

Annual Report 2014 -15

BOARD OF DIRECTORS

Chairman	: SAJIV K. MENON
Directors	: T. YAMAKI
	: K. MURALEEDHARAN NAIR
	: Y. MORIOKA
Managing Director	: M. A. XAVIER
Auditors	: Varma & Varma Chartered Accountants
Bankers	: State Bank of India, Ballarpur Sate Bank of India, Chandrapur Bank of India, Bamni
Registered Office	: 54/1446, Panampilly Nagar, Kochi - 682 036
Factory	: P.O. Dudholi, Bamni Via, Ballarpur - 442701 Dist: Chandrapur Maharashtra, India



Bamni Proteins Ltd.

CIN No. : U24231KL1997PLC011971

CONTENTS.....

Board of Directors, etc.....	1
Directors' Report.....	2
Auditor's Report.....	13
Balance Sheet.....	16
Statement of Profit and Loss	17
Cash Flow Statement	18
Notes on Accounts.....	20

HOLDING COMPANY

NITTA GELATIN INDIA LTD. : P.B.No. 4262, 54/1446, Panampilly Nagar P.O., Kochi - 682 036

DIRECTORS' REPORT

**To,
The Shareholders,**

Your Directors present the 18th Annual Report and Audited Financial Statements of the Company for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS.

	Rs. In Lakhs	
	2014-15	2013-14
Profit /(Loss) before depreciation	50.15	181.21
Less: Depreciation	100.01	73.33
Profit/(Loss) before Tax	(49.86)	107.88
Income Tax Current Year	5.00	41.00
Less: MAT Credit Entitlement	0.00	(5.51)
Net Profit/ (Loss) carried to Balance Sheet.	(54.86)	72.39

REVIEW OF OPERATIONS

The Company continued to manufacture Ossein and Di-Calcium Phosphate on job work basis for Nitta Gelatin India Limited. (NGIL), the holding company and processed 10242 MT of CB as against 10526 MT during last year. Profit/(Loss) before tax for the current year was Rs. (49.86) Lakhs as against Rs. 107.88 Lakhs in the previous year. The main reason for decrease in Profit is the claim on account of Ossein rejection (Rs 173.45 Lakhs) and increase in cost of power & fuel (Rs.62.47 Lakhs). During the year 2014-15 NGI has rejected 60.68 MT of Ossein exported from Bamni plant on account of quality deterioration due to excessive moisture. The value of such Ossein rejected plus other incidental expenses claimed by NGI works out to Rs. 173.45 Lakhs. The root cause analysis for such quality complaints was traced down to failure of QC and maintenance departments besides general management failure. Necessary corrective and preventive measures such as to make the shift engineers more responsible, put in place preventive maintenance schedule, improving QC sampling etc have already been implemented to avoid such lapses in future. CB processing charge has been increased on an average from Rs 11,715/MT of CB processed to Rs 13,355/ MT of CB processed.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in form MGT 9 is annexed herewith as “**Annexure I**”.

DIRECTORS

1. On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. M.A. Xavier as the Managing Director of the Company with effect from 01.04.2015 in place of Mr. C. Srikumar, whose tenure ended on 31.03.2015.
Your Directors place on record its sincere appreciation for the significant contribution made by Mr. C. Srikumar as Managing Director. The Board has also welcomed the new Managing Director.
2. Under the provisions of the Articles of Association of the Company and as per the provisions of Section 152(6) of the Companies Act, 2013, 1/3rd of the total number of Directors who are liable to retire by rotation, are to retire at each Annual General Meeting. Accordingly, Mr. K. Muraleedharan Nair, Director, retires at the 18th Annual General Meeting, and is eligible for reappointment.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with Section 178 of the Companies Act, 2013, the existing “Remuneration Committee” is now called as the “Nomination and Remuneration Committee”. The committee consists of four Directors namely 1) Mr. Sajiv K Menon. 2) Mr. T. Yamaki. 3) Mr. K. Muraleedharan Nair and 4) Mr. M.A. Xavier, Managing Director. The terms of reference of the Committee inter alia, include the following:

- a) Succession planning of the Board of Directors and Senior Management Employees;
- b) Identifying and selection of candidates for appointment as Directors based on certain laid down criteria;
- c) Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- d) Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration, review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

MEETINGS OF BOARD OF DIRECTORS

During the year five Board Meetings and one Nomination and Remuneration Committee were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Details of Related Party Transactions from 01.04.2014 to 31.03.2015 are furnished as Annexure II in Form AOC-2

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Nil

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information as required under Section 134 of the Companies Act, 2013 read with Rule 8 (3) (A) of the Companies (Accounts) Rules, 2014 is annexed.

PARTICULARS OF EMPLOYEES

None of the employees of the Company are in receipt of remuneration in excess of limits specified under Sub clause 2, Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year.

DIRECTORS RESPONSIBILITY STATEMENT

As per the provisions of Section 134(5) of the Companies Act, 2013 your Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis; and
- e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

At the Annual General Meeting held on 08.07.2014, M/s. Varma & Varma, Chartered Accountants, Ernakulum were appointed by the shareholders to hold office for a term of five years till conclusion of the Annual General Meeting relating to the FY 2018-19, subject to ratification by the shareholders hereafter at every Annual General Meeting. Accordingly, a resolution is being proposed for ratification of their appointment by the shareholders at the forthcoming Annual General Meeting.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Government of Maharashtra, Nitta Gelatin India Limited, the holding Company, Nitta Gelatin

Inc., Japan, Kerala State Industrial Development Corporation Ltd. and the Company's Bankers for their co-operation and support. They also wish to acknowledge the valuable contribution of the employees of the Company at all levels.

For and on behalf of the Board,

Kochi
29-04-2015

Sajiv K. Menon
Chairman

**ANNEXURE TO THE DIRECTOR'S REPORT
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION
AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies
(Accounts) Rules, 2014]**

A Conservation of Energy

1. Energy Conservation Measures Taken: 2014-15

a) For water pumping 25HP motor is being used. A new 10 HP Water supply pump installed and during Ossein neutralization only 10Hp is used due to reduced water consumption. 15 HP saved for 7hrs of neutralization.

b) Installation of 30 KVA DG set for lighting:-

Usually during short power failures of 10 - 15 minutes in night shift , 500 KVA DG set was used to run, requiring 30 Ltr of diesel per Hr. On installing 30KVA DG set only 15litres per is required. 15*4hrs *Rs 58=3480 /month

c) Installed VFD at ETP Vacuum drum to reduce power.

d) Drying fan no. 4 old motor 20 Hp carrying 25 Amps replaced by new Energy efficient 20 Hp motor carrying 18 Amps.

e) Power factor being maintained above 0.99 and availing energy incentive from State Electricity Board.

2. Proposal for energy saving during the Year 2015 -16

a) Re -scheduling of production cycle time: - minimize total unit consumption during peak hours and maximize in the other slots .

Useful to get MSEB side incentive as per norms of slot wise unit consumption.

b) Glass condenser for HCL acid cooling expect min 2 OC reduction in acid temperature and proportionate saving in chiller capacity and power.

c) HTF (Hot air Generator) interconnection (DCP and CaCl₂ interconnection)

During the maintenance of Hot Air Generator (HTF) Diesel is being used to operate the standby for running DCP. HTF complete maintenance needs min 35 hrs . On interconnection with cacl₂ Hot air Generator which runs on wood dust, diesel can be saved. Expected saving is Rs. 35000/- per month

B (a) Technology Absorption

The technology for Ossein, Limed Ossein and Dicalcium Phosphate is being updated to be in line with Nitta Gelatin India Standards and efforts are being put in continuously towards technology upgradation.

(b) Expenditure on R&D

NIL

(C) Foreign Exchange Earnings and Outgo

NIL

FORM 'A'
FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT
TO CONSERVATION OF ENERGY

	Current year 2014-2015	Previous year 2013-2014
A. Power & Fuel Consumption		
1 Electricity		
(a) Purchased		
Units (KWH in Lacs)	41.05	40.50
Total Amount (Rs. in lacs)	294.84	280.65
Rate/Unit (Rs.)	7.18	6.93
(b) Own generation		
Through Diesel Generator Units (KWH in lacs)	1.38	0.50
Unit per litre of diesel oil	3.69	2.00
Cost per unit (Rs.)	15.65	28.37
2 Firewood		
Quantity (MT)	2,848.00	2,316.77
Total cost (Rs. in lacs)	101.93	79.91
Average Rate (Rs./MT)	3,579	3,449
3 Bamboo/ Wood Dust		
Quantity (MT)	2,199.00	1,896.30
Total Cost (Rs. In lacs)	76.51	59.67
Average Rate (Rs./ MT)	3,479	3,146
4 Furnace Oil		
Quantity (KL)	1.36	-
Total Cost (Rs. In lacs)	0.44	-
Average rate (Rs./ KL)	32,305	-
B Consumption per unit of production:		
Product - Ossein		
1 Electricity (KWH/MT)	1,750.35	1,675.95
2 Coal / Fire Wood (MT/MT)	1.21	0.96
Product- Di - Calcium Phosphate		
1 Furnace Oil/Diesel (KL/MT)	0.059	0.059
2 Bamboo Dust (MT/MT)	0.450	0.360

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	U24231KL1997PLC011971
(ii)	Registration Date	18.12.1997
(iii)	Name of the Company	Bamni Proteins Limited
(iv)	Category/Sub Category of the Company	Public Company Limited by shares
(v)	Address of the Registered office and contact details	50/1002, SBT Avenue, Panampilly Nagar, Ernakulam, Kochi-682 036 0484 2317805, 3099444
(vi)	Whether listed company Yes/No	No
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service*	% to total turnover of the company
1	Manufacturing Ossein	20119	68%
2	Manufacturing Di Calcium Phosphate (DCP)	20295	32%

* As per National Industrial Classification Code, 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nitta Gelatin India Limited	L24299KL1975PLC002691	HOLDING	82.35%	Section 2(46)

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	35,00,000	35,00,000	82.35	Nil	35,00,000	35,00,000	82.35	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)	Nil	35,00,000	35,00,000	82.35	Nil	35,00,000	35,00,000	82.35	Nil
(2) Foreign									
a) NRI(s) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corporate	Nil	7,50,000	7,50,000	17.65	Nil	7,50,000	7,50,000	17.65	Nil
d) Banks/FI's	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	Nil	7,50,000	7,50,000	17.65	Nil	7,50,000	7,50,000	17.65	Nil
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	Nil	42,50,000	42,50,000	100	Nil	42,50,000	42,50,000	100	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.	-	-	-	--	-	-	-	-	-
i) Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non Resident Indians	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	42,50,000	42,50,000	100	Nil	42,50,000	42,50,000	100	Nil

(ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2014)			Share holding at the end of the year (31st March, 2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Nitta Gelatin India Limited	35,00,000	82.35	Nil	35,00,000	82.35	Nil	Nil
2	Nitta Gelatin Inc.	7,50,000	17.65	Nil	7,50,000	17.65	Nil	Nil

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

SN		Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Nitta Gelatin India Limited				
a)	At the beginning of the year	35,00,000	82.35		
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE		35,00,000	82.35
c)	At the end of the year			35,00,000	82.35
2.	Nitta Gelatin Inc.				
a)	At the beginning of the year	7,50,000	17.65		
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE		7,50,000	17.65
c)	At the end of the year			7,50,000	17.65

(iv) Shareholding Pattern of top ten Shareholders: Not Applicable (other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Not Applicable			
	At the end of the year				



(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sajiv K Menon				
a)	At the beginning of the year	1	0%	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	1	0%
c)	At the end of the year	-	-	1	0%
2	Krishna Panicker Muraleedharan Nair				
a)	At the beginning of the year	1	0%	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	1	0%
c)	At the end of the year	-	-	1	0%
3	Takeo Yamaki				
a)	At the beginning of the year	-	-	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-
4	Yasuo Morioka				
a)	At the beginning of the year	-	-	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-
5	Chundiriyil Srikumar				
a)	At the beginning of the year	-	-	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-
6	Mattathil Antony Xavier				
a)	At the beginning of the year	-	-	-	-
b)	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	-	-	-
c)	At the end of the year	-	-	-	-

(V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment: NIL
(In Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil

* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director:

(In Rs.)

SN.	Particulars of Remuneration	Name of MD- Shri C. Srikumar	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,09,825	12,09,825
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify..	-	-
5	Others, please specify	-	-
	Total (A)	12,09,825	12,09,825
	Ceiling as per the Act	42,00,000	42,00,000

B. Remuneration to other directors : Nil

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Nil				
	Fee for attending board committee meetings	-				
	Commission	-				
	Others, please specify	-				
	Total (1)	-				
2	Other Non-Executive Directors	Sajiv K. Menon	Krishna Panicker Muraleedharan Nair	Takeo Yamaki	Yasuo Morioka	Mattathil Antony Xavier
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil

Total Managerial Remuneration	12,09,825				
Overall Ceiling as per the Act	42,00,000				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

NOT APPLICABLE

SN	Particulars of Remuneration	CS	CFO	Total
1	Gross salary	Not Applicable		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	others, specify...			
5	Others, please specify			
	Total			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NO PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		None			
Punishment		None			
Compounding		None			
B. DIRECTORS					
Penalty		None			
Punishment		None			
Compounding		None			
C. OTHER OFFICERS IN DEFAULT					
Penalty		None			
Punishment		None			
Compounding		None			

For and on behalf of the Board of Directors

Kochi
29.04.2015

Sajiv K. Menon
Chairman

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

- a) Name(s) of the related party and nature of relationship : Nil
- b) Nature of contracts/arrangements/transactions: Nil
- c) Duration of the contracts / arrangements/transactions : Nil
- d) Salient terms of the contracts or arrangements or transactions including the value, if any : Nil
- e) Justification for entering into such contracts or arrangements or transactions : Nil
- f) Date(s) of approval by the Board
- g) Amount paid as advances, if any: Nil
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

- a) Name(s) of the related party and nature of relationship : Nitta Gelatin India Ltd
- b) Nature of contracts/arrangements/transactions : Processing of raw materials on job work basis
- c) Duration of the contracts / arrangements/transactions : 01.04.2014 to 31.03.2015
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (i) Processing charges -136,785,987/- (Cost + 10% or Market Price whichever is lower)
 - (ii) Trade receivables-9,842,562/-
 - (iii) Claim on Ossein rejected for quality reason - Rs. 17,345,863/-
- e) Date(s) of approval by the Board, if any : 29.04.2015
- f) Amount paid as advances, if any: NIL
- g) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : Not Applicable

For and on behalf of the Board,

Kochi
29.04.2015

Sajiv K. Menon
Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of Bamni Proteins Limited,
Kochi

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- For VARMA AND VARMA
(FRN : 004532S)
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Membership No. 203094
- Place: Kochi-19
Date: 29.04.2015

ANNEXURE REFERRED TO IN PARAGRAPH I UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF BAMNI PROTEINS LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

1. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) We are informed that most of the fixed assets of the company have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the company and the nature of its assets and that no material discrepancies have been noticed on such verification.
2. (a) We are informed that the physical verification of inventory has been conducted by the management at reasonable intervals, having regard to the size of the company and the nature of its business.
(b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management are generally reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us and the records of the company examined by us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties requiring to be entered in the register in terms of Section 189 of the Companies Act, 2013. Accordingly, the reporting requirements under clauses (iii) (a) and (iii) (b) of the paragraph 3 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and for sale of



services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.

5. The Company has not accepted any deposits from the public during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant reporting requirements of the Companies Act, 2013 and the rules framed thereunder are not applicable.
6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for the company at this stage.
7. (a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable to the Company with the appropriate authorities during the year.

There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they become payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there were no disputed amounts of taxes and duties outstanding to be deposited with appropriate authorities as at March 31, 2015.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no amounts required to be transferred to Investor Education and Protection Fund and hence the reporting requirements under clauses

(vii) (c) of the paragraph 3 of the Order are not applicable.

8. The accumulated losses of the company are less than fifty percent of its net worth and the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
9. According to the information and explanations given to us and the records of the Company examined by us, during the year the Company has not taken loans from financial institutions or banks and has not issued debentures and hence reporting requirements under clause (ix) of the paragraph 3 of the Order is not applicable to the company.
10. According to the information and explanations given to us and the records of the company examined by us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
11. According to the information and explanations given to us and the records of the Company examined by us, the Company has not availed any term loans and hence reporting requirements under clause (xi) of the paragraph 3 of the Order are not applicable.
12. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the company, noticed or reported during the year, nor have been informed of such case by the Management.

For VARMA AND VARMA
(FRN : 004532S)

(VIJAY NARAYAN GOVIND)
Partner

Place: Kochi-19
Date: 29.04.2015

CHARTERED ACCOUNTANTS
Membership No. 203094

BAMNI PROTEINS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a. Share capital	2.01	42,500,000	42,500,000
b. Reserves and surplus	2.02	(6,129,920)	1,133,438
2 Non - current liabilities			
a. Long-term provisions	2.03	17,568,595	16,115,322
3 Current Liabilities			
a. Trade payables	2.04	10,452,047	9,110,107
b. Other current liabilities	2.05	583,518	558,655
c. Short term provisions	2.06	1,589,149	1,324,709
Total		66,563,389	70,742,231
II. ASSETS			
1 Non-current assets			
a. Fixed assets			
i. Tangible assets	2.07	39,645,350	47,941,194
ii. Capital work-in-progress		130,331	250,594
b. Long-term loans and advances	2.08	7,207,800	3,768,666
c. Other Non current assets	2.09	300,000	-
2 Current assets			
a. Inventories	2.10	7,299,497	5,065,228
b. Trade Receivables	2.11	9,842,562	11,718,800
c. Cash and cash equivalents	2.12	1,377,412	1,075,160
d. Short-term loans and advances	2.13	519,450	685,580
e. Other current assets	2.14	240,987	237,009
Total		66,563,389	70,742,231

Significant Accounting Policies and Notes on Accounts 1 & 2

As per our report of even date attached

For and on behalf of the Board of Directors

For VARMA AND VARMA
(FRN: 004532S)

SAJIV K. MENON
Chairman
DIN : 00168228

T. YAMAKI
Director
DIN : 02669053

(VIJAY NARAYAN GOVIND)
Partner

M. A. XAVIER
Managing Director
DIN : 07117456

Y. MORIOKA
Director
DIN : 06641198

CHARTERED ACCOUNTANTS
Membership No. 203094

K. MURALEEDHARAN NAIR
Director
DIN : 02421663

Place: Kochi
Date: 29-04-2015

BAMNI PROTEINS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	For the year ended 31.03.2015 Rupees	For the year ended 31.03.2014 Rupees
INCOME			
I. Revenue from operations	2.15	136,871,651	123,541,279
II. Other Income	2.16	443,141	405,581
III. Total Revenue		137,314,792	123,946,860
EXPENSES			
a. Employee benefits expenses	2.17	40,330,136	37,413,727
b. Depreciation and amortisation expenses	2.07	10,001,772	7,332,622
c. Other expenses	2.18	74,622,585	68,412,562
IV. Total Expenses		124,954,493	113,158,911
V. Profit/(Loss) before exceptional item and tax (III-IV)		12,360,299	10,787,949
VI. Exceptional Item	2.19	17,345,863	-
VII. Profit/ (Loss) before tax (V-VI)		(4,985,564)	10,787,949
VIII. Tax expense:			
a. Current Taxes		500,000	4,100,000
Less: MAT Credit Entitlement		-	(550,939)
IX. Profit/ (Loss) for the period (VII-VIII)		(5,485,564)	7,238,888
X. Earnings per equity share:			
Nominal value of share Rs. 10/- (Rs. 10/-)			
- Basic/ Diluted	2.20	(1.29)	1.70
Significant Accounting Policies and Notes on Accounts	1 & 2		

As per our report of even date attached

 For VARMA AND VARMA
(FRN: 004532S)

 (VIJAY NARAYAN GOVIND)
Partner

 CHARTERED ACCOUNTANTS
Membership No. 203094

 Place: Kochi
Date: 29-04-2015

For and on behalf of the Board of Directors

 SAJIV K. MENON
Chairman
DIN : 00168228

 T. YAMAKI
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 M. A. XAVIER
Managing Director
DIN : 07117456

 Y. MORIOKA
Director
DIN : 06641198

 K. MURALEEDHARAN NAIR
Director
DIN : 02421663

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	For the year ended 31.03.2015 Rupees	For the year ended 31.03.2014 Rupees
A. Cash Flows from Operating Activities		
Net Profit/(Loss) before Tax & Extraordinary Items	(4,985,564)	10,787,949
Adjustments for:		
Depreciation	10,001,772	7,332,622
(Profit) / Loss on sale of assets	-	24,093
Interest income	(323,141)	(357,914)
	9,678,631	6,998,801
Operating Profit / (Loss) before Working Capital Changes	4,693,067	17,786,750
Adjustments for working capital changes:		
(Increase)/Decrease in Trade and Other Receivables	1,581,768	(11,936,211)
(Increase)/Decrease in Inventories	(2,234,269)	(411,184)
Increase/(Decrease) in Trade Payables and other Current liabilities	3,072,253	(785,730)
	2,419,752	(13,133,125)
Cash generated from Operations	7,112,819	4,653,625
Direct Taxes paid	(4,006,034)	(1,779,363)
Cash Flow Before Extraordinary Items	3,106,785	2,874,262
Extraordinary Items	-	-
Net Cash from/(used) in Operating Activities	3,106,785	2,874,262
B Cash Flows from Investing Activities		
Purchase of Fixed Assets	(3,123,696)	(2,886,228)
Sale of Fixed Assets	-	7,140
Interest Received	319,163	309,001
Net Cash from/(used) in Investing Activities	(2,804,533)	(2,570,087)
C Cash Flows from Financing Activities		
Repayment of Long Term Borrowings	-	-
Interest paid	-	-
Net Cash from/(used) in Financing Activities	-	-
Summary		
Net Cash from/(used) in Operating Activities	3,106,785	2,874,262
Net Cash from/(used) in Investing Activities	(2,804,533)	(2,570,087)
Net Cash from/(used) in Financing Activities	-	-
Net Increase (Decrease) in Cash Equivalents	302,252	304,175



Particulars	For the year ended 31.03.2015 Rupees	For the year ended 31.03.2014 Rupees
Cash and Cash Equivalents at beginning of the year	1,075,160	770,985
Cash and Cash Equivalents at the end of the year	1,377,412	1,075,160
	302,252	304,175

Note: Cash and cash equivalents at the end of the year includes Rs. 5,89,324 (Rs.7,96,143) under lien, which is not available for the immediate use as on the Balance Sheet date.

As per our report of even date attached

For VARMA AND VARMA
(FRN: 004532S)

(VIJAY NARAYAN GOVIND)
Partner

CHARTERED ACCOUNTANTS
Membership No. 203094

Place: Kochi
Date: 29-04-2015

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

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Managing Director
DIN : 07117456

Y. MORIOKA
Director
DIN : 06641198

K. MURALEEDHARAN NAIR
Director
DIN : 02421663

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

1 Significant Accounting Policies

a Basis of Accounting

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

c Revenue Recognition

Income from job charges is recognised on completed service method

d Fixed Assets

Fixed assets are stated at the cost of acquisition, which includes taxes, duties, freight and other incidental expenses incurred for bringing the assets to the working condition required for their intended use, less depreciation and impairment in value if any, is adjusted.

e Depreciation

i Depreciation on Plant and Machinery (other than Service Equipments) is provided on Straight Line Method. The useful lives adopted are as prescribed under Schedule II of the Companies Act, 2013, except in respect of the following items, which are depreciated at lower useful lives on the basis of technical evaluation:-

- a) Plant and Machinery - 8.40 years
- b) Effluent Treatment Plant - 5 years

ii Depreciation on Service Equipments and other fixed assets is provided on Written Down Value basis on the useful lives prescribed in Schedule II of the Companies Act, 2013.

f Inventories

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The net realizable value of bought out inventories is taken at their current replacement value.

g Employee Benefits :

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

b) Defined Contribution Plans

The company has defined contribution plan for employees, i.e. for Provident Fund. The contributions paid/payable to this plan during the year are charged to the Statement of Profit and Loss for the year.

c) Defined Benefit Plans: Gratuity

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any is recognized in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

d) Long Term Employee Benefits: Compensated absences

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

h) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognised as expenditure for the period in which they are incurred.

i) Income Tax

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets / liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

j) Earnings per share

Basic/diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/diluted potential equity shares outstanding as at the end of the year, as the case may be.

k) Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount

l) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value

and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognised nor disclosed in the accounts.

2 Notes on accounts for the financial year ended 31st March, 2015

2.01 Share Capital

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Authorised:		
4,250,000(4,250,000) Equity Shares of Rs.10/- each	42,500,000	42,500,000
Issued and Subscribed and fully paid:		
4,250,000 (4,250,000) Equity Shares of Rs.10/- each	42,500,000	42,500,000
	42,500,000	42,500,000

Reconciliation of shares at the beginning and at the end of the financial year

Particulars	As at 31.03.2015		As at 31.03.2014	
	Number	Rupees	Number	Rupees
No. of shares as at the beginning of the financial year	4,250,000	42,500,000	4,250,000	42,500,000
No. of shares as at the end of the financial year	4,250,000	42,500,000	4,250,000	42,500,000

Particulars of Shareholders holding more than 5% share in the Company

Particulars	As at 31.03.2015		As at 31.03.2014	
	%	No. of shares	%	No. of shares
Nitta Gelatin India Ltd (Holding company)	82.35	3,500,000	82.35	3,500,000
Nitta Gelatin Inc, Japan	17.65	750,000	17.65	750,000

Particulars of Shares held by holding company

Out of the equity shares issued by the company, shares held by its holding company are as below:

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Nitta Gelatin India Ltd		
3,500,000 (3,500,000) equity shares of Rs.10/- each	35,000,000	35,000,000

Terms/ Rights attached to Equity Shares

The company has only one class of shares referred to as equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share.

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

**2.02 Reserves and Surplus**

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Surplus /(Deficit) in Statement of Profit and Loss		
Opening Balance	1,133,438	(6,105,450)
Adjustments for assets having no remaining useful life (See Note No. 2.07.01)	(1,777,794)	-
Net Profit/(Loss) after tax as per Statement of Profit and Loss	(5,485,564)	7,238,888
Closing Balance	(6,129,920)	1,133,438
	(6,129,920)	1,133,438

2.03 Long-term Provisions

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Provision for Employee benefits (see Note 2.03.01)	17,568,595	16,115,322
	17,568,595	16,115,322

2.03.01 Disclosures required under Accounting Standard 15 - "Employee Benefits"

1. Defined Contribution Plan

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	Current Year Rupees	Previous year Rupees
Employers contribution to Provident Fund	2,795,634	2,707,550

2. Defined Benefit Plan

Gratuity - Unfunded Obligation

Actuarial Assumptions	Current Year	Previous Year
i Discount Rate (per annum)	7.8%	9.1%
Salary escalation rate*	4.0%	4.0%
Attrition rate	1.0%	1.0%

* The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

	Amount (Rupees)	Amount (Rupees)
ii Reconciliation of present value of obligations		
Present value of obligation at beginning of the year	14,431,591	14,468,687
Current Service Cost	625,888	584,104
Past Service Cost	-	-
Interest Cost	1,204,187	1,105,768
Actuarial (gain)/loss	1,528,999	(433,796)
Benefits Paid	(2,313,585)	(1,293,172)
Present value of obligation at the end of the year	15,477,080	14,431,591

iii	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2014-15	2013-14	2012-13	2011-12	2010-11
	Present value of obligations at the end of the year	15,477,080	14,431,591	14,468,687	13,284,372	12,518,865
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	15,477,080	14,431,591	14,468,687	13,284,372	12,518,865

iv	Expenses recognised in the Statement of Profit and Loss	Amount (Rupees)	Amount (Rupees)
	Current Service Cost	625,888	584,104
	Interest Cost	1,204,187	1,105,768
	Actuarial (gain) / loss recognised in the period	1,528,999	(433,796)
	Past Service Cost	-	-
	Total expenses recognised in the Statement of Profit and Loss for the year	3,359,074	1,256,076

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

3. Long Term Employee Benefits

Compensated absences (Vesting and Non Vesting): Unfunded Obligation

i	Actuarial Assumptions	Current Year	Previous Year
	Discount Rate (per annum)	7.8%	9.1%
	Salary escalation rate*	4.0%	4.0%
	Attrition rate	1.0%	1.0%

* The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii	Reconciliation of present value of obligations	Amount (Rupees)	Amount (Rupees)
	Present value of obligation at beginning of the year	3,008,440	2,761,987
	Current Service Cost	202,892	198,802
	Interest Cost	232,396	204,481
	Actuarial (gain)/loss	968,413	255,109
	Benefits Paid	(731,477)	(411,939)
	Present value of obligation at the end of the year	3,680,664	3,008,440



iii	Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2014-15	2013-14	2012-13	2011-12	2010-11
	Present value of obligations at the end of the year	3,680,664	3,008,440	2,761,987	2,451,484	3,068,350
	Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	3,680,664	3,008,440	2,761,987	2,451,484	3,068,350
iv	Expenses recognised in the Statement of Profit and Loss			Amount (Rupees)	Amount (Rupees)	
	Current Service Cost			202,892	198,802	
	Interest Cost			232,396	204,481	
	Expected return on plan assets					
	Actuarial (gain) / loss recognised in the period			968,413	255,109	
	Past Service Cost					
	Total expenses recognised in the Statement of Profit and Loss for the year			1,403,701	658,392	

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

2.04 Trade Payables

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Trade Payables	10,452,047	9,110,107
	10,452,047	9,110,107

2.04.01 The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Based on available information, there are no balances outstanding as payable to such suppliers at the year end. In the opinion of the management there are no amounts paid / payable towards interest under the said statute.

2.05 Other Current Liabilities

Particulars	As at 31.03.2014 Rupees	As at 31.03.2014 Rupees
Statutory Dues	571,255	558,655
Creditors for capital goods	12,263	-
Total	583,518	558,655

2.06 Short-term Provisions

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Provision for employee benefits [See Note 2.03.01]	1,589,149	1,324,709
	1,589,149	1,324,709

Note 2.07 - FIXED ASSETS & CAPITAL WORK IN PROGRESS

Amount in Rs.

Particulars	Gross Block (At cost)			Depreciation			Net Block			
	As at 01.04.2014	Additions	Disposals/ Adjustments	As at 31.03.2015	As at 01.04.2014	For the year	Transition adjustment (See Note No. 2.07.02 Below)	Disposals/ Adjustments	As at 31.03.2015	As at 31.03.2014
Land	2,925,981 (2,925,981)	-	-	2,925,981 (2,925,981)	-	-	-	-	2,925,981 (2,925,981)	2,925,981 (2,925,981)
Building	39,027,795 (38,421,424)	983,123 (606,371)	-	40,010,918 (39,027,795)	19,561,885 (18,075,904)	4,681,219 (1,485,981)	1,573,327	-	25,816,431 (19,561,885)	19,465,910 (20,345,520)
Plant and Equipment	84,318,777 (82,179,814)	2,339,961 (2,138,963)	-	86,658,738 (84,318,777)	59,951,159 (54,462,888)	4,791,487 (5,488,271)	31,128	-	21,884,964 (24,367,618)	24,367,618 (27,716,926)
Office Equipments	3,143,018 (3,055,578)	153,746 (132,440)	(45,000)	3,296,764 (3,143,018)	2,439,051 (2,242,035)	365,348 (210,783)	172,505	-	319,860 (703,967)	703,967 (813,543)
Vehicles	1,045,078 (1,045,078)	-	-	1,045,078 (1,045,078)	717,759 (603,411)	117,874 (114,348)	-	-	209,445 (327,319)	327,319 (441,667)
Furniture and Fixtures	887,213 (887,213)	6,892	-	894,105 (887,213)	736,814 (703,575)	45,844 (33,239)	834	-	110,613 (150,399)	150,399 (183,638)
Total	131,347,862 (128,515,088)	3,483,722 (2,877,774)	- (45,000)	134,831,584 (131,347,862)	83,406,668 (76,087,813)	10,001,772 (7,332,622)	1,777,794 -	- (13,767)	39,645,350 (47,941,194)	47,941,194 (52,427,275)
Previous year	250,594	130,331	250,594	130,331					130,331	250,594
Capital Work in progress	-	(250,594)	-	(250,594)					(250,594)	-

2.07.01 Consequent to Schedule II of the Companies Act, 2013 becoming applicable with effect from 01.04.2014, depreciation for the year has been provided on the basis of useful lives prescribed in the aforesaid Schedule II, except relating to Plant and Machinery (except for service equipment), for which useful life has been adopted on the basis of technical evaluation in an earlier year, and being consistently followed. This has an impact of increasing depreciation for the year by an amount of Rs 34,08,168/-

2.07.02 Transitional adjustments represents Rs 17,77,794/-, which has been adjusted against the opening balance of Retained Earnings for the assets which have no remaining useful life as per Schedule II.

**2.08 Long Term Loans and Advances**

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
(Unsecured, Considered Good)		
Capital Advance	-	227,500
Income Tax (Net)	4,417,554	911,520
Security Deposits	2,790,246	2,629,646
	7,207,800	3,768,666

2.09 Other Non Current Assets

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Balance with Banks in Deposit Account (held under lien towards Bank Guarantee) (Refer 2.09.01)	300,000	-
	300,000	-

2.09.01 Balance with banks in Deposit Accounts represent Rs. 3,00,000 (Rs. Nil) held as security against Bank Guarantee.

2.10 Inventories

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Stores & Spares	7,125,607	4,921,846
Loose Tools	173,890	143,382
	7,299,497	5,065,228

2.10.01 Method of valuation of inventories - Refer 1(f) of Significant Accounting Policies

2.11 Trade Receivables

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Outstanding for a period exceeding 6 months from the date they are due for payment		
Unsecured, Considered doubtful	207,460	207,460
	207,460	207,460
Less : Provision for doubtful debts	207,460	207,460
	-	-
Others (Unsecured, Considered Good)		
- Due from Nitta Gelatin India Ltd (Holding company)	9,842,562	11,718,800
	9,842,562	11,718,800

2.12 Cash and Cash Equivalents

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Balance with Banks		
in current accounts	668,243	69,057
in deposit accounts	589,324	796,143
Cash on hand	119,845	209,960
	1,377,412	1,075,160

2.12.01 Balance with Banks in deposit account includes Rs 5,89,324 (Rs 7,96,143) with a maturity period of less than 12 months, held as security against guarantee.

2.13 Short Term Loans and Advances

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
(Unsecured, Considered Good)		
Advances recoverable in cash or in kind or for value to be received	519,450	685,580
	519,450	685,580

2.14 Other Current Assets

Particulars	As at 31.03.2015 Rupees	As at 31.03.2014 Rupees
Interest receivable	240,987	237,009
	240,987	237,009

2.15 Revenue From Operations

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Sale of services		
Income from Job charges	136,785,987	123,507,691
Other Operating Revenues		
Provision / sundry balances written back	85,664	33,588
	136,871,651	123,541,279

2.16 Other Income

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest Income	323,141	357,914
Rent	120,000	47,667
	443,141	405,581

2.17 Employee Benefits Expense

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Salaries & Wages	36,685,496	33,905,988
Contributions to provident and other funds	2,805,678	2,718,224
Workmen and Staff Welfare Expenses	838,962	789,515
	40,330,136	37,413,727

**2.18 Other Expenses**

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Consumption of Stores, Spares & Consumables	6,071,258	5,933,393
Power, Fuel, Water & Gas	51,051,665	44,804,596
Repairs		
- Buildings	467,830	782,033
- Plant & Machinery	3,069,288	3,053,348
- Others	824,987	950,848
Loading, Transportation and Other charges on products	2,502,838	2,418,710
Insurance	220,206	269,832
Rent	24,000	21,000
Rates & Taxes	970,605	923,848
Postage & Telephone	537,547	525,434
Printing & Stationery	220,720	230,166
Travelling & Conveyance	3,309,421	3,591,514
Auditor's Remuneration [See Note 2.18.01]	249,012	243,394
Advertisement & Publicity	31,800	31,300
Professional & Consultancy charges	842,308	526,254
Bank Charges	21,204	29,591
Security service charges	2,195,882	2,099,755
Miscellaneous Expenses	2,012,014	1,953,453
Loss on discarded / sold assets	-	24,093
	74,622,585	68,412,562

2.18.01 Provision and/or payments in respect of Auditor's Remuneration

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
a. Statutory Audit Fees	175,000	175,000
b. Taxation Matters	46,620	41,620
c. Service Tax on above	27,392	26,774
	249,012	243,394

2.19 Exceptional Item

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Claim towards goods rejected for quality issue	17,345,863	-
	17,345,863	-

2.19.01 The amount represents claims raised by the Holding Company M/s Nitta Gelatin India Limited towards value of goods rejected due to quality issue during the processing activity.

2.20 Earnings per equity share

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Profit/(Loss) for the year	(5,485,564)	7,238,888
Weighted average number of equity shares of Rs 10/- each fully paid up	4,250,000	4,250,000
Earnings per Share (Basic & Diluted)	(1.29)	1.70

2.21 Contingent liabilities

The details of Provisions and Contingent Liabilities are as under (Disclosed in terms of Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets) as notified by Companies (Accounting Standards) Rules, 2006.

2.21.01 Contingent Liabilities not provided for:

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Bank Guarantee	900,000	900,000
	900,000	900,000

2.22 Estimated amount of contracts remaining to be executed on capital account- Rs.Nil(Rs 13,00,000)

2.23 In view of the performance of the company as a cash generating unit during the year before exceptional item and also in view of the future potential of the business/ industry, the management is of the opinion that there is no impairment of the assets of the company within the meaning of Accounting Standard - 28 on Impairment of Assets, as notified under Companies (Accounting Standards) Rules, 2006.

2.24 In terms of the Accounting Standard on Accounting for Taxes on Income (AS 22) deferred tax asset (net) has not been recognised in the accounts, as a matter of prudence, in the absence of virtual / reasonable certainty of future taxable profits.

2.25 The Company is engaged in the business of manufacture / job conversion of Ossein and hence constitute a single business segment .

2.26 Disclosure of transactions with Related Parties as required by Accounting Standard - 18 on Related Party Disclosures as prescribed by Companies (Accounting Standards) Rules, 2006.

A Related parties and nature of relationship

i Nitta Gelatin India Limited - Holding Company

ii Key Management Personnel

C. Srikumar

Managing Director
(upto 31.03.2015)



B Description of Transactions

Nature of transaction	Key Management Personnel (Rs)	Holding Company (Rs)	Total (Rs)
Income from job charges	-	136,785,987	136,785,987
		(123,507,691)	(123,507,691)
Income from Rent	-	120,000	120,000
		(47,667)	(47,667)
Remuneration to Managing Director	1,328,576	-	1,328,576
	(1,295,452)	-	(1,295,452)
Claim towards goods rejected for quality issue	-	17,345,863	17,345,863
		-	-
Expenses recovered		4,680,202	4,680,202
		(7,458,605)	(7,458,605)
Reimbursement of Expenses		32,694,338	32,694,338
		(29,107,091)	(29,107,091)
Receivable:		9,842,562	9,842,562
- Nitta Gelatin India Ltd		(11,718,800)	(11,718,800)

2.27 Break-up of Consumption

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	%	Amount (Rs.)	%	Amount (Rs.)
Stores & Spares*				
Imported	-	-	-	-
Indigenous	100	6,071,258	100	5,933,393
	100	6,071,258	100	5,933,393

2.28 Figures have been rounded off to the nearest rupee. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

As per our report of even date attached

For VARMA AND VARMA
(FRN: 004532S)

(VIJAY NARAYAN GOVIND)
Partner

CHARTERED ACCOUNTANTS
Membership No. 203094

Place: Kochi
Date: 29-04-2015

For and on behalf of the Board of Directors

SAJIV K. MENON
Chairman
DIN : 00168228

T. YAMAKI
Director
DIN : 02669053

M. A. XAVIER
Managing Director
DIN : 07117456

Y. MORIOKA
Director
DIN : 06641198

K. MURALEEDHARAN NAIR
Director
DIN : 02421663

