executive Director and five Non-Executive Directors. Out of the non-executive Directors, three are independent directors.

The non-executive Directors with their diverse knowledge, experience and expertise bring in their independent judgment to the deliberations and decisions of the Board. Apart from the sitting fees paid for attending Board/Committee Meetings, the non-executive Directors did not have any material pecuniary relationship or transactions with the Company during the period under report.

The Company has a non-executive Chairman. The number of independent directors is more than one third of the total number of Directors. The Company meets the requirements relating to the composition of Board of Directors.

b) Other provisions as to Board and Committees

During the period under report, the Board of Directors met 2 times i.e. on 15th November, 2013 and 10th February, 2014.

None of the Directors of the Board serve as Members of more than 10 committees nor do they chair more than 5 committees, as per the requirements of the Listing Agreement.

Detailed information is given in the table:

Sr. No.	Name of Director	Category	No. of Board Meetings attended	Last AGM Attended	No. of Directorship in other companies	No. of Membership of Board Committees of other companies	No. of Board Committees of which the Director is a Chair-person in other companies
1.	Shrinivas V. Dempo	Chairman (Non-Executive)	2	No	19*	-	-
2.	Soiru V. Dempo	Non-Executive	2	Yes	9*	1	-
3.	A. B. Prasad	Non-Executive Independent	2	Yes	2*	1	-
4.	Sudin M. Usgaonkar	Non-Executive Independent	2	No	6*	-	-
5.	Ashok N. Manjrekar	Non-Executive Independent	2	No	-	-	-
6.	Ganesh T. Argekar**	Executive Director	-	-	-	-	-

* Includes directorship held in private limited companies

** Appointed as Additional Director and Whole-time Director with effect from May 19, 2014

Hindustan Foods Limited

c) Details of remuneration to the directors for the period under report:

The details of sitting fees paid during the financial period ended 31st March, 2014 are as follows:

Sr. No.	Name of the Director	Sitting Fees (Rs.)
1	Mr. Shrinivas V. Dempo	4,000
2	Mr. Soiru V. Dempo	4,000
3	Dr. A. B. Prasad	5,000
4	Adv. Sudin M. Usgaonkar	5,000
5	Mr. Ashok N. Manjrekar	5,000

d) Shareholding of Directors:

As on 31st March, 2014, Dr. A. B. Prasad holds 500 equity shares in the Company. None of the remaining directors hold any shares in the Company.

e) Code of Conduct:

- (i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company which is posted on the Company's website www.hflgoa.com.
- (ii) The Members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code applicable to them during the period ended 31st March, 2014 and a declaration to this effect signed by the Executive Director forms part of this report.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, I, Ganesh T. Argekar, *Executive Director* of Hindustan Foods Limited, declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct during the financial period ended 31st March, 2014.

Panaji-Goa.
Date : 14th August, 2014

Ganesh T. Argekar
Executive Director

II. Audit Committee:

- a) The terms of reference and power of the Audit Committee are as per Clause 49 of the Listing Agreement and Section 292(A) of the Companies Act, 1956. The function of the Audit Committee is as per Listing Agreement with Stock Exchange. These include review of accounting and financial policies and procedures, review of financial reporting system, adequacy of internal Control systems / internal audit function and risk management policies.

- b) The Audit Committee comprises of three Independent Directors. Two meetings were held during the period under report i.e. on 15th November, 2013 and 10th February, 2014. Other details are as under:

Name	Designation	Number of meetings attended
Dr. A. B. Prasad	Chairman	2
Adv. Sudin M. Usgaonkar	Member	2
Mr. Ashok N. Manjrekar	Member	2

III. Nomination and Remuneration Committee:

In the meeting of the Board of Directors held on August 14, 2014, in order to align with the new law of the Companies Act, 2013, it was decided to rename the Committee from "Remuneration Committee" to "Nomination and Remuneration Committee".

The Nomination and Remuneration Committee comprises of the following members:

Name of the Member	Designation
Mr. Shrinivas V. Dempo	Member
Mr. Ashok N. Manjrekar	Chairman
Dr. A. B. Prasad	Member

During the year under report, no meeting of the committee was held.

IV. Share Transfer, Investors' Grievance and Stakeholders Relationship Committee:

In the meeting of the Board of Directors held on August 14, 2014, in order to align with the new law of the Companies Act, 2013, it was decided to rename the Committee from "Share Transfer and Investors' Grievance Committee" to "Share Transfer, Investors' Grievance and Stakeholders Relationship Committee".

Applications for transfer of shares held in physical form are received at the office of the RTA of the Company. The shares received by the Company/RTA for registration of transfers are processed by the RTA (generally within 10 days of receipt) and transferred expeditiously and the Share Certificate(s) are returned to the shareholder(s) by registered post. The Board Committee notes / ratifies the approved transfer / transmission / transposition of shares and looks into the redressal of Investors' grievances, if any, as and when required. Mr. Shrinivas V. Dempo as the Chairman and Mr. Soiru V. Dempo along with Dr. A. B. Prasad as members comprise the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee and they were present at all meetings of the Committee.

During the period under report, the Share Transfer, Investors' Grievance and Stakeholders Relationship Committee met five times on 1st November, 2013, 15th November, 2013, 27th December, 2013, 21st February, 2014 and 21st March, 2014.

Mr. G. K. S. Kerkar, General Manager (Corporate Affairs) is the Compliance Officer of the Company under Clause 47 of the Listing Agreement with the Stock Exchange.

Details of complaints received, number of shares transferred during the period under review as well as average time taken for effecting these transfers are highlighted in the "Shareholder Information" section of the Annual Report.

Hindustan Foods Limited

V. General Meetings:

The last three Annual General Meetings of the Company were held as under:

Particulars	Date	Venue
26 th Annual General Meeting	20 th September, 2011	Dempo House, Campal, Panaji, Goa - 403 001.
27 th Annual General Meeting	18 th December, 2012	- As above -
28 th Annual General Meeting	14 th December, 2013	- As above -

No Special resolutions were passed at these Meetings.

VI. Disclosures:

Pursuant to Sub-clause VII (2) of Clause 49, the Company confirms that it has complied with all mandatory requirements prescribed in Clause 49 of the Listing Agreement.

VII. Code for Prevention of Insider Trading:

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has instituted a Code of Conduct for Prevention of Insider Trading for its management, staff and relevant business associates. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made while dealing with the shares of the Company.

VIII. CEO/CFO Certification:

The CEO/CFO Certification of the financial statements for the six months period, is enclosed at the end of the report.

IX. Means of Communication:

The quarterly unaudited financial results were published in the Financial Express/The Navhind Times (English Dailies) and Navprabha (Marathi Daily). The results were also displayed on the Company's website at www.hflgoa.com.

The Company has not made any presentations to institutional investors or to analysts.

The Management Discussion and Analysis Report is provided separately as a part of this Annual Report.

X. Shareholder Information:

29th Annual General Meeting

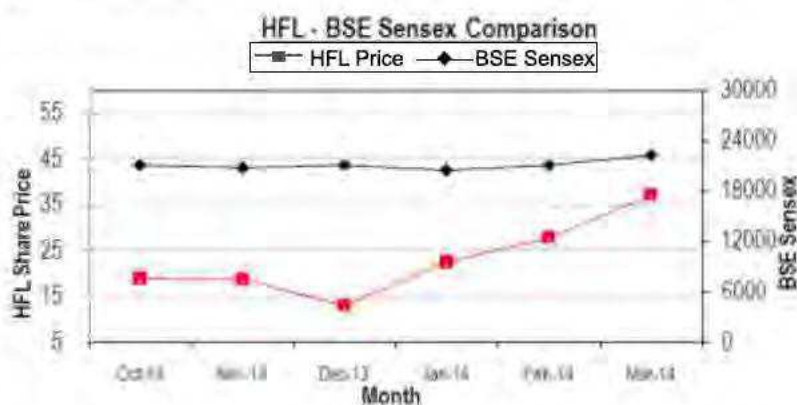
- (i) **Day, Date, Time and Venue** : Saturday, 27th September, 2014 at 10.30 a.m. at Dempo House, Campal, Panaji-Goa. 403001.
- (ii) **Current Financial Year** : 1st October, 2013 to 31st March, 2014
- (iii) **Date of Book Closure** : Tuesday, 23rd September, 2014 to Saturday, 27th September, 2014 (both days inclusive)
- (iv) **Dividend Payment Date** : There was no dividend recommendation and hence not applicable.
- (v) **Listing** : The Bombay Stock Exchange Ltd. (BSE)
- (vi) **Stock Code** :

BSE	519126
Demat ISIN in CDSL & NSDL	INE254N01018.

(vii) **Market price Information :**

Month	Bombay Stock Exchange Ltd. (BSE)		
	High	Low	Volume
October 2013	20.63	11.60	7,776
November 2013	21.70	18.70	2,961
December 2013	19.80	13.15	5,039
January 2014	22.57	13.15	5,551
February 2014	28.00	22.40	13,695
March 2014	37.30	25.95	15,003

Source: www.bseindia.com

(viii) **Registrars and Share Transfer Agents :**

Members are requested to correspond with the Company's Registrar and Share Transfer Agents –

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400078
Ph.: (022) 25946970
Fax: (022) 25946969
Email: mt.helpdesk@linkintime.co.in

(ix) **Share Transfer System:**

Share transfers in physical form can be lodged with the Company's Registrar and Share Transfer Agents. The Company in order to improve the quality of services to investors, process share transfer requests within the stipulated time and for reasons of convenience,

Hindustan Foods Limited

has given powers to its Registrar and Share Transfer Agents to approve and effect the transmission / transfer / transposition of shares and give effect to dematerialisation requests.

As per the requirement of clause 47 (c) of the Listing Agreement with the Stock Exchange, the Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The Audit Reports for the financial period under report have been filed with the Stock Exchange within one month of the end of each quarter.

SEBI vide its circular dated 20th May, 2009, made its mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfer of shares, for securities market transactions and off-market / private transactions involving transfer of shares in physical form.

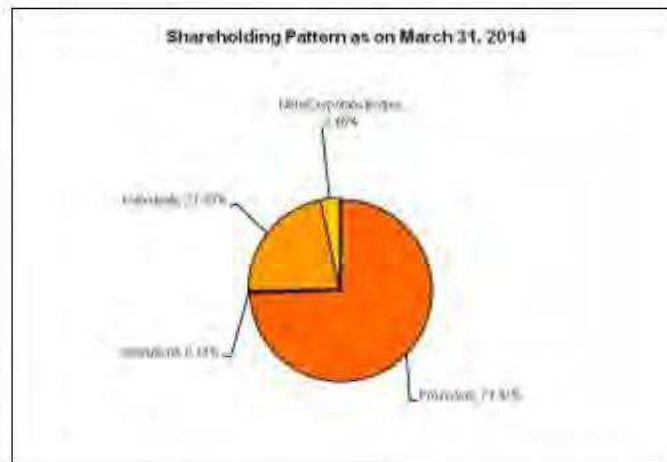
(x) Distribution of Shareholding :

Distribution Schedule as on 31st March, 2014 :

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
1 to 500	5,970	96.60	8,71,325	17.43
501 to 1000	144	2.33	1,10,704	2.21
1001 to 2000	39	0.63	53,904	1.08
2001 to 3000	9	0.15	23,090	0.46
3001 to 4000	4	0.07	13,175	0.26
4001 to 5000	5	0.08	23,274	0.47
5001 to 10000	5	0.08	33,250	0.67
10001 and above	4	0.07	38,71,278	77.43
Total	6,180	100.00	50,00,000	100.00

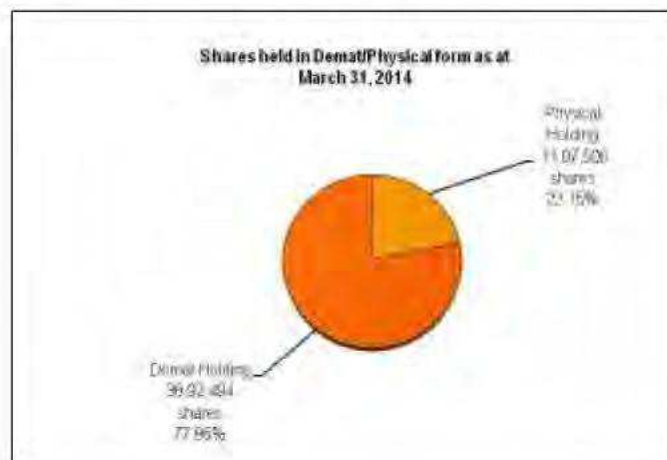
Distribution of Shareholding (Categorywise) as on 31st March, 2014:

Category	No. of Shareholders	No. of Shares	% of Shareholding
Promoters, Directors, their relatives & Associates	3	37,23,294	74.47
Financial Institution / Banks	2	7,200	0.14
Bodies Corporate	34	87,770	1.76
Non-Resident Individuals (NRI's)	308	85,000	1.70
Resident Individuals	5,833	10,96,736	21.93
Total	6,180	50,00,000	100.00



(xi) Dematerialization of Shares and Liquidity:

As on 31st March, 2014, 77.85% of the Company's paid-up capital representing 38,92,494 shares were held in dematerialized form as compared to 77.28% of the Company's paid up capital representing 38,64,144 shares as on 30th September, 2013.



(xii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

- Nil -

(xiii) Plant Location:

Usgao,
Ponda-Goa 403407

Hindustan Foods Limited

(xiv) **Address for correspondence:**

For transfer / dematerialization of shares and any other query relating to the shares of the Company –

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai 400078.
Ph.: (022) 25946970
Fax: (022) 25946969
Email: rnt.helpdesk@linkintime.co.in

For investors assistance / complaints, if any –

Mr. G. K. S. Kerkar
General Manager (Corporate Affairs)
Hindustan Foods Limited
Dempo House, Campal,
Panaji - Goa 403001.
Tel.: (0832) 2224556
Fax: (0832) 2225098
Email: hflinvestorrelations@demos.com

Status of compliance of Non-mandatory requirements

Clause 49 of the Listing Agreement also requires disclosures of adoption by the Company of non-mandatory requirements specified in the said clause, the implementation of which is discretionary on the part of the Company. Accordingly, the adoption of non-mandatory requirements is given below:

1. The Board:

Has a non-executive Chairman, and his office with required facilities is maintained at his own expense and is not provided and maintained by the Company.

No Policy has been fixed on tenure of Independent Directors.

2. Remuneration Committee:

As stated earlier, the Board has already set up a Nomination and Remuneration Committee consisting of only non-executive Directors. Details regarding composition of the Nomination and Remuneration Committee are provided elsewhere in this report.

3. Shareholders' Rights:

The half-yearly financial results are not sent to the shareholders.

4. Audit Qualifications:

During the financial period under review, there were no audit qualifications in the financial statements.

5. Training of Board Members:

Not yet adopted by the Company.

6. Mechanism for evaluating non-executive Board Members:

Not yet adopted by the Company.

7. Whistle Blower Policy:

The Company does not have any Whistle Blower Policy.



To,
The Members,
Hindustan Foods Limited

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of the conditions of Corporate Governance by Hindustan Foods Limited for the six months period ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the verification of procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. 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:

We certify that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For R. SUNDARARAMAN & CO.,
Chartered Accountants
(Registration No : 004219S)

S. SRIRAM
Partner
Membership No : 202813

Place : Panjim
Date : August 14, 2014

CEO & CFO CERTIFICATE UNDER CLAUSE 49(V) OF THE LISTING AGREEMENT

We, Ganesh T. Argekar, *Executive Director* and G. K. S. Kerkar, *General Manager (Corporate Affairs)* of Hindustan Foods Limited, ("Company") hereby certify that :-

- (a) We have reviewed financial statement and the cash flow statement of the Company for the Six months period ended 31st March, 2014 and that 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 existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial period, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the financial period,
 - (ii) Significant changes in accounting policies during the financial period and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ganesh T. Argekar
Executive Director

G. K. S. Kerkar
General Manager (Corporate Affairs)

Place: Panaji-Goa.
Date : 14th August, 2014

AUDITOR'S REPORT TO THE SHAREHOLDERS

1. Report on the Financial Statements

We have audited the attached Balance Sheet of **HINDUSTAN FOODS LIMITED**, Panaji, Goa, as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement of the Company for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. Management's Responsibility for the Financial Statements

The Company's management is responsible for 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 Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that give a true and fair view are free of material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards of Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion

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 subject to paragraphs **6(ii)(e), 6(ii)(f) and 6(ii)(g) and the consequent effect thereof on the assets, liabilities and cumulative loss of the Company** and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014;
- b) In the case of the Profit and Loss Account, of the Loss of the Company for the period ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Hindustan Foods Limited

5. Emphasis of Matter

The Company is a Sick Industrial Company under Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 and has incurred cash losses for the current accounting year and previous year with negative networth as on 31st March 2014. Considering the various ongoing measures taken for the rehabilitation of the Company, the Accounts are presented on the principles applicable to a going concern.

Our opinion is not qualified in respect of the above matter.

6. Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditors Report) Order, 2003 ("the Order") issued by Central Government in terms of Section 227[4A] of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.

(ii) As required by Section 227(3) of the Act, we report that :

- a) We have 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 appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013
- e) **No provision for debts considered doubtful of recovery amounting to Rs. 2,49,55,257/- has been made (Refer Note 15)**
- f) **Share issue, advertisement & sales promotion and Product launch expenses aggregating to Rs. 2,89,56,033/- have not been absorbed and carried forward under Miscellaneous Expenditure (Refer Note 13)**
- g) **Depreciation amounting to Rs. 67,37,828/- on certain Fixed Assets has not been considered in the earlier years (Refer Note 32)**
- h) On the basis of the written representation received from the Directors as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2014 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

For **R. SUNDARARAMAN & CO.,**
Chartered Accountants
(Registration No : 004219S)

Place : Panjim
Date : May 19, 2014

S. SRIRAM
Partner
Membership No : 202813

ANNEXURE TO AUDITOR'S REPORT
Referred to in Paragraph 6(i) in our Report of even date

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate and in terms of information and explanation given to us on our enquires, we state that:

1. In respect of fixed assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the management during the period. We have been informed that no material discrepancies were noticed on such verification.
 - c) The Company has not disposed off any substantial part of fixed assets during the period and the going concern status of the Company is not affected.
2. In respect of inventories :
 - a) The stock of inventory has been physically verified by the management at the close of the period.
 - b) In our opinion, the procedures followed by the management for physical verification of inventories are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed between physical verification of stocks and book records were not material, and the same have been properly dealt with in the books of account.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 :
 - a) The Company has not taken loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - b) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets, sale of goods and services. During the course of our audit, no major weaknesses have been observed in the internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956 :
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under Section 301 of the Companies Act, have been so entered.
 - b) In our opinion and according to the information and explanations given to us, these transactions have been made at reasonable prices having regard to the prevailing market prices at that time.
6. The Company has not accepted any deposits from the public requiring compliance of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under.
7. Although the Company has no formalized internal audit system, its internal control procedures ensure

Hindustan Foods Limited

reasonable internal checking of financial and other records and this can be considered adequate under the circumstances.

8. The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 in respect of the business activities carried out by the Company.
9. In respect of statutory dues :
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, sales tax, custom duty, excise duty, cess, service tax and other material statutory dues applicable to it.
 - b) According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, custom duty, excise duty, service tax and cess were in arrears, as at 31st March 2014 for a period of more than six months from the date they became payable except Rs. 51.10 lacs towards Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.
 - c) According to the information and explanations given to us, there are no dues of sales tax, custom duty, excise duty, service tax and cess, which have not been deposited on account of any dispute except for the following :

Year	Details	Amount (Rs.)	Pending Before
2013-14	Cenvat Credit claimed on Capital Goods	14,64,117/-	Office of The Superintendent of Central Excise & Service Tax, Usgaon

10. The Company is having accumulated losses in excess of 50% of its net worth as on 31st March 2014. The Company has incurred cash losses during the current financial period. But there are no cash losses in the previous financial year.
11. According to the information and explanations given and the records examined by us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders. A sum of Rs. 51.10 lacs remains unclaimed by the debenture holders.
12. The Company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures or other securities.
13. The Company is not a chit fund, or a nidhi, mutual fund / society. Therefore the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order 2003 are not applicable.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditors Report) Order 2003 are not applicable.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantee for loans taken by others from Banks and Financial Institutions, the terms and conditions whereof are prima facie prejudicial to the Company.
16. As per the records of the Company and information and explanations given to us, the Company has not taken any term loan.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been used for long term investment and vice versa, during the period.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the period.
19. The Company has not issued any debentures during the period.
20. The Company has not raised any money by way of public issue during the period.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Branch, noticed or reported during the year nor have been informed of such case by the management.

For **R. SUNDARARAMAN & CO.,**
Chartered Accountants
(Registration No : 004219S)

Place : Panjim
Date : May 19, 2014

S. SRIRAM
Partner
Membership No : 202813

Hindustan Foods Limited

BALANCE SHEET AS AT 31ST MARCH, 2014

(All Amount in Rupees)

S.No	Particulars	Note No.	As At 31st March, 2014	As At 30th Sept, 2013
I	EQUITY AND LIABILITIES			
1	Shareholders Funds			
	(a) Share Capital	3	6,60,00,000	6,60,00,000
	(b) Reserves & Surplus	4	(9,05,28,830)	(7,72,32,954)
2	Non Current Liabilities			
	(a) Long Term Borrowings	5	15,74,30,967	15,26,72,967
	(b) Other Long Term Liabilities	6	1,37,75,963	31,88,027
	(b) Long Term Provisions	7	8,94,334	8,18,409
3	Current Liabilities			
	(a) Short Term Borrowings	8	56,61,856	50,44,323
	(b) Trade Payables	9	1,60,41,510	1,59,06,712
	(c) Other Current Liabilities	10	3,08,88,144	1,86,64,039
	Total		20,01,63,943	18,50,61,523
II	ASSETS			
1	Non Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	11	8,12,00,906	3,59,21,969
	(ii) Intangible Assets		1	1
	(iii) Capital Work in Progress		3,12,25,961	46,5,02,002
	(b) Long Term Loans and Advances	12	22,50,086	16,1,60,863
	(c) Other Non Current Assets	13	2,89,56,033	28,9,56,033
2	Current Assets			
	(a) Inventories	14	1,22,34,233	1,17,67,214
	(b) Trade Receivables	15	3,39,23,341	3,69,35,409
	(c) Cash and Bank Balances	16	3,05,648	8,91,220
	(d) Short Term Loans and Advances	17	98,59,667	77,40,741
	(e) Other Current Assets	18	2,08,069	1,86,073
	Total		20,01,63,943	18,50,61,523

Significant Accounting Policies & Notes on Accounts 1 & 2

Vide our Report of even date

For and on behalf of Board of Directors

For **R. Sundararaman & Co.,**
Chartered Accountants

S. SRIRAM
Partner
Membership No : 202813

Shrinivas V. Dempo
Chairman

Ganesh T. Argekar
Executive Director

Place : Panjim
Date : 19th May, 2014

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH, 2014

(All Amount in Rupees)

S.No	Particulars	Note No.	6 months Ended 31st March 2014	12 months Ended 30th September 2013
I	Revenue from Operations Less : Excise Duty	19	3,31,48,917 13,76,652	6,35,92,916 35,73,227
			3,17,72,265	6,00,19,689
II	Other Income	20	27,649	2,85,713
III	Total Revenue (I + II)		3,17,99,913	6,03,05,402
IV	Expenses			
	Cost of Materials Consumed	21	1,69,95,367	3,18,83,167
	Changes in Inventories of Finished Goods & WIP	22	(18,97,628)	(1,72,902)
	Employee Benefits Expense	23	79,29,744	1,47,42,747
	Finance Costs	24	68,55,334	92,56,078
	Depreciation		14,68,268	22,42,927
	Other Expenses	25	1,37,44,703	1,39,23,628
	Total Expenses		4,50,95,788	7,18,75,646
V	Profit before Tax (III - IV)		(1,32,95,875)	(1,15,70,244)
VI	Tax Expense (a) Current Tax (b) Prior Year Tax		- -	- 4,52,257
VII	Profit after Tax (V - VI)		(1,32,95,875)	(1,20,22,500)
VIII	Earnings per Equity Share (of Rs.10/- each) Basic Diluted		(2.66) (5.32)	(2.40) (2.40)

Significant Accounting Policies & Notes on Accounts

1 & 2

Vide our Report of even date

For and on behalf of Board of Directors

 For **R. Sundararaman & Co.,**
Chartered Accountants

S. SRIRAM
Partner
Membership No : 202813

Shrinivas V. Dempo
Chairman

Ganesh T. Argekar
Executive Director

 Place : Panjim
Date : 19th May, 2014

Hindustan Foods Limited

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2014

S.No	Particulars	Six months ended 31st March,2014		Twelve months ended 30th September,2013	
A	Cash Flow from Operating Activities				
	Net Profit / (Loss) before Tax		(1,32,95,875)		(1,15,70,244)
	Adjustments				
	Depreciation	14,68,268		22,42,927	
	Interest Received	(23,651)		(44,686)	
	Credit Balances written back	(1,567)		(556)	
	Interest / Finance Charges	68,55,334		92,56,078	
	Assets Written off	2,45,477		-	
	Loss on Sale of Assets	-	85,43,862	78,358	1,15,32,121
	Operating Cash Flow before Working Capital changes		(47,52,013)		(38,122)
	Changes in Working Capital				
	Adjustments for (Increase) / Decrease in Operating Assets				
	Inventories	(4,67,019)		14,91,517	
	Trade Receivables	30,12,068		(29,51,044)	
	Short Term Loans & Advances	(18,79,452)		(61,17,933)	
	Long Term Loans & Advances	1,39,10,777		(1,59,84,076)	
	Other Non Current Assets	-		-	
	Adjustments for Increase / (Decrease) in Operating Liabilities				
	Other Long Term Liabilities	1,05,87,935		31,88,027	
	Trade Payables	1,36,365		1,01,22,467	
	Other Current Liabilities	1,22,24,105		(58,651)	
	Long Term Provisions	75,925	3,76,00,704	24,373	(1,02,85,320)
	Cash generated from Operations		3,28,48,691		(1,03,23,442)
	Direct Taxes (Net)		(2,39,474)		(17,073)
	Net Cash Flow from Operating Activities		3,26,09,217		(1,03,40,515)
B	Cash Flow from Investing Activities				
	Purchase of Fixed Assets	(3,17,16,642)		(4,67,55,748)	
	Sale of Fixed Assets	-		1,62,205	
	Interest Income	1,654		2,729	
	Net Cash Flow from Investing Activities		(3,17,14,988)		(4,65,90,814)
C	Cash Flow from Financing Activities				
	Interest / Finance Charges	(68,55,334)		(92,56,078)	
	Increase in Share Capital	-		-	
	Long Term Borrowings (Net)	6,71,79,806			
	Short Term Borrowings (Net)	6,17,533		(6,91,199)	
	Net Cash Flow from Financing Activities		(14,79,801)		5,72,32,529
	Net Increase / (Decrease) in Cash & Cash Equivalents		(5,85,572)		3,01,200
	Opening Balance in Cash & Cash Equivalents		6,42,431		3,41,230
	Closing Balance in Cash & Cash Equivalents		56,859		6,42,431

Vide our Report of even date

For and on behalf of Board of Directors

For **R. Sundararaman & Co.,**
Chartered Accountants

S. SRIRAM
Partner
Membership No : 202813

Shrinivas V. Dempo
Chairman

Ganesh T. Argekar
Executive Director

Place : Panjim
Date : 19th May, 2014

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD
ENDED 31ST MARCH, 2014**

1. CORPORATE INFORMATION

Hindustan Foods Ltd ("the Company") was incorporated in the year 1984 and is engaged in the business of manufacturing Cereal Based Foods with its domicile presence in Goa.

2. SIGNIFICANT ACCOUNTING POLICIES :

i) Accounting Conventions:

The Financial Statements have been prepared under the historical cost convention on accrual basis and in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The said Financial statements comply with the relevant provisions of the Companies Act, 1956 (the Act) and the mandatory Accounting Standards notified by the Central Government of India under Companies (Accounting Standards) Rules, 2006.

The Company is a Sick Industrial Company under Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 and has incurred cash losses for the current accounting year and the previous year with negative networth as on 31st March 2014. Considering the various ongoing measures taken for the rehabilitation of the Company, the Accounts are presented on the principles applicable to a going concern.

ii) Fixed Assets :

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

iii) Inventories :

Inventories are valued at lower of cost or the net realizable value.

iv) Revenue Recognition :

Revenue from sales is recognized on dispatch of goods from the factory.

Revenue from Processing Charges is recognized on production of processed goods for the Principal.

v) Employee Benefits :

a) Short Term Employee Benefits:

Short term employee benefits including accumulated compensated absences determined as per company's policy/scheme are recognized as expense based on expected obligation on undiscounted basis.

b) Defined Contributions:

Fixed contributions to the Superannuation Fund which is administered and managed by Life Insurance Corporation of India and Fixed contributions to Employees State Insurance Corporation (ESIC) are charged to profit and loss account.

The Company also contributes to a government administered Provident and Pension Fund on behalf of its employees, which are charged to profit and loss account.

c) Defined Benefit :

The Liability for Gratuity to employees as at Balance sheet date is determined on the basis of actuarial valuations and is funded to a Gratuity Fund administered and managed by Life Insurance Corporation of India. The Liability thereof is paid and absorbed in the accounts.

Hindustan Foods Limited

Contributions to Provident Fund are charged to profit and loss accounts and are remitted to an approved exempted trust.

d) Long term Compensated absences :

In respect of long term portion of compensated absences (Leave benefits), the liability is determined on the basis of actuarial valuation and is provided for accordingly.

vi) Borrowing Costs :

Borrowing Costs on specific loans attributable to the acquisition or construction of asset are capitalized. All other borrowing costs are accounted in Profit & Loss Account.

vii) Deferred Tax:

Deferred Tax is recognized on all timing differences subject to the consideration of prudence.

viii) Miscellaneous Expenditure :

Share issue, Sales promotion and product launch expenditure have not been written off due to inadequacy of profit.

Note No.	Particulars	As at 31st March, 2014		As at 30th Sept, 2013	
		Number	Rs.	Number	Rs.
3	Shareholder's Funds - Share Capital				
	Authorised				
	Equity Shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	9% Redeemable, Non Convertible Preference Shares of Rs. 100/- each	2,00,000	2,00,00,000	2,00,000	2,00,00,000
	Issued, Subscribed & Fully paid-up				
	Equity Shares of Rs. 10/- each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	9% Redeemable, Non Convertible Preference Shares of Rs. 100/- each	1,60,000	1,60,00,000	1,60,000	1,60,00,000
	Total	51,60,000	6,60,00,000	51,60,000	6,60,00,000

i) Disclosure of number of shares outstanding for each class of shares as at

	Particulars	As at 31st March, 2014		As at 30th Sept, 2013	
		Number	Rs.	Number	Rs.
a)	Equity Shares				
	Shares outstanding at the beginning of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	Shares outstanding at the end of the year	50,00,000	5,00,00,000	50,00,000	5,00,00,000
b)	Preference Shares				
	Shares outstanding at the beginning of the year	1,60,000	1,60,00,000	1,60,000	1,60,00,000
	Shares outstanding at the end of the year	1,60,000	1,60,00,000	1,60,000	1,60,00,000

ii) Terms and Rights attached to Shares

The Company has two class of shares. The Equity Shares have a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Preference Shares have par value of Rs. 100/- per share and carry dividend of 9% per annum from the date of allotment. The dividend shall be payable at the time of declaration of dividend on Equity Shares. The Preference Shares shall be redeemed not later than 19 years from the date of issue.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be in proportion to the equity shares held by the shareholders.

iii) Disclosure of more than 5% shareholding

	Name of the Shareholder	As at 31st March, 2014		As at 30th Sept, 2013	
		No. of Equity Shares held	% Holding	No. of Equity Shares held	% Holding
	M/s. Dempo Foods Private Ltd	-	-	37,22,294	74.44%
	M/s. Vanity Case India Private Limited	37,22,294	74.44%	-	-

Note : M/s. Dempo Foods Private Limited was merged in M/s. Vanity Case (India) Private Limited vide Bombay High Court Order dated November 22, 2013.

		As at 31st March, 2014		As at 30th Sept, 2013	
		No. of Pref Shares held	% Holding	No. of Pref Shares held	% Holding
	M/s. V. S. Dempo Holdings Private Limited	1,60,000	100.00%	1,60,000	100.00%

(All Amount in Rupees)

Note No.	Particulars	Period Ended 31st March 2014	Year Ended 30th Sept. 2013
4	Reserves & Surplus		
	Capital Reserve		
	Opening & Closing Balance	4,800	4,800
	Surplus		
	Opening Balance	(7,72,37,755)	(6,52,15,254)
5	Add : Net Profit / (Loss) for the current year	(1,32,95,875)	(1,20,22,500)
	Closing Balance	(9,05,33,630)	(7,72,37,754)
	Total	(9,05,28,830)	(7,72,32,954)
	Long Term Borrowings		
	Secured Loans		
	Loans from V S Dempo Holdings Private Limited (The above loan is at interest rate of 12%)	10,39,01,967	10,21,43,967
	Loans from V S Dempo Holdings Private Limited (The above loan is interest free)	3,96,83,000	3,96,83,000
	Unsecured Loans		
	Loan from Marmagoa Shipping & Stevedoring Co Pvt Ltd (The above loan is interest free)	12,50,000	12,50,000
	Loan from Dempo Industries Private Limited (The above loan is at interest rate of 10%)	95,96,000	95,96,000
	Loan from Motown Investment Private Limited (The above loan is at interest rate of 12%)	30,00,000	-
	Total	15,74,30,967	15,26,72,967

Hindustan Foods Limited

(All Amount in Rupees)			
Note No.	Particulars	Period Ended 31st March 2014	Year Ended 30th Sept. 2013
6	Other Long Term Liabilities		
	Creditors for Capital purchases	1,37,75,963	31,88,027
	Total	1,37,75,963	31,88,027
7	Long Term Provisions		
	Provision for Employee Benefits	8,94,334	8,18,409
	Total	8,94,334	8,18,409
8	Short Term Borrowings		
	Secured		
	Loans repayable on demand from Bank		
	- Cash Credit from Bank of Maharashtra (Secured by hypothecation of stock and book debts)	16,21,540	-
	- Cash Credit from Bank of Maharashtra (Secured by pledge of fixed deposits of V S Dempo Holdings Private Limited)	40,40,316	50,44,323
	Total	56,61,856	50,44,323
9	Trade Payables		
	Trade Payables	1,60,41,510	1,59,06,712
	Total	1,60,41,510	1,59,06,712
10	Other Current Liabilities		
	Statutory Liabilities including Withholding taxes	62,561	1,57,225
	Other Liabilities	2,22,44,422	1,58,81,269
	Accrued Employee Benefits	6,22,637	9,64,186
	Accrued Expenses	19,01,102	16,61,359
	Advances from Customers	60,57,422	-
	Total	3,08,88,144	1,86,64,039

Note 11 : Fixed Assets

S. No	Fixed Assets	Rate	Gross Block		Accumulated Depreciation		Net Block	
			Bal as at 01.10.2013	Bal as at 31.03.2014	Bal as at 01.10.2013	Bal as at 31.03.2014	Bal as at 31.03.2014	Bal as at 01.10.2013
a)	Tangible Assets							
	Freehold Land & Development	-	5,57,490	5,57,490	-	-	5,57,490	5,57,490
	Buildings	3.34%	3,40,26,238	3,62,20,181	1,51,57,592	1,57,38,043	2,04,82,138	1,88,68,646
	Plant & Machinery	4.75%	5,75,33,374	4,47,82,740	4,28,20,116	4,03,71,957	5,84,60,828	1,47,13,258
	Computers	16.21%	8,49,257	8,49,257	6,69,061	6,95,240	1,54,017	1,80,196
	Furniture & Fittings	6.33%	30,06,134	30,22,134	14,03,755	14,75,701	15,46,434	16,02,379
	Vehicles	9.50%	793	-	793	-	-	-
	Total		9,59,73,286	13,94,81,847	6,00,51,317	5,82,80,941	8,12,00,906	3,59,21,969
	Previous Year		9,00,18,492	9,59,73,286	5,80,17,535	6,00,51,317	3,59,21,969	3,20,00,956
b)	Intangible Assets							
	Trademark		1	1	-	-	1	1
	Total		1	1	-	-	1	1
	Previous Year		1	1	-	-	1	1
c)	Capital Work in Progress							
							3,12,25,961	4,65,02,002
	Total		9,59,73,287	13,94,81,848	6,00,51,317	5,82,80,941	11,24,26,868	82,423,972
	Previous Year		9,00,18,493	9,59,73,287	5,80,17,535	6,00,51,317	8,24,23,972	38,151,713

Hindustan Foods Limited

(All Amount in Rupees)			
Note No.	Particulars	Period Ended 31st March 2014	Year Ended 30th Sept. 2013
12	Long Term Loans and Advances		
	Capital Advances	20,73,299	1,59,84,076
	Security Deposits (Unsecured, Considered Good)	1,76,787	1,76,787
	Total	22,50,086	1,61,60,863
13	Other Non Current Assets		
	Misc Expenditure not written off		
	- Product Launch Expenses	39,48,495	39,48,495
	- Share Issue Expenses	34,66,498	34,66,498
	- Advertisement & Sales Promotion Expenses	2,15,41,040	2,15,41,040
	Total	2,89,56,033	2,89,56,033
14	Inventories		
	Raw Materials	70,60,038	83,28,675
	Packing Materials	9,82,634	8,89,101
	Stores & Consumables	17,69,501	20,06,185
	Finished Goods	-	5,43,252
	Work in Progress	24,22,060	-
	Total	1,22,34,233	1,17,67,214
15	Trade Receivables		
	Trade Receivables outstanding for a period exceeding 6 months (from the date they are due for payment)		
	Unsecured, Considered Doubtful	2,49,55,257	2,46,26,099
	Less : Provision made	-	-
		2,49,55,257	2,46,26,099
	Trade Receivables outstanding for a period of less than 6 months (from the date they are due for payment)		
	Unsecured, Considered Good	89,68,084	1,23,09,310
	Total	3,39,23,341	3,69,35,409
16	Cash and Bank Balances		
	(i) Cash and Cash Equivalents		
	a) Cash on Hand	26,953	15,868
	b) Balances with Banks in Current Accounts	29,905	6,26,563
		56,859	6,42,431
	(ii) Others		
	Margin Money	2,48,789	2,48,789
		2,48,789	2,48,789
	Total	3,05,648	8,91,220
17	Short Term Loans and Advances		
	(Unsecured, Considered Good)		
	Balances with Government Authorities	81,19,444	61,61,229
	Prepaid Expenses	2,72,484	2,09,989
	Tax Deducted at Source	9,94,276	7,54,802
	Advance to Employees	73,500	2,35,901
	Advance to Suppliers	3,99,963	3,78,820
	Total	98,59,667	77,40,741

(All Amount in Rupees)			
Note No.	Particulars	Period Ended 31st March 2014	Year Ended 30th Sept. 2013
18	Current Assets - Other Current Assets		
	Interest Accrued on Deposits	2,08,069	1,86,073
	Total	2,08,069	1,86,073
19	Revenue from Operations		
	Sale of Products	2,31,25,153	5,91,73,014
	Sale of Services		
	- Processing Charges	99,74,973	33,97,517
	Other Operating Revenue		
	- Sale of Scrap	47,224	10,21,829
	- Credit Balances written back	1,567	556
	Total	3,31,48,917	6,35,92,916
20	Other Income		
	Interest from Banks	23,651	44,145
	Interest from Others	-	541
	Miscellaneous Income	3,998	2,41,027
	Total	27,649	2,85,713
21	Cost of Materials Consumed		
	Opening Stock of Raw Materials	83,28,674	90,55,036
	Add: Purchases	1,57,26,731	3,11,56,805
		2,40,55,405	4,02,11,841
	Less : Closing Stock of Raw Materials	70,60,038	83,28,674
	Total	1,69,95,367	3,18,83,167
	Details of Raw Material Consumed		
	Cereals and Food Grains	1,69,95,367	3,18,83,167
	Total	1,69,95,367	3,18,83,167
	Details of Raw Material Inventory		
	Cereals and Food Grains	70,60,038	83,28,674
	Total	70,60,038	83,28,674
22	Changes in Inventories of Finished Goods		
	Opening Stock		
	Finished Goods	5,24,432	3,51,530
	Work in Progress	-	-
	Closing Stock		
	Finished Goods	-	5,24,432
	Work in Progress	24,22,060	-
	Total	(18,97,628)	(1,72,902)
	Details of Inventory in Finished Goods		
	Weaning Food	-	5,24,432
	Total	-	5,24,432
23	Employee Benefits Expense		
	Salaries & Incentives	64,71,310	1,19,29,230
	Contribution to Provident & Other Funds	5,87,021	19,22,885
	Staff Welfare Expenses	8,71,414	8,90,632
	Total	79,29,744	1,47,42,747

Hindustan Foods Limited

(All Amount in Rupees)			
Note No.	Particulars	Period Ended 31st March 2014	Year Ended 30th Sept. 2013
24	Finance Cost		
	Interest Expense		
	- To Banks	2,28,825	5,80,375
	- To Others	65,31,473	85,82,797
	Bank Charges	95,036	92,906
	Total	68,55,334	92,56,078
25	Other Expenses		
	(i) Manufacturing and Operating Costs		
	Consumption of Stores & Consumables	14,94,564	5,32,242
	Consumption of Packing Material	25,27,443	17,71,718
	Power & Fuel	36,79,553	52,92,676
	Water Charges	1,87,240	3,48,967
	Freight Inwards	1,93,726	3,16,282
	Repairs & Maintenance - Shop Floor	3,05,982	2,95,625
	Sundry Production Expenses	3,92,843	76,266
		87,81,352	86,33,776
	(ii) Administration		
	Rent, Rates & Taxes	1,65,923	1,63,287
	Insurance	97,319	1,62,510
	Travelling & Conveyance	7,84,456	11,23,272
	Repairs & Maintenance - Others	18,51,585	12,30,148
	Printing & Stationery	1,42,763	1,78,531
	Postage & Courier	1,36,485	95,961
	Telephone & Internet Expense	44,079	88,467
	Legal & Professional Charges	1,68,978	3,19,214
	Audit Fees	45,000	62,528
	Directors Sitting Fees	24,250	40,000
	Security Charges	7,14,365	9,20,179
	Loss on Sale of Assets	-	78,358
	Fixed Assets Written Off	2,45,477	-
	Other Miscellaneous Expenses	3,56,937	7,21,474
		47,77,616	51,83,930
	(iii) Selling & Distribution		
	Freight Charges(Outward)	-	36,500
	Selling Expenses	1,77,735	54,422
		1,77,735	90,922
	(iv) Others		
	Donation	8,000	15,000
		8,000	15,000
	Total	1,37,44,703	1,39,23,628

OTHER NOTES :

26. Contingent Liabilities

Claims against the Company by Excise Department, disputed and not accepted – Rs. 14,64,117/-.
Bank Guarantees issued by bankers on behalf of the Company Rs.28,35,000/- (Previous Year- Rs. 28,35,000/-). Bank Guarantees for Rs. 25,00,000/- are secured by pledge of fixed deposits of M/s. V S Dempo Holdings Private Limited of equivalent amount.

27. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) is Rs. 50 lacs (previous year Rs. 150 lacs).

28. Loan from M/s. V S Dempo Holdings Private Limited is secured by charge on Fixed Assets of the Company.

29. Cash Credit Rs. 20 Lacs from Bank of Maharashtra is secured by hypothecation of stock and book debts.

Cash Credit of Rs. 50 Lacs from Bank of Maharashtra is secured by pledge of fixed deposits of M/s. V S Dempo Holdings Private Limited.

30. Deposit with Banks includes Rs.2,48,789/- under lien towards guarantees given on behalf of the Company (Previous Year Rs.2,48,789/-).

31. To comply with the requirement of the Micro, Small And Medium Enterprises Development Act 2006, which became effective from 2nd October, 2006, the Company requested its suppliers to confirm whether they are covered as Micro, Small or Medium enterprise as is defined in the said Act. As the Company did not receive any communication from its suppliers informing their coverage as such enterprise, it is considered that none of them are covered as such enterprise under the said Act.

32. Depreciation on Plant & Machinery and Electrical Installation does not include an amount of Rs.67,37,828/- not provided for in previous years, when the factory was not in operation.

33. Remuneration to Auditors :

Audit Fees	: 30,000
Tax Audit	: 5,000
Others	: 10,000
	45,000

34. No provision for Income tax (Current) has been made in the absence of taxable income for the year.

35. The Accounting Standard 22, Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India has become applicable to the Company from 01.04.2001 and to comply with the same the Company reviewed its Deferred Tax Assets and Liabilities. The timing differences mainly arising on account of Un-absorbed Business Loss and Depreciation relating to earlier years have given rise to net Deferred Tax Asset as on 31.03.2014 as well as for the year. As a prudent policy the said net Deferred Tax Asset has not been recognized in the Accounts.

36. The Company manufactures intermediates/finished weaning food for itself and for third parties which constitutes single business segment. Accordingly there are no business/geographical segments to be reported under Accounting standards (AS) 17 issued by the Institute of Chartered Accountants of India.

37. Related Party Disclosures as per Accounting Standard 18 issued by the Institute of Chartered Accountants of India :

Current Year :

Relationship

Holding Company :

M/s. Vanity Case (India) Pvt. Ltd.

Current Year Related Party Transactions - Nil

Previous Year :

Relationship

Ultimate Holding Company :

M/s. V.S.Dempo Holdings Pvt. Ltd

Associate Companies :

M/s. Marmagoa Shipping & Stevedoring Company Pvt. Ltd.

M/s. Dempo Industries Pvt. Ltd.

M/s. Dempo Travels Pvt. Ltd.

M/s. Motown Investments Pvt. Ltd.

Hindustan Foods Limited

Nature of transaction	Ultimate Holding Company	Associate Companies
Professional fees & services rendered	2,67,026	-
Services availed	894	3,65,969
Interest on loan	76,20,431	9,59,600
Unsecured Loan obtained	6,71,79,806	-
Outstanding Loans as on 31-03-2014	14,18,26,967	1,62,34,840
Trade Payable	1,04,92,429	68,86,967

During the year, there is change in Related Parties on account of change in shareholding pattern.

38. Previous year's figures have been recast & regrouped wherever necessary.

39. Value of Raw Material Consumption (Rs.)

Particulars	6 Months ended 31.03.2014	12 Months ended 30.09.2013	
	Value	%	Value
Imported	-	-	-
Indigenous	1,69,95,367	100%	3,18,83,166
Total	1,69,95,367	100%	3,18,83,166

40. Expenditure in Foreign Currency

Nil

Nil

41. Earning per Equity Share

Particulars	6 Months ended 31.03.2014	12 Months ended 30.09.2013
Net Profit / (Loss) available for Equity Shareholders	(1,32,95,875)	(1,20,22,500)
No. of Equity Shares	50,00,000	50,00,000
Earnings per Share (Rs.)	(2.66)	(2.40)
Basic	(5.32)	(2.40)
Diluted		
Nominal Value per Equity Share (Rs.)	10.00	10.00

Vide our Report of even date annexed hereto

For and on behalf of Board of Directors

For **R. Sundararaman & Co.,**
Chartered Accountants

S. SRIRAM

Partner

Membership No : 202813

Place : Panjim

Date : 19th May, 2014

Shrinivas V. Dempo

Chairman

Ganesh T. Argekar

Executive Director

**HINDUSTAN FOODS LIMITED**

(CIN: L15139GA1984PLC000601)

Dempo House, Campal, Panaji-Goa 403001

ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address of
the sole / first named Member :
2. Name(s) of the Joint-Holder(s), if any :
3. i) Registered Folio No.
ii) DP ID No. & Client ID No. :
(Applicable for Members holding
shares in dematerialized form)
4. Number of Shares held :
5. I/We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated
in the Notice of the Annual General Meeting dated August 14, 2014, by conveying my / our assent / dissent to
the resolutions by placing (✓) mark in the appropriate box below:

RESOLUTIONS	No. of Shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
Ordinary Business			
1. Adoption of Financial Statements for the financial period ended 31 st March, 2014.			
2. Appointment of M/s. R. Sundararaman & Co., Chartered Accountants, as Statutory Auditors and fixing their remuneration.			
Special Business			
3. Appointment of Dr. Asht Bhuja Prasad, who retires by rotation, as an Independent Director under Section 149 of the Companies Act, 2013.			
4. Appointment of Mr. Soiru V. Dempo, as a Director of the Company.			
5. Appointment of Mr. Ganesh T. Argekar as a Director of the Company.			
6. Appointment of Mr. Ganesh T. Argekar as a Whole-time Director of the Company with designation "Executive Director" under Section 196, 203 of the Companies Act, 2013.			
7. Appointment of Adv. Sudin M. Usgaonkar, as an Independent Director under Section 149 of the Companies Act, 2013.			
8. Appointment of Mr. Ashok N. Manjrekar, as an Independent Director under Section 149 of the Companies Act, 2013.			
9. Special Resolution for borrowing limits under Section 180(1)(c) of the Companies Act,			
10. Ratification of payment of remuneration to Cost Auditor for the Financial Year ending March 31, 2015.			

Place:

Date:

Signature of the Member or
Authorised Representative

- Notes:
1. If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
 2. Last date for receipt of Assent/Dissent Form: September 22, 2014 (5:00 pm).
 3. Please read the instructions printed overleaf carefully before exercising your vote

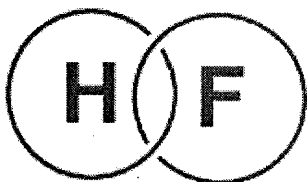
INSTRUCTIONS

General Instructions

1. Shareholders have option to vote either through e-voting i.e. electronic means or to convey assent/dissent in physical form. If a shareholder has opted for Physical Assent / Dissent Form, then he/she should not vote by e-voting and vice versa. However, in case Shareholders cast their vote through both physical assent/dissent form and e-voting, then vote cast through physical assent/dissent shall be considered, subject to the assent/dissent form being found to be valid and vote cast through e-voting shall be treated as invalid.
2. The notice of Annual General Meeting is dispatched/e-mailed to the members whose names appear on the Register of Members as on August 15, 2014 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the said date.
3. Voting through physical assent / dissent form cannot be exercised by a proxy. However, corporate and institutional shareholders shall be entitled to vote through their authorised representatives with proof of their authorization, as stated below.

Instructions for voting physically on Assent / Dissent Form

1. A Member desiring to exercise vote by Assent / Dissent should complete this Form (no other form or photocopy thereof is permitted) and send it to the Scrutinizer, Mr. Sadashiv V. Shet, Practicing Company Secretary and send the same at their cost to reach the Scrutinizer at the registered office of the Company on or before the close of working hours i.e. 5.00 p.m. on September 22, 2014. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Assent / Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
4. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark (✓) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
6. There will be one Assent / Dissent Form for every folio / Client id irrespective of the number of joint holders.
7. A Member may request for a duplicate Assent / Dissent Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction No.1 above.
8. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent / Dissent form except giving their assent or dissent and putting their signature. If any such other paper is sent, the same will be destroyed by the Scrutinizer.
9. The Scrutinizer's decision on the validity of the Assent / Dissent Form will be final and binding.
10. Incomplete, unsigned or incorrectly ticked Assent / Dissent Forms will be rejected



PROXY FORM

HINDUSTAN FOODS LIMITED

(CIN: L15139GA1984PLC000601)

Dempo House, Campal, Panaji-Goa 403001

Name:
Folio / Client ID:
Email:

I/We being the member(s) of shares of the above named Company, hereby appoint

- (1) Name : Address:
 E.mail ID: Signature: or failing him
- (2) Name : Address:
 E.mail ID: Signature: or failing him
- (3) Name : Address:
 E.mail ID: Signature: as my/our

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on the 27th September, 2014 at 10.30 a.m at the Registered Office of the Company at Dempo House, Campal, Panaji-Goa 403001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution no.	RESOLUTIONS	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Financial Statements for the financial period ended 31 st March, 2014.		
2.	Appointment of M/s. R. Sundararaman & Co., Chartered Accountants, as Statutory Auditors and fixing their remuneration.		
Special Business			
3.	Appointment of Dr. Asht Bhuja Prasad, who retires by rotation, as an Independent Director under Section 149 of the Companies Act, 2013.		
4.	Appointment of Mr. Soiru V. Dempo, as a Director of the Company.		
5.	Appointment of Mr. Ganesh T. Argekar as a Director of the Company.		
6.	Appointment of Mr. Ganesh T. Argekar as a Whole-time Director of the Company with designation "Executive Director" under Section 196, 203 of the Companies Act, 2013.		
7.	Appointment of Adv. Sudin M. Usgaonkar, as an Independent Director under Section 149 of the Companies Act, 2013.		
8.	Appointment of Mr. Ashok N. Manjrekar, as an Independent Director under Section 149 of the Companies Act, 2013.		
9.	Special Resolution for borrowing limits under Section 180(1)(c) of the Companies Act, 2013.		
10.	Ratification of payment of remuneration to Cost Auditor for the Financial Year ending March 31, 2015.		

Signed this day of, 2014

Signature of shareholder

Signature of Proxy holder(s)

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 29th Annual General Meeting.
- It is optional to put 'X' in the appropriate column against the Resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate
- Please complete all details including details of member(s) in above box before submission

Affix
Rs. 1/-
Revenue
Stamp



HINDUSTAN FOODS LIMITED

DEMPO HOUSE,
CAMPAL, PANAJI -GOA 403 001