

CIRCULAR IN THE FORM OF ADVERTISEMENT INVITING DEPOSITS

3F INDUSTRIES LIMITED
(Formerly Foods, Fats & Fertilizers Limited)
CIN: U24120AP1960PLC000888

Regd.Office: Tanuku Road, Tadepalligudem-534101 W.G.Dist., Andhra Pradesh

I. GENERAL INFORMATION:

| S. No. | Particulars | Details |
|--------|-------------------------------------|---|
| 1. | Name: | 3F Industries Limited |
| | Address: | Regd.Office: Tanuku Road, Tadepalligudem-534101 W.G.Dist., Andhra Pradesh |
| | Website: | www.fff.co.in |
| | Contact Details: | Mr. S.B. Goenka Chairman & Whole-time Director No. 36, C.P. Ramasamy Road, Alwarpet, Chennai – 600 018 |
| 2. | Date of incorporation: | 10 th May 1960 |
| 3. | Business carried on by the Company: | <u>Manufacture & Export of</u> <ul style="list-style-type: none">➤ Edible oils,➤ Hydrogenated vegetable oils,➤ Vegetable fat spreads,➤ Specialty Fats.➤ de-oiled cakes,➤ Stearic Acid, Fatty Acids,➤ Import and Export of Agro Based Commodities.➤ Oleo Chemicals,➤ Glycerine,➤ Power.➤ Toiletry Soap & Cosmetic Products, |
| | Subsidiaries: | 1. 3F Global (Singapore) Pte. Ltd., Singapore. 2. 3F Ghana Limited, Ghana, West Africa. |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | |
|----|---|--|
| | | <p>3. 3F Ghana Trading Limited, Ghana.</p> <p>4. Viaton Energy Pvt. Ltd., India.</p> <p>5. 3F Oil Palm Agro Tech Pvt. Ltd., India.</p> <p>6. Chakranemi Infrastructure Private Limited</p> <p>7. 3F Fuji Private Limited (Joint Venture)</p> |
| | Branches: | Chennai, Mumbai, Hyderabad, Kakinada, Kolkata and Baroda. |
| 4. | Brief particulars of the management of the Company: | The Company is managed by a Board of Directors comprising of 9 Directors and 3 Independent Directors. |
| 5. | Names, addresses, DIN & occupation of the Directors | Refer Annexure - A |
| 6. | Management's perception of risk factors | Refer Annexure - B |
| 7. | <p>Details of default, including the amount involved in the repayment of:</p> <p>(i) Statutory Dues</p> <p>(ii) Debentures and interest thereon</p> <p>(iii) Loan from any bank or financial institution and interest thereon</p> | <p>The Co. has not defaulted in the repayment of any statutory dues.</p> <p>Not Applicable</p> <p>The Co. has not defaulted in the repayment of loan taken from any bank and the interest accrued thereon.</p> |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

FOR 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

II. PARTICULARS OF THE DEPOSIT SCHEME:

| S. No. | Particulars | Details |
|--------|--|---|
| 1. | Date of passing of Board Resolution | 28.09.2015 |
| 2. | Date of passing of resolution in the general meeting authorizing the invitation of such deposits | 28.09.2015 |
| 3. | Type of Deposits, (i.e.) Whether secured or unsecured | Unsecured Deposits |
| 4. | Amount which the Company can raise by way of Deposits as per the Act and the rules made there under. | Refer Annexure - C |
| | Aggregate of deposits actually held on the last day of the immediately preceding financial year (i.e.) 31 st March 2015. | Rs. 3263.61 lacs |
| | Aggregate of deposits actually held on the last day/AGM while issue of the circular in the form of advertisement. | Rs. 3970.49 lacs (28.09.15) |
| | Amount of deposit proposed to be raised | Rs. 6200.00 Lacs |
| | Amount of deposit repayable within the next 12 months. | Rs. 2132.03 Lacs (28.09.15 – 30.09.16) |
| 6. | Terms of raising of deposits – (i) Duration (ii) Rate of interest (iii) Mode of payment (iv) Mode of repayment | Refer Annexure - D |
| 7. | Proposed time schedule mentioning the date of opening the scheme and the time period for which the circular or advertisement is valid. | Refer Annexure - E |
| 8. | Reasons or objects of raising the deposits | Refer Annexure – F |
| 9. | (i) Credit Rating obtained (ii) Name of the Credit Rating Agency (iii) Rating obtained | Refer Annexure – G |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | |
|-----|---|---|
| | (iv) Meaning of the rating obtained (v) Date on which the rating was obtained | |
| 10. | Extent of Deposit Insurance: (i) Name of the insurance company (ii) Terms of the insurance coverage (iii) Duration of coverage (iv) Extent of coverage (v) Procedure for claim in case of default etc. | Will be taken based on the deposit insurance product availability or within the time frame as prescribed |
| 11. | Short particulars of the Charge created or to be created for securing such deposits, if any. | Since, the Company is accepting only unsecured deposits, there is no necessity to create charge for securing such deposits. |
| 12. | Any financial or other material interest of the directors, promoters, or Key Managerial Personnel in such deposits and the effect of such interest in so far as it is different from the interests of other persons. | Members are interested in these deposits to the extent of their deposits which as on date stood at Rs. 179.02 lacs |

Sd/-
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Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

III. DETAILS OF ANY OUTSTANDING DEPOSITS:

| S. No. | Particulars | Details |
|--------|--|---------------------------|
| 1. | Amount Outstanding | 3970.49 LACS (28.09.15) |
| 2. | Date of acceptance | Various Dates |
| 3. | Total amount accepted | 3263.61 LACS(01.04.15) |
| 4. | Rate of interest | 11% & 12% |
| 5. | Total no. of depositors | 3144 Nos (as on 28.09.15) |
| 6. | Default, if any, in repayment of deposits and payment of interest thereon, if any, including number of depositors, amount, and duration of default involved. | NIL |
| 7. | Any waiver by the depositors, of interest accrued on deposits. | NIL |

Sd/-
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Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

IV. FINANCIAL POSITION OF THE COMPANY

| S. No. | Particulars | Details |
|--------|--|---|
| 1. | Profits of the Company, before and after making provision for tax, for three financial years immediately preceding the date of issue of circular or advertisement. | Refer Annexure – H |
| 2. | Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid or interest paid) | Refer Annexure – I |
| 3. | A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of circular or advertisement. | Refer Annexure - J |
| 4. | Audited Cash Flow Statement for the 3 years immediately preceding the date of issue of circular or advertisement. | Refer Annexure – K |
| 5. | Any change in the accounting policies during the last three years and their effect on the profits and the reserves of the company. | There has been no change in the accounting policies during the last 3 years which have significant effect on the profits and reserves of the company. |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President | Finance & Co. Secretary

DECLARATION BY THE DIRECTORS THAT –

1. The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act or payment of interest thereon;
2. The Board of Directors have satisfied themselves fully with respect to the affairs and the prospects of the company and that they are of the opinion that having regard to the estimated future financial position of the Company, the Company will be able to meet its liabilities as and when they become due and that the company will not become insolvent within a period of one year from the date of issue of the circular or advertisement;
3. The Company has complied with the provisions of the Act, and the rules made there under;
4. The compliance with the Act and the rules does not imply that repayment of deposits is guaranteed by the Central Government.
5. The deposits accepted by the Company before the commencement of the Act have been repaid (or will be repaid) along with interest on due dates and until they are repaid, they shall be treated as unsecured and ranking pari passu with other unsecured liabilities.
6. In case of any adverse change in credit rating, depositors will be given a chance to withdraw deposits without any penalty.
7. The deposits shall be used only for the purposes indicated in the Circular or circular in the form of advertisement.
8. The deposits accepted by the company are unsecured and rank pari passu with other unsecured liabilities of the company.

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – A

NAMES, ADDRESSES, DIN & OCCUPATION OF THE DIRECTORS

| <i>DIN/DPIN</i> | <i>FULL NAME</i> | <i>PRESENT RESIDENTIAL ADDRESS</i> | <i>OCCUPATION</i> |
|-----------------|----------------------------|---|-------------------|
| 00350224 | SHIV BHAGAWAN GOENKA | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA. | INDUSTRIALIST |
| 00552269 | SITARAM GOENKA | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA. | INDUSTRIALIST |
| 00533274 | OMPRAKASH GOENKA | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA. | INDUSTRIALIST |
| 00533097 | SUSHIL GOENKA | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA. | INDUSTRIALIST |
| 00533134 | JIVESH GOENKA | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA. | INDUSTRIALIST |
| 01290474 | BHARAT KUMAR GOENKA | W-149, GREATER KAILASH, PART II, NEW DELHI-110048, DELHI, INDIA. | INDUSTRIALIST |
| 01458556 | JITENDRA GOENKA | NEW NO; 113, OLD NO; 47, KASTURI AVENUE, M.R.C. NAGAR R.A.PURAM, CHENNAI.600 028. TAMILNADU, INDIA. | INDUSTRIALIST |
| 01470021 | SANJAY | 8-2-581/1, ROAD NO; 8, | INDUSTRIALIST |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | | |
|----------|--|--|---------------|
| | GOENKA | BANJARA HILLS, HYDERABAD- 500 032 ANDHRA PRADESH, INDIA. | |
| 07101857 | SEEMA GOENKA (woman Director) | 7 th FLOOR, FOUNTAIN PLAZA, PANTHEON ROAD, EGMORE, CHENNAI – 600 008, TAMILNADU, INDIA | INDUSTRIALIST |
| 00006187 | SHIV KUMAR JATIA | B-50, GULMOHAR PARK, NEW DELHI-110049, DELHI, INDIA. | INDUSTRIALIST |
| 06758089 | SHIVA KUMAR AGARWAL | B-4, CEEBROS APTS, SARAVANA STREET,T.NAGAR, CHENNAI 600 017, TAMILNADU, INDIA | BUSINESS |
| 00496254 | VINODKUMAR SARAOGI | No.51, CHAMIERS ROAD, R.A PURAM CHENNAI – 600028 TAMIL NADU, INDIA | INDUSTRIALIST |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President | Finance & Co. Secretary

ANNEXURE – B

MANAGEMENT'S PERCEPTION OF RISK FACTORS

The company has been accepting deposits from the public for several years now and the repayment of principal and interest payments have been regular. There has been no single instance of default by the Company in respect of these deposits. Also the Company has never defaulted in making payment of dues to the Banks / Financial institutions, payment of statutory obligations etc.

However the refinery business of the company is highly competitive and dependent on the crude edible oil prices prevailing in the international markets. Any adverse international market conditions in the edible oil industry may have effect on the company's performance also.

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED



Vice President (Finance & Co. Secretary)

ANNEXURE – C

AMOUNT WHICH THE COMPANY CAN RAISE BY WAY OF DEPOSITS AS PER THE ACT AND THE RULES MADE THEREUNDER:

| | | |
|--------------|---|--------------------------|
| a) | 25% of the aggregate of the paid up capital and free reserves from the public excluding Asset revaluation reserve | Rs. 4425.98 Lakhs |
| b) | 10% of the aggregate of the paid up the capital and free reserves as Deposits from the Share holders | Rs. 1770.39 Lakhs |
| Total | | Rs. 6196.37 Lakhs |

Limits of Public Deposits:

| | |
|---|-------------------------|
| Limit up to which the Company is eligible | Rs. 4425.98 Lakhs |
| Less: Received from public | Rs. 3791.47 Lakhs |
| Further Deposits which the Company is eligible | Rs. 634.51 Lakhs |

Limits of Deposits that can be accepted from members:

| | |
|---|--------------------------|
| Limit upto which the Company is eligible | Rs. 1770.39 Lakhs |
| Less: Received from shareholders | Rs. 179.02 Lakhs |
| Further Deposits which the Company is eligible | Rs. 1591.37 Lakhs |

Further Deposits which the Company is eligible:

| | |
|--|-------------------|
| a. Further Deposits up to which the Company can accept from public. | Rs. 634.51 Lakhs |
| b. Further Deposits up to which the Company can accept from members. | Rs. 1591.37 Lakhs |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President | Finance & Co. Secretary

ANNEXURE – D
TERMS OF RAISING DEPOSITS
PUBLIC DEPOSIT SCHEMES

SCHEME-1 MONTHLY INCOME PLAN (MIP)

| Minimum Amount | Period | Simple rate of interest (Per Annum) |
|----------------|---------|--|
| Rs.50, 000/- | 1 Year | 11.0% |
| | 2 Years | |
| | 3 Years | |

Additional amounts will be accepted in multiples of Rs.1, 000/- only.

SCHEME-II QUARTERLY INCOME PLAN (QIP)

| Minimum Amount | Period | Simple rate of interest (Per Annum) | Annual effective yield |
|----------------|---------|--|------------------------|
| Rs.10, 000/- | 1 Year | 11.0% monthly compounding | 11.10%(per Annum) |
| | 2 Years | | |
| | 3 Years | | |

Additional amounts will be accepted in multiples of Rs.1, 000/-only.

SCHEME – III CUMULATIVE DEPOSIT PLAN (CDP)

| Minimum Amount | Period | Simple rate of Interest (per Annum) | Maturity value at the End of the period | Annual Effective yield |
|----------------|---------|-------------------------------------|---|------------------------|
| Rs.10, 000/- | 1Year | 11.0% | 11,157 | 11.57% |
| | 2 Years | 11.0% | 12,448 | 12.24% |
| | 3 Years | 11.0% | 13,888 | 12.96% |

Additional amounts will be accepted in multiples of. Rs.1, 000/-only.

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED

Vice President (Finance & Co. Secretary)

HIGHLIGHTS

- ❖ Under Scheme-1 & 2 interest amounts are credited to the depositors' bank accounts (if provided with relevant details) directly each month and Quarter.
- ❖ Pre-mature withdrawal permitted subject to RBI guidelines at the discretion of the Company.
- ❖ No deduction of tax at source on interest payments up to Rs.5,000/- in financial year.
- ❖ On submission of the FD receipts for payment, Repayment is made by RTGS/NEFT directly to the Depositors' bank Accounts as and when matured or premature payment as per their specific request. In case bank account details are not submitted, payment will be made by way of A/c payees cheques in the name of deposit holders.

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – E

PROPOSED TIME SCHEDULE MENTIONING THE DATE OF OPENING THE SCHEME AND THE TIME PERIOD FOR WHICH THE CIRCULAR OR ADVERTISEMENT IS VALID

Date of opening of the Scheme – 17.12.2015

Validity : 17.12.2015 to 30.09.2016

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – F

REASONS OR OBJECTS FOR RAISING DEPOSITS

The company has been accepting deposits from the public for several years. The amounts raised from this source are used to supplement the requirements of the company for carrying out its day to day business operations.

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – G

CREDIT RATING

| | |
|---------------------------------------|--|
| Credit Rating obtained | |
| Name of the Credit Rating Agency | Credit Analysis and Research Ltd. (CARE Ratings) |
| Rating obtained | BBB+ |
| Meaning of the rating obtained | The instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate risk. |
| Date on which the rating was obtained | 09.11.2015 |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – H

DEPOSIT INSURANCE


| | |
|---|--|
| Name of the insurance company | Will be taken based on the deposit insurance product availability or within the time frame as prescribed |
| Terms of the insurance coverage | |
| Duration of coverage | |
| Extent of coverage | |
| Procedure for claim in case of default etc. | |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – I

PROFITS OF THE COMPANY, BEFORE AND AFTER MAKING PROVISION FOR TAX, FOR THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE DATE OF ISSUE OF CIRCULAR OR ADVERTISEMENT


| Year ended | Profit before tax | Profit after tax | Dividend declared | | Amount (Rs.in Lakhs) |
|------------|-------------------|------------------|-------------------|------|----------------------|
| | | | Dividend | Rate | |
| 31-03-2013 | 2456.33 | 1621.51 | On Equity Shares | 0 | 0 |
| 31-03-2014 | 2761.52 | 1574.01 | On Equity Shares | 40% | 386.26 |
| 31-03-2015 | 3256.36 | 2031.19 | On Equity Shares | 50% | 502.84 |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

ANNEXURE – J

**A SUMMARY OF THE FINANCIAL POSITION OF THE COMPANY AS IN THE THREE AUDITED
BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF ISSUE OF CIRCULAR OR
ADVERTISEMENT**

| | (Rs.in Lakhs) | | |
|--|-----------------|-----------------|-----------------|
| | 31-03-2013 | 31-03-2014 | 31-03-2015 |
| <u>Liabilities: -</u> | | | |
| Share Capital | 1061.67 | 965.67 | 1045.66 |
| Reserves & Surplus | 12943.66 | 12961.75 | 16658.26 |
| Secured loans | 10902.17 | 16045.46 | 19184.48 |
| Unsecured loans | 7082.31 | 6622.36 | 6392.12 |
| Deferred Tax Liability(Net) | 2689.72 | 3790.90 | 4937.07 |
| *Current liabilities & Provisions | <u>30673.30</u> | <u>41563.22</u> | <u>39354.98</u> |
| | 65352.83 | 81949.36 | 87572.57 |
| Total | | | |
| <u>Assets: -</u> | | | |
| Net Fixed assets | 26285.38 | 26949.84 | 29046.46 |
| Investments | 4187.55 | 5000.52 | 4891.65 |
| ***Current assets | 23810.42 | 38980.63 | 39980.73 |
| **Loans & advances | <u>11069.48</u> | <u>11018.37</u> | <u>13653.73</u> |
| | 65352.83 | 81949.36 | 87572.57 |
| Total | | | |
| <u>Contingent Liabilities: -</u> | | | |
| Amounts in dispute towards claims against the Company | 3452.35 | 3482.55 | 5567.67 |

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)


ANNEXURE – K

**AUDITED CASH FLOW STATEMENT FOR THE 3 YEARS IMMEDIATELY PRECEDING THE DATE OF
ISSUE OF CIRCULAR OR ADVERTISEMENT**

I. CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

| PARTICULARS | 31 ST MAR, 2013 (Rs.) | 31 ST MAR, 2012 (Rs.) |
|---|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax from continuing operations | 240865279 | 189115066 |
| Adjustments for | | |
| Depreciation / Amortization on continuing operation | 99710206 | 80659405 |
| (Profit) on sale of fixed assets | (354515) | (4804608) |
| Loss on sale of fixed assets | 94644 | 895843 |
| Assets written off | 2192 | 45738 |
| Assets donated | 0 | 420384 |
| Net gain on sale of current investments | 0 | (14,971) |
| Interest expense | 190513146 | 128359792 |
| Interest income | (63104427) | (53959388) |
| Dividend income | (3626899) | (2648229) |
| Provision for investments | 0 | 10915935 |
| Net (Gain) / Loss on Foreign Currency Translations & Transactions | (14172900) | (19360758) |
| Operating Profit before working capital changes | 449926727 | 329624209 |
| Movements in Working capital: | | |
| Increase / (Decrease) in trade payables | 262022740 | 1084883437 |
| Increase / (Decrease) in long-term provisions | (1782385) | 3237566 |
| Increase / (Decrease) in short-term provisions | 2537871 | (2323028) |
| Increase / (Decrease) in other current liabilities | 124995455 | 49710740 |
| Increase / (Decrease) in other long-term liabilities | (2868548) | 2966910 |
| Decrease / (Increase) in Trade receivables | 69637237 | 40449953 |
| Decrease / (Increase) in Inventories | (678502262) | (203544941) |
| Decrease / (Increase) in Long-term loans and advances | 102382126 | (41955332) |
| Decrease / (Increase) in Short-term loans and advances | (141935025) | 46682457 |
| Decrease / (Increase) in other current assets | 0 | 319777 |
| Cash generated from / (used in) operations | 186413936 | 1310051748 |
| Direct taxes paid (net of refunds) | 51996155 | 64282718 |
| Net cash flow from / (used in) operating | 134417781 | 1245769030 |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | |
|--|---------------------|--------------------|
| activities (A) | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets, including intangible assets, CWIP and capital advances | (979632193) | (804933062) |
| Proceeds from sale of fixed assets | 5135748 | 16932841 |
| Proceeds from current investments | 36358358 | - |
| Proceeds of non-current investments | 29400 | 114971 |
| Purchase of non-current investments | (56129000) | (43389400) |
| Purchase of current investments | - | (36358358) |
| Interest received | 56037466 | 50582649 |
| Dividends received from current investments | 3626899 | 2648229 |
| Net cash flow from / (used in) investing activities (B) | (934573323) | (814402130) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from long term borrowings | 240260822 | 464628823 |
| Repayment of long term borrowings | 0 | 0 |
| Proceeds from short term borrowings | (298021604) | 313938369 |
| Interest paid | (179321778) | (100951850) |
| Foreign exchange fluctuations | 14172900 | 19360758 |
| Net cash flow from / (used in) financing activities (C) | (222909660) | 696976100 |
| Net increase / (decrease) in cash and cash equivalents (A + B + C) | (1023065202) | 1128343000 |
| Cash and cash equivalents at the beginning of the year | 1279087640 | 150744640 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR | 256022439 | 1279087640 |
| Components of cash and cash equivalents | | |
| Cash on hand | 1368673 | 2000157 |
| Cash credit & packing credit | 14779006 | 61810120 |
| With Banks | 137381894 | 892852013 |
| Margin money deposit accounts | 102492865 | 322425350 |
| Unpaid dividend accounts* | | |
| TOTAL CASH AND CASH EQUIVALENTS (NOTE 15) | 256022439 | 1279087640 |
| (Previous year figures are regrouped wherever necessary) | | |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Accounts)

II. CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

| CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014 | | |
|---|------------------------|------------------------|
| PARTICULARS | 31st March 2014 | 31st March 2013 |
| Cash flow from operating activities | | |
| Profit before tax from continuing operations | 276151675 | 240865280 |
| Adjustments for | | |
| Depreciation/amortization on continuing operation | 164359315 | 99710206 |
| [profit] on sale of fixed assets | (21080480) | (354515) |
| Loss on sale of fixed assets | 437576 | 94644 |
| Assets Written Off | 4048 | 2192 |
| Assets Donated | | - |
| Net gain on sale of current investments | - | - |
| Interest expense | 244366242 | 190513146 |
| Interest income | (51467082) | (63104427) |
| Dividend income | (30984073) | (3626899) |
| Provision For Investments | 8732748 | - |
| Net (Gain)/ Loss on Foreign currency translations & transactions | (24929102) | (14172900) |
| Operating profit before working capital changes | 565590867 | 449926727 |
| Movements in working capital: | | |
| Increase/[decrease] in trade payables | 1025818737 | 262022740 |
| Increase/[decrease] in long-term provisions | 6966428 | (1782385) |
| Increase/[decrease] in short-term provisions | (680998) | 2537871 |
| Increase/[decrease] in other current liabilities | 109506897 | 124995455 |
| Increase/[decrease] in other long-term liabilities | 1315395 | (2868548) |
| Decrease/[increase] in trade receivables | (381261577) | 69637237 |
| Decrease/[increase] in inventories | (1080300239) | (678502262) |
| Decrease/[increase] in long-term loans and advances | 649080 | 102382126 |
| Decrease/[increase] in short-term loans and advances | 15385231 | (141935025) |
| Decrease/[increase] in other current assets | - | - |

For 3F INDUSTRIES LIMITED


Vice President / Finance & Co. Secretary

| | | |
|--|--------------------|---------------------|
| Cash generated from/[used in] operations | 262989822 | 186413936 |
| Direct taxes paid [net of refunds] | 53627542 | 51996155 |
| Net cash flow from/[used in] operating activities (A) | 209362280 | 134417781 |
| Cash flows from investing activities | | |
| Purchase of fixed assets, including intangible assets, CWIP and capital advances | (230805027) | (979632193) |
| Proceeds from sale of fixed assets | 27298811 | 5135748 |
| Proceeds from current Investments | | 36358358 |
| Proceeds of non-current investments | | 29400 |
| Purchase of non-current investments | (90030000) | (56129000) |
| Purchase of current investments | (52747134) | - |
| Interest received | 52010034 | 56037466 |
| Dividends received from current investments | 30984073 | 3626899 |
| Buy Back of shares (Including Premium) | (120000000) | - |
| Net cash flow from/[used in] investing activities (B) | (383289243) | (934573323) |
| Cash flows from financing activities | | |
| Proceeds from long term borrowings | (145443460) | 240260822 |
| Repayment of long term borrowings | | - |
| Proceeds from short term borrowings | 542331613 | -298021604 |
| Interest paid | (250547656) | (179321778) |
| Foreign Exchange Fluctuations | 24929102 | 14172900 |
| Net cash flow from/[used in] in financing activities (C) | 171269598 | (222909660) |
| Net increase/[decrease] in cash and cash equivalents (A+B+C) | (2657365) | (1023065202) |
| Cash and cash equivalents at the beginning of the year | 256022438 | 1279087640 |
| Cash and cash equivalents at the end of the year | 253365073 | 256022438 |
| Components of cash and cash equivalents | | |
| Cash on hand | 1975225 | 1368673 |
| Cash Credit & Packing Credit | 5939793 | 14779006 |
| With Banks | 170798758 | 137381894 |
| Margin Money deposit accounts | 74651296 | 102492865 |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | |
|---|------------------|------------------|
| unpaid dividend accounts* | | |
| Total cash and cash equivalents (Note 15) | 253365073 | 256022438 |
| (Previous year figures are regrouped wherever necessary) | | |

III. CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

| PARTICULARS | 31st March 2015 | 31st March 2014 |
|---|------------------|------------------|
| Cash flow from operating activities | | |
| Profit before tax from continuing operations | 325733037 | 276151675 |
| Adjustments for | | |
| Depreciation/amortization on continuing operation | 128301528 | 164359315 |
| [profit] on sale of fixed assets | (12120) | (21080480) |
| Loss on sale of fixed assets | 645558 | 437576 |
| Assets Written Off | - | 4048 |
| Net gain on sale of current investments | - | - |
| Interest expense | 217636961 | 244366242 |
| Interest income | (58377009) | (51467082) |
| Dividend income | (67196852) | (30984073) |
| Provision For Investments | 34930990 | 8732740 |
| Net (Gain) / Loss on Foreign currency translations & transactions | (16725995) | (24929102) |
| Operating profit before working capital changes | 564936097 | 565590867 |
| Movements in working capital: | | |
| Increase/[decrease] in trade payables | (190504786) | 1025818737 |
| Increase/[decrease] in long-term provisions | 961073 | 6986429 |
| Increase/[decrease] in short-term provisions | 2633586 | (680998) |

For 3F INDUSTRIES LIMITED

Vice President (Finance & Co. Secretary)

| | | |
|--|--------------------|--------------------|
| Increase/[decrease] in other current liabilities | 111946205 | 109506897 |
| Increase/[decrease] in other long-term liabilities | 604963 | 1315395 |
| Decrease/[increase] in trade receivables | (148642448) | (381261517) |
| Decrease/[increase] in inventories | (11604929) | (1080300239) |
| Decrease/[increase] in long-term loans and advances | 12800802 | 649080 |
| Decrease/[increase] in short-term loans and advances | (90914587) | 15385231 |
| Decrease/[increase] in other current assets | (10511287) | - |
| Cash generated from/[used in] operations | 233704690 | 262989822 |
| Direct taxes paid [net of refunds] | 73946870 | 53627542 |
| Net cash flow from/[used in] operating activities (A) | 159757820 | 209362280 |
| <u>Cash flows from investing activities</u> | | |
| Purchase of fixed assets, including intangible assets, CWIP and capital advances | (352654004) | (230805027) |
| Proceeds from sale of fixed assets | 3090873 | 27298811 |
| Proceeds from current investments | | |
| Proceeds of non-current investments | | |
| Purchase of non-current investments | (54043900) | (90030000) |
| Purchase of current investments | 0 | (52747134) |
| Interest received | 54980381 | 52010034 |
| Dividends received from current investments | 67196852 | 30984073 |
| Buy Back of shares (Including Premium) | | (120000000) |
| Merger of Subsidiary Company | | |
| Net cash flow from/[used in] investing activities (B) | (281429797) | (383289243) |
| <u>Cash flows from financing activities</u> | | |
| Proceeds from long term borrowings | (258623545) | (145443460) |
| Repayment of long term borrowings | | - |
| Proceeds from short term borrowings | 480717079 | 542331613 |
| Interest paid | (221296409) | (250547656) |
| Dividends Paid | (69832453) | |
| Foreign Exchange Fluctuations | 16725995 | 24929102 |
| Proceeds from Increase in Share Capital (including Premium) | 99990375 | |
| Net cash flow from/[used in] in financing activities (C) | 47681042 | 171269599 |

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)

| | | |
|--|------------|-----------|
| Net increase/[decrease] in cash and cash equivalents (A+B+C) | (73990935) | (2657364) |
| Cash and cash equivalents at the beginning of the year | 253365074 | 256022438 |
| Cash and cash equivalents at the end of the year | 179374139 | 253365074 |
| Components of cash and cash equivalents | | |
| Cash on hand | 2607047 | 1975226 |
| Cash Credit & Packing Credit | 6763264 | 5939794 |
| With Banks | 71209732 | 170798758 |
| Margin Money deposit accounts | 94663735 | 74651296 |
| VKGUY Licenses on Hand | 2575354 | |
| unpaid dividend accounts* | 1555007 | |
| Total cash and cash equivalents (Note 15) | 179374139 | 253365074 |

(Previous year figures are regrouped where ever necessary)

Sd/-
Shiv Bhagwan Goenka

Sd/-
Sitaram Goenka

Sd/-
Jitendra Goenka

For 3F INDUSTRIES LIMITED


Vice President (Finance & Co. Secretary)