



Reva Proteins Limited

CIN No. : U24295KL2009PLC024529

Annual Report 2014 - 15

BOARD OF DIRECTORS

Chairman	: SAJIV K. MENON
Directors	: M.R. KARMACHANDRAN
	: K. L. KUMAR
	: K. MURALEEDHARAN NAIR
	: Y. MORIOKA
	: B. SHAJI MOHAN
Managing Director	: T. P. PHILIP
Chief Financial Officer	: N. V. Asokan
Secretary	: Aby Eapen
Auditors	: Varma & Varma Ernakulam
Bankers	: State Bank of India Commercial Branch Ernakulam
	: State Bank of India Station Road, Bharuch
Registered Office	: 54/1446, Panampilly Nagar, Kochi - 682 036
Factory	: Plot No. 832, GIDC Industrial Estate Jhagadia 393 110, Dist. Bharuch, Gujarat, India

CONTENTS.....

Board of Directors, etc.....	1
Directors' Report.....	2
Auditor's Report.....	15
Balance Sheet.....	18
Statement of Profit and Loss	19
Cash Flow Statement	20
Notes on Accounts.....	22

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 have pleasure in presenting their sixth Annual report and the 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 interest and depreciation	(366.40)	462.70
Less: Interest	152.73	178.90
Profit/(Loss) before depreciation	(519.13)	283.80
Less: Depreciation	294.79	514.86
Net Profit/(Loss) carried to Balance Sheet	(813.92)	(231.06)

REVIEW OF OPERATIONS

The Company continued to manufacture Limed Ossein, Ossein, Di-Calcium Phosphate and 8% Di-Calcium Phosphate on job work basis for Nitta Gelatin India Limited (NGIL), the holding company and processed 5536.15 MT of CB as against 7833.471 MT during the previous year. The Company incurred a loss of Rs.813.92 Lakhs during the year as against a loss of Rs. 231.06 Lakhs in the previous year. The main reason for loss is the lower utilization of capacity for want of permission from the Pollution Control Authorities for discharge of treated effluent.

There has been further delay in completion of the marine pipeline for discharge of the treated effluent into the sea. In view of this, the Pollution Control Authorities have placed restrictions on the discharge of treated effluent generated from the production process on account of which the plant could be operated only at a lower level during the year under review. However, the construction of pipeline is in an advanced stage of completion and is targeted for completion by 30.08.2015 as per information provided by the Narmada Clean Tech., the agency responsible for the pipeline project.

Apart from the above, the Pollution Control Authorities have ordered shut down of the plant from 06.08.2014 to 10.09.2014. Material in process in the plant valued at Rs. 105.30 Lakhs was damaged on account of this forced shutdown.

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 the Nomination and Remuneration Committee, the Board of Directors of the Company appointed Mr. T. P. Philip as the Managing Director of the Company with effect from 01.01.2015 in place of Mr. B. Shaji Mohan, whose tenure ended on 31.12.2014. The Members of the Company had at the EGM held on 31.03.2015 also approved the said appointment and terms of remuneration of Mr T. P. Philip.

Your Directors place on record their sincere appreciation for the significant contribution made by Mr. B. Shaji Mohan as Managing Director of the Company.

2. The Board of Directors appointed Mr. K.L. Kumar as an Additional Director of the Company in the category of Independent Director with effect from 29th December, 2014. Thereafter, at the Extraordinary General Meeting (EGM) of the Company held on 31st March, 2015, the Members of the Company appointed Mr. K.L. Kumar as Independent Director under the Companies Act, 2013 for a term running up to the conclusion of the AGM in the year 2018, not liable to retire by rotation. Mr. K.L. Kumar has given declaration that he meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.
3. Mr. B. Shaji Mohan was appointed as an Additional Director of the Company with effect from 01.01.2015. The Members of the Company had at the EGM held on 31.03.2015

also approved the said appointment of Mr. B. Shaji Mohan.

4. 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. Sajiv K. Menon and Mr. K. Muraleedharan Nair, Directors, retire at the 6th Annual General Meeting and being eligible for re-appointment, offer themselves for re-appointment.

AUDIT COMMITTEE

The Company has a qualified and independent Audit Committee of the Board conforming to the requirement of Section 177 of the Companies Act, 2013. The committee consists of four non-executive directors namely Mr. Sajiv K. Menon, Mr. K. L. Kumar, Mr. M. R. Karmachandran & Mr. K. Muraleedharan Nair. The terms of reference of the Audit Committee sufficiently cover the requirements of Section 177 of the Companies Act, 2013 and include the overseeing of financial reporting process and development of financial information, ensuring the correctness of financial statements, reviewing with management, Internal and Statutory Auditors on the adequacy of Internal Control System, reviewing the Company's financial and risk management policies and reviewing the related party transactions.

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 non-executive directors namely Mr. Sajiv K. Menon, Mr. M. R. Karmachandran, Mr. Y. Morioka & Mr. K. Muraleedharan Nair.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;

- 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, two Audit Committee Meetings and one Nomination and Remuneration Committee Meeting 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 during 01.04.2014 to 31.03.2015 are furnished as **Annexure II** in Form AOC-2

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013

Loan - NIL

Guarantee - NIL

Investment - 3,54,000 Equity Shares of Rs. 10/- each in M/s. Narmada Clean Tech. (previous year - 3,54,000 equity shares of Rs. 10/- each)

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 as **Annexure III**.

PARTICULARS OF EMPLOYEES

No employee of the Company is 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 the applicable laws and that such systems were adequate and operating effectively.

AUDITORS

As per Sec.139(1) of Companies Act, 2013, M/s. Varma & Varma, the retiring auditors having completed a term of 5 years on the conclusion of forthcoming Annual General Meeting are eligible to hold office for another term of five years till conclusion of the Annual General Meeting relating to the FY 2019-20, subject to ratification by the shareholders hereafter at every Annual General Meeting. A resolution is being proposed for their appointment at the Annual General Meeting.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Government of Gujarat, 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 I

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	U24295KL2009PLC024529
(ii)	Registration Date	30.07.2009
(iii)	Name of the Company	Reva 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, 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 are 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	99.64%

* As per National Industrial Classification Code 2008

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Nitta Gelatin India Limited	L24299KL1975PLC002691	HOLDING	74.55%	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 31st March, 2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(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	14060520	14060520	74.55	Nil	14060520	14060520	74.55	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	14060520	14060520	74.55	Nil	14060520	14060520	74.55	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	4800000	4800000	25.45	Nil	4800000	4800000	25.45	Nil
d) Banks/FI	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	4800000	4800000	25.45	Nil	4800000	4800000	25.45	Nil
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	Nil	18860520	18860520	100	Nil	18860520	18860520	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) FIIs	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									
i) Individual shareholders holding nominal share capital upto Rs. 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	18860520	18860520	100	Nil	18860520	18860520	100	Nil

ii) Shareholding of Promoter-

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2014)			Share holding at the end of the year (As on 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	14060520	74.55	Nil	14060520	74.55	Nil	Nil
2	Nitta Gelatin Inc.	4800000	25.45	Nil	4800000	25.45	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	14060520	74.55		
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		14060520	74.55
c)	At the end of the year			14060520	74.55
2.	Nitta Gelatin Inc.				
a)	At the beginning of the year	4800000	25.45		
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		4800000	25.45
c)	At the end of the year			4800000	25.45

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	Ramakrishnapillai Karmachandran Mudiyl				
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	-	-		
3	Krishnapanicker 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%
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	Bhargaviamma Shajimohan				
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%
6	Philip Thundathil Philip				
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	-	-	-	-
7	Kumarapanicker Lalitha Kumar				
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
(In Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	15,62,45,832	Nil	Nil	15,62,45,832
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	15,62,45,832	Nil	Nil	15,62,45,832
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	2,50,00,000	Nil	Nil	2,50,00,000
Net Change	2,50,00,000	Nil	Nil	2,50,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	13,12,45,832	Nil	Nil	13,12,45,832
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	13,12,45,832	Nil	Nil	13,12,45,832

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director:

(In Rs.)

SN.	Particulars of Remuneration	Name of MD-Shri Philip Thundathil Philip*	Name of MD-Shri Bhargaviamma Shajimohan#	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,20,000	Nil	4,20,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	16,425	Nil	16,425
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil

Total (A)	4,36,425	Nil	4,36,425
Ceiling as per the Act	42,00,000	42,00,000	42,00,000

* For the period 01.01.2015 to 31.03.2015

For the period upto 31.12.2014

B. Remuneration to other directors

(In Rs.)

SN.	Particulars of Remuneration	Name of Directors					Total Amount
1	Independent Directors	Kumarapanicker Lalitha Kumar					
	Fee for attending board committee meetings	3,000					3,000
	Commission	Nil					Nil
	Others, please specify	Nil					Nil
	Total (1)	3,000					3,000
2	Other Non-Executive Directors	Ramakrishnapillai Karmachandran Mudiyil	Sajiv K. Menon	Krishnapanicker Muraleedharan Nair	Bhargaviamma Shajimohan	Yasuo Morioka	Nil
	Fee for attending board committee meetings	21,000	Nil	Nil	Nil	Nil	21,000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	21,000	Nil	Nil	Nil	Nil	21,000
	Total (B)=(1+2)	24,000	Nil	Nil	Nil	Nil	24,000
	Total Managerial Remuneration	4,60,425*	Nil	Nil	Nil	Nil	4,60,425
	Overall Ceiling as per the Act	42,00,000					42,00,000

* including sitting fee

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

SN	Particulars of Remuneration	CS (Aby Eapen)	CFO (Nindasthalath Venkiteswaran Asokan)	CEO * (Philip Thundathil Philip)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,96,983	5,65,614	5,04,000	14,66,597
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,109	188	4,844	6,141
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission				
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	3,98,092	5,65,802	5,08,844	14,72,738

* upto 31.12.2014

VII. 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

Annexure II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies 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 : NIL

- (a) Name(s) of the related party and nature of relationship :
- (b) Nature of contracts/arrangements/transactions :
- (c) Duration of the contracts /arrangements/transactions :
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any :
- (e) Justification for entering into such contracts or arrangements or transactions :
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (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 arrangements or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship: Nitta Gelatin India Ltd., Holding company
- (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 – Rs. 7,72,66,500/- (Cost + 10% subject to maximum of Market Price)
 - (ii) Trade advance – Rs. 3,61,11,221.09
 - (iii) Claims payable – Rs. 1,05,29,864/-
- (e) Date(s) of approval by the Board, if any :22.05.2014, 29.12.2014, 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: 8th July, 2014

For and on behalf of the Board,

Kochi
29.04.2015

Sajiv K. Menon
Chairman

ANNEXURE III

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]

I. Conservation of Energy

(a) Energy Conservation Measures Taken

1. Installed Filter Press in ETP thereby reducing the ETP RVDF running hours.

(b) Proposal for energy saving during the Year 2015 -16

1. Bio gas plant for canteen
2. Optimization of water pumping system using VFD.

II (a) Technology Absorption

The technology for Ossein, Limed Ossein and Di-Calcium 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

III. Foreign Exchange Earnings and Outgo

NIL

IV. FORM 'A'

Form for disclosure of particulars with respect to conservation of energy.

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)	28.90	33.27
Total Amount (Rs. in lacs)	196.41	214.69
Rate/Unit (Rs.)	6.80	6.45
(b) Own generation		
Through Diesel Generator Units (KWH in lacs)	-	-
Unit per litre of diesel oil	-	-
Cost per unit (Rs.)	-	-
2 Coal/Lignite		
Quantity (in MT)	1,857.340	2,528.587
Total cost (Rs. in lacs)	71.49	108.39
Average Rate (Rs./MT)	3,849	4,287
B Consumption per unit of Production:		
Product - Ossein		
1 Electricity (KWH) Per MT	2,118.28	1,871.33
2 Coal / Lignite (MT) Per MT	1.32	1.34
Product- Di - Calcium Phosphate		
1 Coal / Lignite (MT) Per MT	0.939	0.760

INDEPENDENT AUDITORS' REPORT

To the Members of Reva Proteins Limited, Kochi

Report on Financial Statements

We have audited the accompanying financial statements of Reva 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 REVA PROTEINS LIMITED FOR THE YEAR ENDED 31ST MARCH 2015

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) We are informed that major items of the fixed assets 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 discrepancies noticed on physical verification were properly dealt with in the books of account by the management.
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 services rendered. 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 as at 31.03.2015 amounting to Rs. 19,61,21,777

are less than fifty percent of its paid up capital of Rs. 18,86,05,200 and Securities Premium of Rs. 21,54,07,800 aggregating to Rs. 40,40,13,000 as at the said date. The Company has incurred cash losses in the current financial year and has not incurred cash losses in the immediately preceding financial year.

9. In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues to the financial institution or bank.
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 term loans availed by the company have been applied for the purpose for which the loans were obtained.
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
CHARTERED ACCOUNTANTS
Membership No. 203094

Place: Kochi -19
Date: 29.04.2015

REVA 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	188,605,200	188,605,200
b) Reserves and Surplus	2.02	19,286,023	100,678,471
2. Non-Current Liabilities			
a) Long Term Borrowings	2.03	106,245,832	131,250,000
b) Long Term Provisions	2.04	453,803	534,320
3. Current Liabilities			
a) Trade Payables	2.05	6,103,946	5,207,758
b) Other Current Liabilities	2.06	73,577,352	27,023,827
TOTAL		394,272,156	453,299,576
II. ASSETS			
1. Non Current Assets			
a) Fixed Assets	2.07		
i. Tangible Assets		364,806,454	390,008,667
ii. Capital Work-in-progress		3,881,775	1,551,789
b) Non Current Investments	2.08	3,540,000	3,540,000
c) Long Term Loans and Advances	2.09	17,612,830	18,902,355
2. Current Assets			
a) Inventories	2.10	2,874,200	2,876,077
b) Trade Receivables	2.11	-	32,699,049
c) Cash and Cash Equivalents	2.12	845,527	2,819,430
d) Short Term Loans and Advances	2.13	471,643	484,447
e) Other Current Assets	2.14	239,727	417,762
TOTAL		394,272,156	453,299,576

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)(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Membership No. 203094SAJIV K. MENON
Chairman
DIN : 00168228Y. MORIOKA
Director
DIN : 06641198K. MURALEEDHARAN NAIR
Director
DIN : 02421663T. P. PHILIP
Managing Director
DIN : 00008636M. R. KARMACHANDRAN
Director
DIN : 00164106N. V. ASOKAN
Chief Financial OfficerK. L. KUMAR
Director
DIN : 00004804B. SHAJI MOHAN
Director
DIN : 03409101ABY EAPEN
Company SecretaryPlace: Kochi
Date: 29.04.2015

REVA PROTEINS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

Particulars	Note No.	For the year ended 31.3.2015 Rupees	For the year ended 31.3.2014 Rupees
INCOME			
I. Revenue from Operations	2.15	77,266,500	126,886,563
II. Other Income	2.16	641,769	3,147,999
III. Total Revenue		77,908,269	130,034,562
IV. EXPENSES:			
a. Employee Benefits Expense	2.17	11,939,368	11,668,835
b. Finance Costs	2.18	15,272,794	17,889,654
c. Depreciation and Amortisation Expense	2.07	29,478,450	51,486,611
d. Other Expenses	2.19	92,080,241	72,095,488
Total Expenses		148,770,853	153,140,588
V. Loss before exceptional item and tax (III-IV)		(70,862,584)	(23,106,026)
VI. Exceptional Item	2.20	10,529,864	-
VII. Loss before tax (V-VI)		(81,392,448)	(23,106,026)
VIII. Tax Expense:			
Current Tax		-	-
IX. Loss for the Period (VII-VIII)		(81,392,448)	(23,106,026)
X. Earnings per Equity share (Rs.)			
Nominal value of share Rs. 10/- (Rs. 10/-)			
- Basic/ Diluted	2.21	(4.32)	(1.23)

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)

(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Membership No. 203094

SAJIV K. MENON
Chairman
DIN : 00168228

Y. MORIOKA
Director
DIN : 06641198

K. MURALEEDHARAN NAIR
Director
DIN : 02421663

T. P. PHILIP
Managing Director
DIN : 00008636

M. R. KARMACHANDRAN
Director
DIN : 00164106

N. V. ASOKAN
Chief Financial Officer

K. L. KUMAR
Director
DIN : 00004804

B. SHAJI MOHAN
Director
DIN : 03409101

ABY EAPEN
Company Secretary

Place: Kochi
Date: 29.04.2015

REVA PROTEINS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

	For the year ended 31.03.2015 Rupees	For the year ended 31.03.2014 Rupees
A. Cash Flows from Operating Activities		
Net Loss before Tax and extraordinary items	(81,392,448)	(23,106,026)
Adjustments for :		
Depreciation	29,478,450	51,486,611
Interest income	(357,711)	(3,015,047)
Interest Expense	15,272,794	17,889,654
	44,393,533	66,361,218
Operating Profit / (Loss) before Working Capital Changes	(36,998,915)	43,255,192
Adjustments for working capital changes:		
(Increase)/Decrease in Trade and Other Receivables	33,713,173	(29,665,039)
(Increase)/Decrease in Inventories	1,877	(1,255,006)
Increase/(Decrease) in Trade/ other payables	48,599,346	1,530,892
	82,314,396	(29,389,153)
Cash generated from /(Used in) Operations	45,315,481	13,866,039
Direct taxes paid	288,206	(2,353,590)
Cash Flow Before Extraordinary Items	45,603,687	11,512,449
Extraordinary Items	-	-
Net Cash from/(used) in Operating Activities(A)	45,603,687	11,512,449
B. Cash Flows from Investing Activities		
Loan to/recovered from Holding Company (Net)	-	29,060,438
Purchase of Fixed Assets	(7,836,374)	(5,851,167)
Interest Received	535,746	3,855,511
Net Cash from/(used) in Investing Activities(B)	(7,300,628)	27,064,782
C. Cash Flows from Financing Activities		
Interest Paid	(15,272,794)	(17,889,654)
Proceeds/Repayment of secured long-term borrowings	(25,004,168)	(24,985,399)
Net Cash from/(used) in Financing Activities (C)	(40,276,962)	(42,875,053)

Summary

(A)Net Cash from/(used) in Operating Activities	45,603,687	11,512,449
(B)Net Cash from/(used) in Investing Activities	(7,300,628)	27,064,782
(C)Net Cash from/(used) in Financing Activities	(40,276,962)	(42,875,053)
Net Increase/(Decrease) in Cash Equivalents	(1,973,903)	(4,297,822)
Cash and Cash Equivalents at beginning of the year	2,819,430	7,117,252
Cash and Cash Equivalents at the end of the year	845,527	2,819,430
	(1,973,903)	(4,297,822)

Note:

1. Cash and cash equivalents at the end of the year includes deposit with maturity of more than one year Rs Nil (Rs 71,984) which can be withdrawn by the company at any time without penalty on principal.
2. Cash and cash equivalents at the end of the year includes deposit with maturity of less than one year Rs 5,00,000 (Rs Nil) 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 and on behalf of the Board of Directors

For VARMA AND VARMA
(FRN: 004532S)

(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Membership No. 203094

Place: Kochi
Date: 29.04.2015

SAJIV K. MENON
Chairman
DIN : 00168228

Y. MORIOKA
Director
DIN : 06641198

K. MURALEEDHARAN NAIR
Director
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Director
DIN : 00164106

N. V. ASOKAN
Chief Financial Officer

K. L. KUMAR
Director
DIN : 00004804

B. SHAJI MOHAN
Director
DIN : 03409101

ABY EAPEN
Company Secretary

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 accumulated depreciation. Impairment in value of assets, if any determined, is adjusted.

e) Depreciation

- 1) a) Depreciation on Plant and Machinery (other than Service Equipment) is provided on Straight Line Method.
- b) Depreciation on Service Equipment and Other Assets is provided on Written Down Value Method.
- c) The useful life of fixed assets adopted are as prescribed under Schedule II of the Companies Act, 2013.
- 2) Lease Premium on Land is amortised over the period of lease.

f) Investments

Non Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

g) 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.

h) Employee Benefits :

i) 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.

ii) **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.

iii) **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.

iv) **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.

v) **Termination Benefits**

Termination benefits are recognized in the Statement of Profit and Loss for the period in which the same accrue.

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) **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.

k) **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.

l) **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.

m) 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**2.01 Share Capital**

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Authorised:		
20,000,000(20,000,000) Equity Shares of Rs.10/- each	200,000,000	200,000,000
Issued and Subscribed and fully paid:		
18,860,520 (18,860,520) Equity Shares of Rs.10/- each	188,605,200	188,605,200
	188,605,200	188,605,200

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

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount Rupees	No. of Shares	Amount Rupees
No. of shares as at the beginning of the financial year	18,860,520	188,605,200	18,860,520	188,605,200
No. of shares as at the end of the financial year	18,860,520	188,605,200	18,860,520	188,605,200

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 Limited,Holding Company	74.55	14,060,520	74.55	14,060,520
Nitta Gelatin Inc., Japan	25.45	4,800,000	25.45	4,800,000

Particulars of shares held by Holding Company

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Nitta Gelatin India Limited,Holding Company		
14,060,520 (14,060,520) Equity Shares of Rs.10/- each	140,605,200	140,605,200

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)
Securities Premium	215,407,800	215,407,800
Surplus /(Deficit) in Statement of Profit and Loss		
Opening Balance	(114,729,329)	(91,623,303)
Loss for the year as per Statement of Profit and Loss	(81,392,448)	(23,106,026)
Closing Balance	(196,121,777)	(114,729,329)
	19,286,023	100,678,471

2.03 Long Term Borrowings

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Term Loans		
- from financial institutions (secured)		
Kerala State Industrial Development Corporation Ltd (Refer Note 2.03.01 & 2.03.02)	106,245,832	131,250,000
	106,245,832	131,250,000

2.03.01 Current Maturities of Long term debt are mentioned under the head ' other current liabilities'

2.03.02 The loan from the financial institution is repayable in 32 quarterly instalments of Rs 62,50,000 each from 11.09.2012. The loan is secured by exclusive first charge over the entire fixed assets of the company including leasehold assets, both present and future; and by corporate guarantee of holding company, M/s. Nitta Gelatin India Limited.

2.04 Long-term Provisions

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Provision for Employee benefits (see also Note 2.04.01)	453,803	534,320
	453,803	534,320

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

a. 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	2014-15 (Rupees)	2013-14 (Rupees)
Employers contribution to Provident Fund	544,906	505,578

b. Defined Benefit Plan

Gratuity – Unfunded Obligation

i Actuarial Assumptions	2014-15	2013-14
Discount Rate (per annum)	8.0%	8.0%
Salary escalation rate*	5.0%	5.0%
Attrition rate	1.92%	1.92%
Mortality rate	IALM (1994-1996) Ultimate	IALM (1994-1996) Ultimate

* 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	2014-15 (Rupees)	2013-14 (Rupees)
Present value of obligation at beginning of the year	271,959	150,166
Current Service Cost	79,441	107,270
Past Service Cost	-	-
Interest Cost	24,934	16,304
Actuarial (gain)/loss	(119,849)	(1,781)
Benefits Paid	-	-
Present value of obligation at the end of the year	256,485	271,959

iii Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2014-15 (Rupees)	2013-14 (Rupees)	2012-13 (Rupees)
Present value of obligations at the end of the year	256,485	271,959	150,166
Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	256,485	271,959	150,166

iv Expenses recognised in the Statement of Profit and Loss	2014-15 (Rupees)	2013-14 (Rupees)
Current Service Cost	79,441	107,270
Interest Cost	24,934	16,304
Actuarial (gain) / loss recognised in the period	(119,849)	(1,781)
Past Service Cost	-	-
Total expenses recognised in the Statement of Profit and Loss for the year	(15,474)	121,793

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

c. Long Term Employee Benefits

Compensated absences (Vesting and Non Vesting): Unfunded Obligation

i Actuarial Assumptions	2014-15	2013-14
Discount Rate (per annum)	8.0%	8.0%
Salary escalation rate*	5.0%	5.0%
Attrition rate	1.92%	1.92%
Expected rate of return on Plan Assets	-	-

* 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	2014-15 (Rupees)	2013-14 (Rupees)
Present value of obligation at beginning of the year	262,361	129,601
Current Service Cost	126,954	139,023
Interest Cost	26,067	15,929
Actuarial (gain)/loss	(87,607)	(22,192)
Benefits Paid	(130,457)	-
Present value of obligation at the end of the year	197,318	262,361

iii Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2014-15 (Rupees)	2013-14 (Rupees)	2012-13 (Rupees)
Present value of obligations at the end of the year	197,318	262,361	129,601
Net present value of unfunded obligation recognized as (asset)/ liability in the Balance Sheet	197,318	262,361	129,601

iv Expenses recognised in the Statement of Profit and Loss	2014-15 (Rupees)	2013-14 (Rupees)
Current Service Cost	126,954	139,023
Interest Cost	26,067	15,929
Expected return on plan assets	-	-
Actuarial (gain) / loss recognised in the period	(87,607)	(22,192)
Past Service Cost	-	-
Total expenses recognised in the Statement of Profit and Loss for the year	65,414	132,760

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

2.05 Trade payables

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Trade Payables (see also Note 2.05.01)	6,103,946	5,207,758
	6,103,946	5,207,758

2.05.01 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.

2.06 Other Current Liabilities

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Current maturities of long term debt (Refer Note 2.03.01)	25,000,000	25,000,000
Other Payables:		
Advance from Customers	36,999,221	-
Claim payable towards materials damaged in processing	10,529,864	-
Statutory dues	105,301	90,385
Deposits	344,138	104,464
Creditors for capital goods	598,828	1,828,978
	73,577,352	27,023,827

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	Disposals/ Adjust ments	As at 31.03.2015	As at 31.03.2014
FIXED ASSETS:									
(i) Tangible Assets									
Lease hold Land	61,219,210	-	-	61,219,210	2,710,632	618,376	-	57,890,202	58,508,578
	(61,219,210)	-	-	(61,219,210)	(2,092,256)	(618,376)	-	(58,508,578)	(59,126,954)
Building	124,770,389	598,202	-	125,368,591	23,048,082	16,000,556	-	86,319,953	101,722,307
	(120,980,774)	(3,789,615)	-	(124,770,389)	(12,231,439)	(10,816,643)	-	(101,722,307)	(108,749,335)
Plant and Equipment	309,213,273	3,046,561	-	312,259,834	80,173,648	12,289,078	-	219,797,108	229,039,626
	(306,756,763)	(2,456,511)	-	(309,213,274)	(40,283,540)	(39,890,108)	-	(229,039,626)	(266,473,223)
Office Equipment	941,282	426,133	-	1,367,415	409,626	484,939	-	472,850	531,656
	(686,839)	(254,443)	-	(941,282)	(298,316)	(111,310)	-	(531,656)	(388,523)
Furniture and Fixtures	562,821	205,342	-	768,163	356,321	85,501	-	326,341	206,500
	(525,821)	(37,000)	-	(562,821)	(306,147)	(50,174)	-	(206,500)	(219,674)
TOTAL	496,706,975	4,276,238	-	500,983,213	106,698,309	29,478,450	-	364,806,454	390,008,667
PREVIOUS YEAR	(490,169,407)	(6,537,569)	-	(496,706,976)	(55,211,698)	(51,486,611)	-	(390,008,667)	(434,957,709)
(ii) Capital Work in progress									
Plant, machinery and Equipment under installation	1,551,789	3,881,775	1,551,789	3,881,775				3,881,775	1,551,789
	(851,380)	(1,551,789)	(851,380)	(1,551,789)				(1,551,789)	(851,380)
TOTAL	1,551,789	3,881,775	1,551,789	3,881,775	-	-	-	3,881,775	1,551,789
PREVIOUS YEAR	(851,380)	(1,551,789)	(851,380)	(1,551,789)	-	-	-	(1,551,789)	(851,380)

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. As per an independent technical evaluation done by the Company, useful lives of fixed assets are not lower than the lives adopted as per Schedule II. This has an impact of reducing depreciation for the year by an amount of Rs 2,17,78,627/-.

2.08 Non current investments

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Investment in Equity Instruments (at Cost)-Long Term: (Unquoted, trade)		
Narmada Clean Tech. (Formerly known as Bharuch Eco-Aqua Infrastructure Ltd)		
354,000 (354,000) fully paid up equity shares of Rs 10/- each	3,540,000	3,540,000
Aggregate amount of unquoted investments	3,540,000	3,540,000

2.09 Long Term Loans and Advances

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
(Unsecured, Considered Good)		
Security Deposits	13,256,427	14,257,746
Income Tax (Net)	4,356,403	4,644,609
	17,612,830	18,902,355

2.10 Inventories

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Stores and Spares	2,769,754	2,794,194
Loose Tools	104,446	81,883
	2,874,200	2,876,077

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

2.11 Trade Receivables

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
(Unsecured, Considered good)		
Outstanding for a period exceeding 6 months from the date they are due for payment.	-	-
Others		
- Due from Nitta Gelatin India Limited (Holding Company)	-	32,699,049
	-	32,699,049

2.12 Cash and Cash Equivalents

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Balances with banks:		
in current accounts	335,253	2,714,360
in deposit accounts	500,000	71,984
Cash on hand	10,274	33,086
	845,527	2,819,430

2.12.01 Cash and cash equivalents at the end of the year includes deposit with maturity of more than one year Rs Nil (Rs 71,984) which can be withdrawn by the company at any time without penalty on principal.

2.12.02 Cash and cash equivalents at the end of the year includes deposit with maturity of less than one year Rs 5,00,000 (Rs Nil) held as security against bank 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	427,468	448,172
Deposits	44,175	36,275
	471,643	484,447

2.14 Other Current Assets

Particulars	As at 31.03.2015 (Rupees)	As at 31.03.2014 (Rupees)
Interest accrued on Deposits	239,727	417,762
	239,727	417,762

2.15 Revenue From Operations

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Sale of services		
Income from Job charges	77,266,500	126,886,563
	77,266,500	126,886,563

2.16 Other Income

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Interest Income	357,711	3,015,047
Sale of Scrap	244,071	-
Other Income	39,987	132,952
	641,769	3,147,999

2.17 Employee Benefits Expense

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Salaries & Wages	9,758,138	9,715,940
Contribution to Provident and Other Funds	544,906	505,578
Workmen & Staff Welfare Expenses	1,636,324	1,447,317
	11,939,368	11,668,835

2.18 Finance Costs

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Interest Expense	15,272,794	17,889,654
	15,272,794	17,889,654

2.19 Other Expenses

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Power, fuel, water and gas	32,325,569	36,193,295
Consumption of Stores and spare parts	3,163,368	1,242,546
Repairs		
Plant & Machinery (Refer Note 2.28)	5,447,364	5,304,862
Others	4,553,650	1,651,326
Insurance	654,836	614,859
Rates & Taxes	2,132,237	1,830,655
Postage and Telephones	319,418	300,139
Printing & Stationery	155,829	152,951
Travelling & Conveyance	4,206,975	3,211,925
Directors sitting fees	24,000	18,000
Payments to the Auditors (See Note 2.19.01 below)	196,630	168,540
Advertisement and Publicity	10,000	92,012
Professional & Consultancy charges	1,332,041	797,427
Bank charges	15,420	7,877
Contract Labour charges	15,882,903	13,456,537
Security charges	2,429,919	1,956,194
Rent	401,114	747,123
Effluent Discharge Fee	14,089,447	1,843,760
Miscellaneous Expenses	4,739,521	2,505,460
	92,080,241	72,095,488

2.19.01 Payments to the Auditors

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
a. Statutory Audit Fees	125,000	125,000
b. Taxation Matters (Including Tax Audit)	50,000	25,000
c. Service Tax on Above	21,630	18,540
	196,630	168,540

2.20 Exceptional Item

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Claim towards materials damaged in processing	10,529,864	-
	10,529,864	-

2.20.01 The amount represents calims raised by the Holding Company M/s Nitta Gelatin India Limited towards value of materials damaged during the processing activity.

2.21 Earnings per Equity share

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Loss for the year	(81,392,448)	(23,106,026)
Weighted average number of equity shares of Rs 10/- each fully paid up	18,860,520	18,860,520
Earnings per Share (Basic & Diluted)	(4.32)	(1.23)

2.22 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.

2.23 Estimated amount of contracts remaining to be executed on capital account and not provided for:- Rs 89,000 (Rs 3,00,000)

2.24 The Company is engaged in the business of manufacture of Ossein, Limed ossein and DCP, which form part of one product group and hence constitute a single business segment .

2.25 In the opinion of the Directors, Current Assets and Loans and Advances have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

2.26 Disclosure of transactions with related parties as required by Accounting Standard – 18 on Related Party Disclosures as notified by Companies (Accounting Standards) Rules, 2006.

A. Related parties and nature of relationship

i Nitta Gelatin India Limited	Holding Company
ii Nitta Gelatin Inc., Japan	Enterprise having substantial interest in the Company
iii Key Management Personnel	
T.P. Philip	Managing Director (w.e.f 01.01.2015)
B. Shaji Mohan	Managing Director (upto 31.12.2014)

B Description of Transactions

Amount in Rupees

Particulars	Holding Company	Enterprise having substantial interest in the Company	Key Management Personnel	Total
Income from Job charges	77,266,500 (126,886,563)			77,266,500 (126,886,563)
Loan Recovered	- (29,060,438)			- (29,060,438)
Expenses recovered	1,218,213 (11,156,020)			1,218,213 (11,156,020)
Expenses reimbursed	3,760,746 (3,201,989)			3,760,746 (3,201,989)
Interest Income	- (1,934,194)			- (1,934,194)
Claim towards materials damaged in processing	10,529,864 -			10,529,864 -
Remuneration to Managing Director			436,425 -	436,425 -

Particulars	Holding Company	Enterprise having substantial interest in the Company	Key Management Personnel	Total
Balance outstanding as at 31.03.2014				
Nitta Gelatin India Limited				
Advance from Customers	36,999,221			36,999,221
	-			-
Claim payable towards materials damaged in processing	10,529,864			10,529,864
	-			-
Corporate Guarantee received	200,000,000			200,000,000
	(200,000,000)			(200,000,000)
Trade Receivable	-			-
	(32,699,049)			(32,699,049)

2.26.01 Particulars of loans given to Holding Company

Particulars	Closing Balance Rupees	Maximum amount outstanding during the year Rupees
Nitta Gelatin India Limited	-	-
	-	(2,90,60,438)

2.27 In view of business plans of the company, which is expected to bring in positive cash flows in the near future, the management is of the opinion that, there is no impairment in the value of the fixed assets of the company within the meaning of Accounting Standard - 28 on Impairment of Assets, as notified by Companies (Accounting Standards) Rules, 2006.

2.28 Break-up of Consumption

Particulars	Year ended 31.03.2015		Year ended 31.03.2014	
	%	Amount (Rupees)	%	Amount (Rupees)
Stores & Spares*				
Imported	-	-	-	-
Indigenous	100	7,502,620	100	5,598,936
	100	7,502,620	100	5,598,936
*Debited under Stores and spares consumed		3,163,368		1,242,546
*Debited under Repairs and Maintenance		4,339,252		4,356,390
		<u>7,502,620</u>		<u>5,598,936</u>

2.29 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.

2.29.01 Contingent Liabilities not provided for:

Particulars	For the year ended 31.03.2015 (Rupees)	For the year ended 31.03.2014 (Rupees)
Bank Guarantees	500,000	-
	500,000	-

2.30 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

Y. MORIOKA
Director
DIN : 06641198

K. MURALEEDHARAN NAIR
Director
DIN : 02421663

T. P. PHILIP
Managing Director
DIN : 00008636

M. R. KARMACHANDRAN
Director
DIN : 00164106

N. V. ASOKAN
Chief Financial Officer

K. L. KUMAR
Director
DIN : 00004804

B. SHAJI MOHAN
Director
DIN : 03409101

ABY EAPEN
Company Secretary

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