



**Board of Directors**

Shyam Sunder Sharma (Chairman & Managing Director)  
Mahesh Kumar Gupta  
Sanjay Rawka  
Babita Umang Nagori

**Registered Office & Plant**

A/2, Rahiya Industrial Estate  
Kalpi Road, Orai  
Dist : Jalaun - 285 001, U.P.

**Auditors**

S. Mandal & Co.  
Chartered Accountants  
Kolkata (W.B.)

**Registrars & Share Transfer Agent**

C B Management Services (P) Limited  
P-22 Bondel Road, Kolkata - 700 019

**Bankers**

Indus Ind Bank

**Corporate Office**

“White House” Block-A, 4th Floor  
119, Park Street, Kolkata - 700 019  
E-mail : [vegepro1987@gmail.com](mailto:vegepro1987@gmail.com)

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**NOTICE**

NOTICE is hereby given that the 28th Annual General Meeting of the members of Vegepro Foods & Feeds Limited will be held at the Registered Office of the Company at A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District: Jalaun-285001 U.P. on Thursday, 29th September, 2016 at 10.00 a.m. to transact the following business :-

**ORDINARY BUSINESS**

1. To consider and adopt the audited financial statements of the company for the year ended on 31st March, 2016 including the Audited Balance Sheet as at 31st March, 2016 and Statement of Profit & Loss for the year ended on that date and the Board's and Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Babita Nagori (holding DIN: 07144370) who retires by rotation and being eligible, seeks reappointment.
3. To ratify the appointment of Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to sections 139, 142 and other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the company hereby ratifies the appointment of M/s S. Mandal & Co., Chartered Accountants (Registration no.- 314188E) as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 29th Annual General Meeting to be held in the year 2017, to examine and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors and the Auditors.

**Regd. Office:**  
A/2, Rahiya Industrial Estate  
Kalpi Road, Orai  
District: Jalaun- 285001, U. P.  
Date: 28th May, 2016.

**By Order of the Board**  
(Shyam Sunder Sharma)  
Chairman & Managing Director

**NOTES:**

1. A member is entitled to attend and vote at the meeting and is also entitled to appoint a proxy to attend and vote on a poll instead of him/ her and a proxy need not be a member of the company.
2. Proxies in order to be effective, must be received by the company, duly filled, stamped and signed,

at its Registered Office or at its Administrative Office not less than 48 hours before the meeting.

In terms of section 105 of the Companies Act, 2013 read with Rule 19 of Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate Members intending to send their Authorized Representatives to attend their Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the 28th Annual General Meeting.
4. Members/Proxies/Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the meeting.
5. The Register of Members and Share Transfer Books shall remain closed from Friday, 23rd September, 2016 to Wednesday, 28th September, 2016, both days inclusive.
6. Members holding shares in the Physical mode are requested to intimate all changes pertaining to their Bank details, nominations, power of attorney, change of address, etc. to the Company's Registrars and Share Transfer Agents - M/s. CB Management Services Pvt Ltd., P-22 Bondel Road, Kolkata - 700 019, West Bengal.
7. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of name(s) are requested to send the share certificates to the Company's Registrar and Transfer Agents for consolidation into a single folio.
8. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their e-mail address with the RTA, M/s. CB Management Services (P) Limited, in respect of shares held in physical form to enable the Company to serve documents in electronic form.
9. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays between 11 a.m. and 1 p.m. up to the date of the 28th Annual General Meeting.

**E-VOTING INSTRUCTIONS**

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 28th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
2. The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

**SHAREHOLDER INSTRUCTIONS FOR E-VOTING**

3. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on September 26, 2016 (9:00 AM) and ends on September 28, 2016 (5:00PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

**For Members holding shares in Demat Form and Physical Form**

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p>
Bank Details or Date of Birth (DOB)	<p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other

company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Vegepro Foods & Feeds Limited from the drop down menu and click on SUBMIT.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) Mr. Ashis Toshniwal, Practising Chartered Accountant ( Membership No. 058521) and sole proprietor of M/s A. Toshniwal & Co. has been appointed as the scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (xxiii) The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolution on which voting is to be held, allow voting with the assistance of the scrutinizer, by use of ballot paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- (xxiv) The scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and

thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(xxv) The Results declared along with the report of the Scrutinizer shall be placed on the website

of the company [www.vegeprofoods.com](http://www.vegeprofoods.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock exchange BSE Limited.

**Regd. Office:**

A/2, Rahiya Industrial Estate  
Kalpi Road, Orai  
District: Jalaun- 285001, U. P.  
Date: 28th May, 2016.

**By Order of the Board**

(Shyam Sunder Sharma)  
Chairman & Managing Director

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

<b>Name</b>	<b>Mrs. Babita Umang Nagori</b>
Date of birth	19.02.1970
DIN	07144370
Age	46 years
Date of appointment	31.03.2015
Qualification	B. Com (Hons)
Brief resume & Expertise in specific functional area and capabilities	Mrs. Babita Nagori has hands on experience in Finance & Accounts and has administrative capabilities
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil
The number of Meetings of the Board attended during the year	2
Details of remuneration	Nil
List of outside *Directorships held excluding Alternate Directorship	Nil
Number of shares held in the Company	Nil

**DIRECTORS' REPORT****Dear Shareholders**

Your Directors have pleasure in presenting their 28th Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2016. A summary of the Financial Results is given below :

**FINANCIAL RESULT****(Amount (Rs. '000))**

	2015-16	2014-15
Total Income	6,988	391
Profit before interest and Depreciation	3,466	(1,728)
Less : Interest and finance charges	769	62
Less : Depreciation	1,946	2,504
Profit before tax	751	(4,294)
Tax Expense	—	—
Profit after Tax	751	(4,294)
Add : Surplus brought forward	(2,67,148)	(2,62,854)
Balance carried forward	(2,66,397)	(2,67,148)

**Business****Indian Economy during 2015-16**

The Growth in GDP is estimated to be at 8% as compared to a growth rate of 7.4% in 2014-15 on improved performances in both industry and services. Even though the new government remained committed in its endeavors, a steadier resolution of the politically difficult structural issues that have stalled investment and limited economic performance was needed. Higher infrastructure spending, continued reforms to the financial and monetary policy, demand improvement and lower oil prices should have a positive effect on the economy going forward.

**Company's Performance vis-à-vis Industry**

During the Financial Year 2015-16, the Company has not carried out any activities and the Plant Capacity remained unutilized during the whole year.

**Subsidiaries and Joint Venture Companies**

The Company has neither any subsidiary nor has any joint ventures subsisting as on the date of the Financial Report.

**Dividend**

In view of the past accumulated losses of the Company, the Directors are unable to declare any dividend for the year.

**Deposits**

During the year under review the Company has not invited deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.

**Share Capital & Debt**

During the year, there have neither been any changes in the Share Capital of the Company nor in the Debt profile of the Company.

**Corporate Governance**

Your Company complies with the provisions laid down in Corporate Governance laws. It believes in and practices good corporate governance. The company maintains transparency and also enhances corporate accountability. The following form part of this Annual Report:

- (i) Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- (ii) Management Discussion and Analysis;
- (iii) Report on the Corporate Governance; and
- (iv) Auditor's Certificate regarding compliance of conditions of Corporate Governance

**Directors' Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement :

- a. that in the preparation of the annual accounts for the year ended 31st March 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2016 and of the profit of the Company for the year ended on that date;



- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis;
- e. that proper internal financial controls are followed by the company and that such internal financial controls are adequate and are operating effectively; and
- f. that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

#### **Directors and Key Managerial Personnel**

The directors regret to inform that Mr. Gopal Daga passed away on 21st Oct, 2015. The Board expresses its profound grief and deep sorrow at his sudden demise. The Board places on record its deep appreciation of his valuable advice and guidance received during his tenure.

In accordance with the provisions of the Companies Act, 2013, Mrs. Babita Nagori (DIN: 07144370) retire by rotation at the ensuing AGM and being eligible offers herself for re-appointment.

Mrs. Babita Nagori is not disqualified from being appointed as a Director as specified in terms of Section 164 of the Companies Act, 2013.

Brief profile of Mrs. Babita Nagori who is to be re-appointed, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends the re-appointment of Mrs. Babita Nagori at the ensuing AGM.

The Company has received declarations pursuant to Section 149(7) from all the Independent Directors of the Company viz., Mr. Sanjay Rawka and Mr. Mahesh Gupta confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

#### **Meetings**

Minimum four pre-scheduled Board meetings are held annually. Additional Board meetings are convened by giving appropriate notice to address the Company's specific needs. In case of business exigencies or

urgency of matters, resolutions are passed by circulation.

During the year six Board Meetings and four Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

#### **Audit Committee**

The Audit Committee comprises of Mr. Mahesh Gupta who serves as the Chairman of the Committee, Mr. Sanjay Rawka and Mrs. Babita Umang Nagori who serve as the other members. The terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report. All the recommendations made by the Audit Committee during the year were accepted by the Board.

#### **Nomination and Remuneration Committee**

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

#### **Stakeholders' Relationship Committee**

The composition and terms of reference of the Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming a part of this Annual Report.

#### **Remuneration Policy**

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the Remuneration Policy, which inter-alia includes policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management Personnel and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### **Familiarization programme for Board Members**

The Company is required to conduct the Familiarization Programme for Independent Directors (IDs) in terms of Clause 25(7) of the SEBI, (Listing Obligation and Disclosure Requirements) Regulation 2015, to familiarize them about the Company and their roles, rights, responsibilities in the Company. The Familiarization programme is stated in the Corporate Governance Report forming part of this Annual Report. The details of such Familiarization Programme for Directors may be referred to, at the website of the Company [www.vegeprofoods.com](http://www.vegeprofoods.com)

### Board Evaluation

Pursuant to the provisions of Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, your Company has adopted the Remuneration Policy with comprehensive procedure on performance evaluation. Chairman of the Nomination and Remuneration Committee, who is an independent Director of the Board, conducted a one-to-one session with each Director to understand their points of view on the parameters for performance evaluation.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, ethics and compliances, financial reporting process and monitoring activities.

Performance parameters for the Board as a collective body, included parameters like qualification and diversity of Board members, method and criteria for selection of Independent Directors to ensure independence, availability, appropriateness, clarity of understanding on risk scenarios faced by the Company, existence, sufficiency and appropriateness of policy on dealing with potential conflicts of interest, involvement of Board members in long-term strategic planning etc.

Based on these criteria, the performance of the Board, various Board Committees, Chairman and Individual Directors (including Independent Directors) was found to be satisfactory.

Independent Directors has conducted its meeting without the participation of other Non-Independent Directors and members of management and reviewed the performance of Board, its Committee, Chairman and individual Directors. On the basis of the review by the Independent Directors, they hold unanimous opinion that the Non-Independent Directors, including the Chairman to the Board have abundant knowledge in their respective fields and are experts in their areas.

### Corporate Social Responsibility

The Company has not constituted the Corporate Social Responsibility (CSR) Committee, since the Company does not fulfill the criteria for constituting the Corporate Social Responsibility (CSR) Committee.

### Internal Financial Control

Your Company has an adequate system of internal control procedures which is commensurate with the

size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. Since the Company does not have any operations, it has not appointed any Internal Auditor.

Your Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. In this regard, your Board confirms the following:

- i. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
- ii. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with Generally Accepted Accounting Principles or any other criteria applicable to such statements, and to maintain accountability for aspects.
- iii. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.

The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to differences, if any.

### Statutory Auditors

M/s. S. Mandal & Co., Chartered Accountants, Kolkata, bearing Registration No. 314188E have been appointed as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the 26th AGM (for FY 2013-14) till the conclusion of the 30th AGM (for FY 2017-18). The Board now recommends the appointment of M/s. S. Mandal & Co. to be ratified by the members at the Annual General Meeting for the Financial Year 2016-17.

### Statutory Auditors' Observations

The remarks of the Auditors in their Report have been dealt with suitably in the various Notes forming part of the Accounts in respect of the financial year under review.

### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment



and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed Mrs. Manjula Poddar, Practicing Company Secretaries to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended 31 March 2016 is annexed herewith.

#### **Secretarial Auditors' Observations**

With respect to the Secretarial Auditor's comment regarding non payment to Investor Education and Protection Fund (IEPF), the Company is making arrangements to pay the outstanding amount. The Assets of the Company were with the Provisional Liquidator and the Company has got back possession of the Assets very recently vide order dated 12th May 2015 of the Hon'ble High Court of Allahabad.

#### **Vigil Mechanism**

The Company has a vigil mechanism named 'Whistle Blower Policy' in terms of Section 177 of the Companies Act, 2013 and Regulation 4(2)(d)(iv) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 to deal with instance of fraud and mismanagement, if any, and to report concerns about unethical behavior, wrongful conduct and violation of the Company's code of conduct or ethics policy. The details of the said Policy is posted on the website of the Company [www.vegeprofoods.com](http://www.vegeprofoods.com)

#### **Risk Policy**

The Company understands that risk evaluation and risk mitigation is a function of the Board of the Company and the Board of Directors is fully committed to developing a sound system for identification and mitigation of applicable risks viz., systemic and non-systemic. The Board of Directors has approved a Risk Management Policy as per which the Company is in the process of identifying critical risks of various departments within the Company. Once identified, a sound mitigation system will be put in place. Further the Board is of the opinion that at present there are no material risks that may threaten the functioning of the Company.

#### **Contracts and arrangements with related parties**

In the current financial year, your company has not entered into any transaction with the related parties.

#### **Particulars of loans / guarantee / advances / investments outstanding during the financial year**

Particulars of Loans Outstanding during the Financial Year are furnished in Note No. 2.3 to the Financial

Statement.

#### **Particulars of Employees and related disclosures**

There are no employees of the Company who are in receipt of remuneration in excess of limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT 9 forms part of this Annual Report and is annexed herewith and marked as Annexure I.

#### **Significant and material orders passed by the Regulators or Courts or Tribunals**

There were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

#### **General**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the Provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder for prevention and redressal of complaints of Sexual Harassment at workplace. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy.

#### **Appreciation**

Your Directors would like to record their appreciation and warmly acknowledge the unstinting support extended by its bankers and other stakeholders in contributing to the results.

By Order of the Board  
(Shyam Sunder Sharma)

Place: Kolkata  
Date: 28th May, 2016

DIN : 05174668  
Chairman & Managing Director

**ANNEXURE I****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31st March 2016**

[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 :	L15142UP1987PLC008717
ii) Registration Date :	30/04/1987
iii) Name of the Company :	VEGEPRO FOODS & FEEDS LIMITED
iv) Category / Sub-Category of the Company :	Company having Share Capital
v) Address of the Registered Office of the Company	A/2, RAHIYA INDUSTRIAL ESTATE KALPI ROAD, ORAI - 285001 DIST: JALAUN, UTTAR PRADESH TEL: +91 33 2210 2211 FAX: +91 33 2210 2211
vi) Whether listed company :	Listed
vii) Name, Address and Contact details of the Registrar	C. B. MANAGEMENT SERVICES PVT LTD P-22, BONDEL ROAD, KOLKATA 700 019 PHONE: (033) 4011 6700/2280 FAX: (033) 4011 6739 EMAIL: rta@cbmsl.com Website: www.cbmsl.com

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

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
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NOT APPLICABLE

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held
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NOT APPLICABLE

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as %e of Total Equity)**

(i) Category-wise Share Holding

Category of Shareholder	No of shares held at the beginning of the year				No of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1. Indian									
a. Individuals/ HUF									
b. Central Government(s)									
c. State Government(s)									
d. Bodies Corporate	—	2230000	2230000	10.48	—	2230000	2230000	10.48	0.00
e. Bank/Financial Institutions									
f. Others									
g. Person Acting Concert	—	10138400	10138400	47.64	852960	5178400	6031360	28.34	-19.30
Sub Total(A)(1)	—	12368400	12368400	58.12	852960	7408400	8261360	38.82	-19.30
<b>2. Foreign</b>									
a. NRIs-Individuals									
b. Other-Individuals									
c. Bodies Corporate									
d. Bank/Financial Institutions									
e. Any Others									
Sub Total(A)(2)	—	—	—	—	—	—	—	0.00	
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	—	12368400	12368400	58.12	852960	7408400	8261360	38.82	-19.30
<b>B. Public shareholding</b>									

Category of Shareholder	No of shares held at the beginning of the year 01.04.2014				No of Shares held at the end of the year 31.03.2015				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
1 Institutions									
(a) Mutual Funds	—	2000	2000	0.01	—	2000	2000	0.01	0.00
(b) Bank/Financial Institutions	—	600	600	0.00	—	600	600	0.00	0.00
(c) Central Government(s)									
(d) State Government(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) Foreign Institutional Investors (FII)									
(h) Foreign Venture Capital Funds									
(j) Other (specify)									
Sub-Total (B)(1)	—	2600	2600	0.01	—	2600	2600	0.01	0.00
B 2 Non-institutions									
(a) Bodies Corporate	533378	1471087	2004465	9.42	1576698	1470487	3047185	14.32	4.90
i) Indian									
ii) Overseas									
(b) Individuals									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	15300	3928557	3937757	18.51	18900	3918857	3937757	18.51	0.00
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	535000	2416778	2951778	13.87	3599320	2416778	6016098	28.27	14.40
(c) Other (specify)									
1 NRI		15000	15000	0.07	—	15000	15000	0.07	0.00
Sub-Total (B)(2)	1083678	7825322	8909000	41.87	5194918	7821122	13016040	61.17	19.30
(B) Total Public Shareholding (B)= (B)(1) + (B)(2)	1083678	7827922	8911600	41.88	5194918	7823722	13018640	61.18	19.30
(C) Shares held by Custodians for GDRs & ADRs	—	—	—	—	—	—	—	—	—
GRAND TOTAL (A) + (B) + (C)	1083678	20196322	21280000	100	6047878	15232122	21280000	100	19.30

## ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			& change in share holding during the year
		No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged/ encumbered to total shares	
1	DHANANI INTERNATIONAL LTD.	5039800	23.68	0.00	932760	4.38	0.00	19.30
2	KITPLY INDUSTRIES LIMITED	5011700	23.55	0.00	5011700	23.55	0.00	0.00
3	PRADESHIYA INDUS & INV. CORP. OF U.P. LTD.	2230000	10.48	0.00	2230000	10.48	0.00	0.00
4	GAURAV GOENKA	85000	0.40	0.00	85000	0.40	0.00	0.00
5	GAURAV INDIA LTD.	1900	0.01	0.00	1900	0.01	0.00	0.00
	Total	12368400	58.12	0	8261360	38.82	0	19.30

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>At the beginning of the year -</b>					
1.	Dhanani International Limited	5039800	23.68	5039800	23.68
2.	Kitply Industries Limited	5011700	23.55	5011700	23.55
3.	Pradeshya Industrial & Investment Corp of U.P. Ltd.	2230000	10.48	2230000	10.48
4.	Gaurav Goenka	85000	0.40	85000	0.40
5.	Gaurav India Limited	1900	0.01	1900	0.01
<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus) :</b>					
1.	Dhanani International Limited				
	<b>Date</b>				
	04.12.2015 (Sale)	1042720	4.90	1042720	4.90
	12.02.2016 (Sale)	1021440	4.80	1021440	4.80
	31.03.2016 (Sale)	2042880	9.60	2042880	9.60
<b>At the end of the year</b>					
	Dhanani International Ltd.	932760	4.38	932760	4.38
2.	Kitply Industries Limited	5011700	23.55	5011700	23.55
3.	Pradeshya Industrial & Investment Corp of U.P. Ltd.	2230000	10.48	2230000	10.48
4.	Gaurav Goenka	85000	0.40	85000	0.40
5.	Gaurav India Limited	1900	0.01	1900	0.01



## iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	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
1	ORIENT FINCORP LTD. 1202300000041173				
	At the beginning of the year	—	—	—	—
	Change during the year	1,042,720.00	4.90	1,042,720.00	4.90
	At the end of the year	1,042,720.00	4.90	19,200.00	4.90
2	SUSHIL JHALANI 1203660000221255				
	At the beginning of the year	—	—	—	—
	Change during the year	1,042,720.00	4.90	1,042,720.00	4.90
	At the end of the year	1,042,720.00	4.90	1,042,720.00	4.90
3	ARADHANA MAHESHWARI 120177010031024				
	At the beginning of the year	—	—	—	—
	Change during the year	1,021,440.00	4.80	1,021,440.00	4.80
	At the end of the year	1,021,440.00	4.80	1,021,440.00	4.80
4	UMESH KUMAR SABOO 1202550000025029				
	At the beginning of the year	—	—	—	—
	Change during the year	1,000,160.00	4.70	1,000,160.00	4.70
	At the end of the year	1,000,160.00	4.70	1,000,160.00	4.70
5	RAM GOPAL NARESH KUMAR KARTA (HUF) 0700038				
	At the beginning of the year	760,000.00	3.57	760,000.00	3.57
	Change during the year	—	—	—	—
	At the end of the year	760,000.00	3.57	760,000.00	3.57
6	SAVI COMMERCIAL PVT. LTD. 0700093				
	At the beginning of the year	758,387.00	3.56	758,387.00	3.56
	Change during the year	—	—	—	—
	At the end of the year	758,387.00	3.56	758,387.00	3.56
7	ANANDA MANGAL VANIJYA PVT LTD 0700041				
	At the beginning of the year	535,000.00	2.51	535,000.00	2.51
	Change during the year	—	—	—	—
	At the end of the year	535,000.00	2.51	535,000.00	2.51
8	AAYUSH BIYANI 0700083				
	At the beginning of the year	535,000.00	2.51	535,000.00	2.51
	Change during the year	—	—	—	—
	At the end of the year	535,000.00	2.51	535,000.00	2.51
9	SAVITA BIYANI 0700084				
	At the beginning of the year	535,000.00	2.51	535,000.00	2.51
	Change during the year	—	—	—	—
	At the end of the year	535,000.00	2.51	535,000.00	2.51
10	ABHAY GANDHI 1202650100000321				
	At the beginning of the year	535,000.00	2.51	535,000.00	2.51
	Change during the year	—	—	—	—
	At the end of the year	535,000.00	2.51	535,000.00	2.51

## v) Shareholding of Directors and Key Managerial Personnel :

Sl. No. For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>At the beginning of the year -</b>	NIL	NIL	NIL	NIL
<b>Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) -</b>	NIL	NIL	NIL	NIL
<b>At the End of the year -</b>	NIL	NIL	NIL	NIL

## (v) Shareholding of Directors &amp; KMP

Sl. No	Shareholding at the end 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
For Each of the Directors & KMP				
At the beginning of the year	Nil	Nil	Nil	Nil
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)	Nil	Nil	Nil	Nil
At the end of the year	Nil	Nil	Nil	Nil

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	35,65,000	61,00,000	–	96,65,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	56,096	–	56,096
Total (i+ii+iii)	35,65,000	61,56,096	–	97,21,096
Change in Indebtedness during the financial year				
Addition	–	24,00,000	–	24,00,000
Reduction	–	–	–	–
Net Change	–	24,00,000	–	24,00,000
Indebtedness at the end of the financial year				
i) Principal Amount	35,65,000	85,00,000	–	1,20,65,000
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	7,45,555	–	7,45,555
Total (i+ii+iii)	35,65,000	92,45,555	–	1,28,66,651

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Nil	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil	Nil
	as % of profit	Nil	Nil	Nil	Nil	Nil
	others (specify)	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

**B. REMUNERATION TO OTHER DIRECTORS:**

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount	
1	Independent Directors					
	(a) Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)					
2.	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	(b) Commission	Nil	Nil	Nil	Nil	Nil
	(c) Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1 + 2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

**C. REMUNERATION OF KEY MANAGERIAL PERSONNEL THAN MD / MANAGER / WTD**

Sl.No	Particulars of Remuneration	Key Managerial Personnel			Total	
1	Gross salary	CEO	Company	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Nil	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil	Nil
	as % of profit	Nil	Nil	Nil	Nil	Nil
	others (specify)	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil

**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			NIL	NIL	NIL
Punishment			NIL	NIL	NIL
Compounding			NIL	NIL	NIL
B. DIRECTORS					
Penalty			NIL	NIL	NIL
Punishment			NIL	NIL	NIL
Compounding			NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL	NIL	NIL
Punishment			NIL	NIL	NIL
Compounding			NIL	NIL	NIL

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry structure & developments

The company till recently was registered as a Sick Company under Section 3(II)(O) of the Sick Industrial Companies (Special Provision) Act, 1985 with Board of Industrial and Financial Reconstruction (BIFR) in view of erosion of entire net worth of the Company. BIFR had recommended winding up of the Company and had referred the matter to Hon'ble Allahabad High Court for further action. Accordingly the Hon'ble Allahabad High Court passed winding up order and appointed a Provisional Liquidator. The Company preferred an appeal before the Hon'ble AAIFR to set aside the impugned order of the BIFR. AAIFR vide its order dated 21.08.2014 set aside the order of BIFR and discharged the Company from the purview of BIFR. The Company thereafter approached the Hon'ble Allahabad High Court to set aside the winding up order. The Hon'ble High Court of Allahabad vide its order dated 12.05.2015 was pleased to dismiss the winding up order and quashed the appointment of the Provisional Liquidator and handed possession of the Assets of the Company back to it.

The Company is in the process of formulating a revival plan and has started refurbishment of the factory premises and also of the plant and machinery.

### Opportunities and Threats

The factory of the Company is situated in an area which is a major wheat and green peas growing area. Given the enormous potential in the food processing sector and the Government support to the industry, the Company is exploring opportunities to enter into this sector.

In terms of threats, the area, being a backward area, does not have good irrigation facilities and hence the threat of uneven/uncertain monsoon is real thereby affecting the crop produce.

### Segment-wise or product wise performance

The Company does not have any reportable segment.

### Outlook

Given the enormous potential in the food processing industry and the abundant availability of agricultural produce in the vicinity of the factory, the Company believes there are exponential growth opportunities.

### Risks and Concerns

The Company's plant is lying closed since fifteen years and the facility has been lying closed for the last several years. Hence it would be a herculean task to restart operations. Furthermore since the Company has very recently been discharged from the purview of the BIFR, but since the networth continues to be negative, availability of finance at competitive rates shall be a challenge.

Further more since the area does not have good irrigation facilities, the agricultural produce shall be dependent on the vagaries of nature and uncertain monsoon conditions.

### Internal Control Systems and Their Adequacy

Internal control systems are generally adequate.

However, in view of no manufacturing activities, no internal audit has been carried out during the year.

### Discussion on financial performance with respect to operational performance

The company's plant capacity remained unutilized during the entire year under review. Cost control measures have been carried out extensively. Expenses which are essential in nature are only being incurred.

### Material developments in the Human Resources / Industrial relations front including number of people employed.

The plant is closed as aforesaid since last fifteen years. The company had laid off all its staff and workers at the time of closure of the factory and upon being referred to BIFR. The company is in the process of identifying business opportunities in the area and accordingly manpower recruitment shall be made.

### Cautionary Statement

Statement in the Management Discussion and Analysis could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions, changes in Government regulations, fiscal laws and other statutes.



**REPORT ON CORPORATE GOVERNANCE  
(AS PER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGE)**

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company believes in and continues to practice good Corporate Governance to improve corporate image. The basic philosophy of Corporate Governance in the Company emphasizes on highest levels of transparency, accountability and equity, in all respects of its operations.

**II. BOARD OF DIRECTORS**
**• Composition**

The Board consists of 4 Members, of whom 2 (two) are Non-Executive Independent Directors, 1 (one) Executive Chairman, and 1 (one) is a Non-Executive Non Independent Director. The size and composition of the Board conforms to the requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The details of the Board of Directors as at 31st March, 2016 and their Directorships/Memberships in Committees of other Companies are as under :

Name of the Directors	Category	FY 2015-16 Attendance at		No. of Directorships in other Public Companies		No. of Committee positions held in other Public Companies*
		BM	Last AGM	Chairman	Member	Chairman
Mr. Shyam Sunder Sharma (Chairman)	Executive & Non Independent	6	Yes	-	4	-
Mr. Sanjay Rawka	Non-Executive Independent	6	Yes	-	9	-
Mr. Mahesh Kr. Gupta	Non-Executive Independent	6	No	-	3	-
Mrs. Babita Umang Nagori	Non-Executive Non-Independent	3	Yes	-	-	-
Mr. Gopal Daga <sup>1</sup>	Non-Executive Independent	3	Yes	-	2	-

1. Deceased on 21.10.2015

**• Board Meetings**

During the year, 6 Board Meetings were held on 13.05.2015, 28.05.2015, 12.08.2015, 09.11.2015, 11.11.2015 and 12.02.2016.

The gap between any two meetings did not exceed four months.

**• Code of Conduct for Directors**

The Board has framed a code of conduct for all Board members and employees of the Company focusing transparency, accountability and ethical expression in all acts and deeds. A certificate of affirmation in this regard is appended.

**• Familiarisation Program for Independent Directors**

All new IDs inducted on the Board are given an orientation Presentation and are made by Executive Chairman giving an overview of the Company's operations, Board constitution and guidelines, matters reserved for the Board and major risk and risk management strategy.

**• Board Evaluation**

The Nomination and Remuneration Committee has approved a Policy for evaluation of the Board, its Committees and Directors and the same has been approved by the Board of Directors of the Company.

**• CEO & CFO Certification**

A certificate as obtained from CEO & CFO of the Company for due compliance under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is appended herewith.

**III. AUDIT COMMITTEE**

The Audit Committee, constituted in line with the composition as prescribed by the code of the Corporate Governance, presently comprise of Mr. M. K. Gupta (Chairman), Mr. Sanjay Rawka and Mrs. Babita Nagori. The scope of the Committee includes :-

- To review internal control systems, nature and scope of audit as well as post audit discussions.
- To review quarterly, half-yearly and annual statements.
- Reviewing with the management, external auditors, and the adequacy of internal control systems.
- To recommend to the Board on any matter relating to Financial Management including audit report.
- To oversee Company's financial reporting process and disclosure of financial information.

The composition of the Audit Committee and the details of meetings attended by the Directors are given below :

Name of Members	Category	No. of Meetings	
		Held	Attended
Mr. M. K. Gupta Chairman	Non-Executive & Independent	4	4
Mr. Sanjay Rawka	Non-Executive & Independent	4	4
Mrs. Babita Umang Nagori	Non-Executive & Independent	2	2

#### IV. STAKEHOLDER'S COMMITTEE

- **Stakeholders'/Investors' Grievance Committee**

Stakeholders' Grievance Committee has been formed for redressal of Investors complaints like transfer of shares, non-receipts of annual report, non-receipt of declared dividend, issue of duplicate certificates, transfer & transmission of shares & allied transactions.

The Committee oversees the performance of **M/s. C B Management Services Pvt. Limited**, the Registrars and Share Transfer Agents of the Company and recommends measures to improve the level of investor related services. All the share transfer/transmission cases approved by the Registrars are reported to the Committee. The Committee also keeps a close watch on disposal status of all complaints/grievances of shareholders.

The Composition of the committee and attendance details of the members are given below:

Name of Members	Category	No. of Meetings Attended
Mr. M.K. Gupta (Chairman)	Non Executive & Independent	1
Mr. Sanjay Rawka	Non Executive & Independent	1
Mrs. Babita Umang Nagori	Non Executive & Non Independent	1

- Compliance Officer of the Company in terms of Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

**Name, designation and address :**

**Mr. Sanjay Rawka**

"White House", 4th Floor, A-Block,  
119, Park Street, Kolkata – 700 016  
Phone: (033) 2229-3340 / 42 / 43 / 44  
Fax No. (033) 2249-5009

**E-mail: [vegepro1987@gmail.com](mailto:vegepro1987@gmail.com)**

All complaints/queries received during the year under review were duly replied/resolved and no share transfers were pending as on March 31, 2016. There were also no investors complaint pending against the Company as on March 31, 2016 on SCORES, the web based complaint redressal system of SEBI.

The email ID earmarked for investors complaints : **[investors.vffl@gmail.com](mailto:investors.vffl@gmail.com)**

- **Nomination and Remuneration Committee**

The purpose of the committee is to oversee the Company's nomination process for senior management and specifically to identify, screen and review individual's qualified to serve as EDs, NEDs and IDs consistent with the criteria approved by the Board, Nominees for election at the AGM of the shareholders.

The composition of the committee and attendance details of the members are given below :

Name of Members	Category	No. of Meetings Attended
Mr. M. K. Gupta Chairman	Non-Executive & Independent	1
Mr. Sanjay Rawka	Non-Executive & Independent	1
Mrs. Babita Umang Nagori	Non-Executive & Non Independent	1

- **Risk Management Committee**

The purpose of this committee is to frame, implement and monitor the Risk Management Policy of the Company.

The terms of reference of this committee are:

- Overseeing the key risks, including strategic, financial, operational and compliance risks.
- Assisting the Board in framing, implementing and monitoring the risk management plan for the Company and reviewing and guiding the risk policy.
- Developing risk management policy and risk management system/ framework for the Company.

The composition of the committee and attendance details of the members are given below:

Name of Members	Category	No. of Meetings Attended
Mr. M. K. Gupta Chairman	Non-Executive & Independent	1
Mr. Sanjay Rawka	Non-Executive & Independent	1
Mrs. Babita Umang Nagori	Non-Executive & Non Independent	1

#### V. GENERAL BODY MEETINGS OF LAST 3 YEARS

##### a) Details of venue, date and time of the last three Annual General Meetings

Year	Venue	Day & Date	Time
2012-2013	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Friday 27.09.2013	10.00 AM
2013-2014	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Wednesday 31.12.2014	10.00 AM
2014-2015	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Tuesday 29.09.2015	10.00 AM

The resolutions at the above Annual General Meetings were passed by the requisite majority/unanimously.

- b) No special resolutions were passed during the last three AGMs.
- c) No Special Resolutions were required to be put through postal Ballot at the previous AGM's. No resolution on matters requiring postal ballot were placed for shareholder's approval in the ensuing Annual General Meeting.

#### VI. OTHER DISCLOSURES

- a. Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large : **There were no such transactions during the year.**
- b. Details of non-compliance by the company, penalties, strictures imposed on the company by stock exchanges or SEBI or any statutory authorities on any matter related to Capital markets during the last three years. : **None**

#### VII. MEANS OF COMMUNICATION

(a) Whether half-yearly report sent to each household of shareholders	No.
(b) Quarterly Results	
(i) Which newspapers normally published in :	The Financial Express & Aaj Kanpur
(ii) Any Website displayed :	Yes
(c) Whether Website also displays official news releases	No
(d) Whether presentations made to institutional investors or to the analysts	No
(e) Whether MD&A is a part of Annual Report or not	Yes

#### VIII. GENERAL SHAREHOLDER INFORMATION

(a) 28th Annual General Meeting :	Day : Thursday Date : 29th September 2016 Time : 10.00 A.M. Venue : Registered Office A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001 U.P.
(b) Financial Calendars :	April to March
Publication of results for the Financial Year 2015-16	
First Quarter results	On or before Mid August 2016.
Second Quarter results and half-yearly results	On or before Mid November 2016.
Third Quarter results	On or before Mid February 2017.
Fourth Quarter results and results for the year ending on 31.03.2016	During May, 2017.
Annual General Meeting for the year ending March 31, 2017	Last week of September, 2017
(c) Book closure period :	From 23rd September 2016 to 28th September 2016 (both days inclusive)
(d) Dividend Payment Date :	Not Applicable

(e)	<b>Listing on Stock Exchanges :</b> The Company's securities are Listed at :  1) <b>The Bombay Stock Exchange Ltd.</b> Phiroza Jeejeebhoy Towers 25th Floor, Dalal Street, Mumbai 400001.  2) <b>The Uttar Pradesh Stock Exchange Assn. Ltd</b> Padam Towers 14/113 Civil Lines Kanpur- 208001
(f)	(i) <b>Stock Code :</b> Bombay Stock Exchange (BSE) – Mumbai <b>Physical Form</b> Stock Code 519140 Equity ISIN VGPRFOO  (ii) <b>Depositories</b> The Equity Shares were admitted into Central Depository Services Limited (CDSL) w.e.f. 27.11.12. The demat security (ISIN) code is INE155001015
(g)	<b>Stock Market Data :</b> The Equity Shares of the Company are not being traded in the Stock market due to temporary suspension of trading, therefore the Market Price Quotation for the Financial year are not available
(h)	<b>Custodial Fees to depositories :</b> The annual custodial fees for the financial year 2015-16 & 16-17 has been paid to Central Depository Services (India) Ltd. (CDSL).

**i) Share Holding Pattern as on 31.03.2016 :**

Name of the Shareholder	No. of Shares Held	% Holding
Promoter & Promoter Group	8261360	38.83
FIs	0	0.00
NRIs and OBCs	0	0.00
Mutual Funds	2000	0.01
FIs/Insurance Cos./Banks	600	0.00
Bodies Corporate	3047185	14.32
General Public	9968855	46.85
<b>Total</b>	<b>21280000</b>	<b>100.00</b>

**j) Distribution of Share Holdings as on 31.03.2016:**

Range of Ordinary Shares	No. of Shares	% to Capital	No. of Holders	% of Holders
1 to 500	3111657	14.62	23333	97.02
501 to 1000	365000	1.72	447	1.86
1001 to 10000	635500	2.98	247	1.03
Above 10000	17167843	80.68	22	0.09
<b>Total</b>	<b>21280000</b>	<b>100.00</b>	<b>24085</b>	<b>100.00</b>

(k)	<b>Registrar &amp; Transfer Agents :</b> <b>C B Management Services Pvt. Ltd.</b> P-22 Bondel Road, Kolkata - 700 016 Ph. No.(033) 2280 6692-93-94/2486/2937, 2282 3236-37-38 & 3643 Fax No.(033) 2287 0263 E-mail : rta@cbmsl.com
(l)	<b>Share Transfer System :</b> Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodging, if the documents are clear in all respects. Compliance Officer of the Company is empowered to approve transfer of shares. A summary of transfer/ transmission of securities of the Company so approved by the Share Transfer Committee is placed at every Board Meeting. Grievances received from Members and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.  Pursuant to Clause 47(c) & 55 of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly & quarterly basis, have been issued by a Company Secretary in practice for due compliance of share transfer formalities & Secretarial Audit report, respectively, by the Company and files a copy of the certificates with the Stock Exchanges.
(m)	<b>Dematerialization of Shares &amp; Liquidity :</b>  At present the equity shares are suspended from trading at Stock Exchanges. Approximately 28.42% of the issued shares are in dematerialized form.
(n)	<b>Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely equity :</b>  None
(o)	<b>Plant Locations :</b>  A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District: Jalaun-285001 U.P.
(p)	<b>Address for Correspondences :</b>  Administrative Office 'White House', 'A' Block, 4th Floor, 119, Park Street, Kolkata-700016

**CERTIFICATE**

**Certificate to the members of Vegepro Foods & Feeds Limited on compliance of the conditions of Corporate Governance for the year ended March 31, 2016 as stipulated under SEBI (LODR) Regulations, 2015.**

We have examined the compliance of the conditions of Corporate Governance by **Vegepro Foods & Feeds Limited** for the year ended 31.03.2016, as stipulated in Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 the said company with Stock Exchange(s).

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our Examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances remained unattended/pending for more than 30 days against this Company except in cases which are constrained by disputes and legal impediments.

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

Place: Kolkata  
Date: 28th May, 2016

**Manjula Poddar**  
(*Practicing Company Secretary*)  
C.P. No. - 11252

**DECLARATION REGARDING COMPLIANCE  
BY BOARD WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Directors.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them. I further confirm that the rules of Insider Trading Regulation has been duly complied with.

Kolkata  
Date: 28th May, 2016

**Shyam Sunder Sharma**  
**Chairman & Managing Director**

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**CERTIFICATION ON FINANCIAL STATEMENTS**

We, Shyam Sunder Sharma, Chairman & Managing Director and Sanjay Rawka, Director of Vegepro Foods & Feeds Ltd. to the best of our knowledge and belief, certify that:

1. We have reviewed Balance Sheet and Profit & Loss Account and all the Schedules and Notes on Account, as well as Cash Flow Statements and Director's Report for Financial Year ended on March 31, 2016;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct;
5. We are responsible for establishing and maintaining internal controls, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors:
  - a) any deficiencies in the design or operation of internal controls, that could adversely affect the company's ability to record, process, summarize and report financial data, and any material weaknesses in the internal controls over financial reporting including any corrective actions with regard to deficiencies.;
  - b) significant changes in internal controls during the year;
  - c) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - d) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal controls system.

**Place: Kolkata**  
**Date: 28th May, 2016**

**Shyam Sunder Sharma**  
**Chairman & Managing Director**

**Sanjay Rawka**  
**Director**

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**FORM No MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
VEGEPRO FOODS & FEEDS LIMITED  
A/2, Rahiya Industril Estate, Kalpi Road,  
Orai, Jalaun District,  
Uttar Pradesh- 285001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by VEGEPRO FOODS & FEEDS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the VEGEPRO FOODS & FEEDS LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by VEGEPRO FOODS & FEEDS LIMITED ("the company") for the financial year ended on 31st March, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; .
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit Period).

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: (Not applicable to the Company during the Audit Period).
- vi) Other laws applicable to the Company.
  - a) Income Tax Act, 1961
  - b) Finance Act, 1994
  - c) Sexual Harassment of Women Workplace (Prevention Prohibition and Redressal) Act, 2013
  - d) Negotiable Instrument Act, 1881
  - e) The Contract Act, 1872
  - f) National Oil Seeds Vegetable Oils, Development Board Act, 1983
  - g) Cotton Copra and Vegetable Oils Cess(Abolition) Act, 1987
  - h) Seeds Act, 1966.
  - i) Protection of Plant Varieties and Farmers Right Act, 2001.
  - j) Food Safety and Standards Act, 2006.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited, Delhi Stock Exchange, Uttar Pradesh Stock Exchange. But recently there is no activities are going on in Delhi Stock Exchange and Uttar Pradesh Stock Exchange

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: NIL

I further report that :

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members` views, if any, are captured and recorded as part of the minutes.

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

Place: Kolkata  
Dated: 28th May, 2016

Name of the Company MANJULA PODDAR  
Secretary in practice:  
ACS No : 30520  
C.P.No. : 11252

Note :

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**Manjula Poddar**  
Company Secretary

**'Annexure A'**

To,  
The Members,  
VEGEPRO FOODS & FEEDS LIMITED  
A/2, Rahiya Industril Estate, Kalpi Road,  
Orai, Jalaun District,  
Uttar Pradesh- 285001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of managememnt. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Compliance of the following laws specifically applicable to the Company.
  - a) Income Tax Act, 1961
  - b) Finance Act, 1994
  - c) Sexual Harassment of Women Workspace (Prevention Prohibition and Redressal) Act, 2013
  - d) Negotiable Instrument Act, 1881
  - e) The Contract Act, 1872
  - f) National Oil Seeds Vegetable Oils, Development Board Act, 1983
  - g) Cotton Copra and Vegetable Oils Cess (Abolition) Act, 1987
  - h) Seeds Act, 1966.

- i) Protection of Plant Varieties and Farmers Right Act, 2001.
  - j) Food Safety and Standards Act, 2006
8. During the period under review, Company has not issued any shares therefore, Company was not required to comply with SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2009.
9. Company has balance in Dividend unpaid account for a period exceeding 7 years but Company could not transferred the amount to Investor Education and Protection Fund.

**Manjula Poddar**

Practising Company Secretary

Membership No- 30520

Certificate of Practice Number-11252

Date : 28th July, 2016

Place : Kolkata

**Independent Auditor's Report**

To the Members of  
**M/s VEGEPRO FOODS & FEEDS LIMITED**

**1. Report on the Financial Statements**

We have audited the accompanying standalone financial statements of VEGEPRO FOODS & FEEDS LIMITED ("the Company"), which comprises the Balance Sheet as at March 31st 2016, the Statement of Profit and Loss and statement of Cash Flow for the year ended March 31, 2016, and a summary of significant accounting policies and other explanatory information.

**2. Management's Responsibility for the Standalone Financial Statements**

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 judgements 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.

**3. Auditor's Responsibility**

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

We have taken in to 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 there under.

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 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 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. 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 standalone financial statements.

**4. Emphasis of Matters**

*We draw attention to the following matters in the Notes to the financial statements:*

- a) *Note 2.3 to the financial statements regarding non provision of interest on NCD's.*
- b) *As per Note 2.15 regarding closure of factory, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.*

*Our opinion is not modified in respect of these matters.*

**5. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2016, and its profit and its cash flows for the year ended on that date.

**6. Report on Other Legal and Regulatory Requirements**

6.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

6.2 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 purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under the Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed

as a director in terms of section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g) 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) Company has an amount required to be transferred to Investor Education & Protection Fund (IEPF), of unpaid share application money of Rs. 2.25 lacs, which have not been deposited with appropriate authorities.

Date: 28th May, 2016  
Place: Kolkata

For **S. MANDAL & CO.**  
Chartered Accountants  
FRN : 314188E  
**Arijit Dutta**  
(Partner)  
Membership No. : 066223

**“Annexure A” to the Independent Auditor's Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of report of even date to the standalone financial statements of the company for the year ended March 31, 2016; we report that:

**3.1 Clause (i):**

The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.

The Company has a programme of verification of Fixed Assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Fixed Assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed in such verification.

In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets has been disposed off during the year and therefore does not affect going concern assumption.

**3.2 Clause (ii):**

There is no Stock in trade (Securities) of the Company hence reconciliation and verification by the company does not arise.

**3.3 Clause (iii):**

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the paragraph 3(iii) of the order is not applicable to the company and hence not commented upon.

**3.4 Clause (iv):**

In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**3.5 Clause (v):**

According to the information and explanation given to us the company has not accepted deposits from the public during the financial year under audit. Accordingly, the paragraph 3(v) of the order is not

applicable to the company and hence not commented upon.

**3.6 Clause (vi):**

In our opinion and according to information and explanation given to us, the company does not manufacturing any goods and as such the provision related to maintenance of cost records by the company under sub section (1) of section 148 of Companies Act, 2013 for any of its products as prescribed by Central Government, are not applicable.

**3.7 Clause (vii):**

- (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- (b) According to the information and explanations given to us there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

**3.8 Clause (viii):**

According to the records of the company examined by us and as per the information and explanation given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures. Accordingly, the paragraph 3(viii) of the order is not applicable to the company and hence not commented upon.

**3.9 Clause (ix):**

In our opinion and according to information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the paragraph 3(ix) of the order is not applicable to the company and hence not commented upon.

**3.10 Clause (x):**

No fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

**3.11 Clause (xi):**

No Managerial remuneration has been paid or provided during the year, hence the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act is not applicable to the company.

**3.12 Clause (xii):**

In our opinion, and according to information and explanations given to us, clause (xii) of para 3 to Companies (Auditor's Report) Order, 2016 w.r.t. Nidhi Company is not applicable to company. Accordingly, the paragraph 3(xii) of the order is not applicable to the company and hence not commented upon.

**3.13 Clause (xiii):**

In our opinion all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**3.14 Clause (xiv):**

In our opinion, and according to information and explanations given to us, clause (xiv) of para 3 to Companies (Auditor's Report) Order, 2016 w.r.t. Allotment of Securities is not applicable to company. Accordingly, the paragraph 3(xiv) of the order is not applicable to the company and hence not commented upon.

**3.15 Clause (xv)**

The company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the paragraph 3(xv) of the order is not applicable to the company and hence not commented upon.

**3.16 Clause (xvi):**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the order is not applicable to the company and hence not commented upon.

For **S. MANDAL & CO.**  
Chartered Accountants  
FRN : 314188E  
**Arijit Dutta**  
(Partner)  
Membership No. : 066223

Date: 28th May, 2016  
Place: Kolkata

**“Annexure B” to the Independent Auditor's Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of VEGEPRO FOODS & FEEDS LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or

disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

For **S. MANDAL & CO.**  
Chartered Accountants  
FRN : 314188E  
**Arijit Dutta**  
(Partner)  
Membership No. : 066223

Date: 28th May, 2016  
Place: Kolkata

## Balance Sheet as at 31st March, 2016

(Rs '000)

Particulars	Note	As at 31st March 2016	As at 31st March 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
a) Share Capital	2.1	257,753	257,753
b) Reserves and Surplus	2.2	(2,59,777)	(260,528)
<b>(2) Non-Current Liabilities</b>			
a) Long Term borrowings	2.3	12,811	9,721
<b>(3) Current Liabilities</b>			
a) Trade payables	2.4	342	216
b) Other Current liabilities	2.5	4,814	10,177
c) Short Term Provisions	2.6	2	69
<b>Total</b>		<b>15,945</b>	<b>17,408</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
a) Fixed Assets	2.7		
i. Tangible assets	2.7A	9,712	11,658
ii. Capital work-in-progress	2.7B	1,371	1,371
<b>(2) Current Assets</b>			
a) Cash and cash equivalents	2.8	608	540
b) Trade Receivable	2.9	792	342
c) Short-term loans & advances	2.10	3,462	3,497
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	1 & 2		
<b>Total</b>		<b>15,945</b>	<b>17,408</b>

As per our report of even date annexed

**For S. Mandal & Co.**  
**Chartered Accountants**

(Arijit Dutta)  
**Partner**  
M. No. 066223

Place : Kolkata  
Dated 28th May, 2016

**For and on behalf of the Board**

**Shyam Sundar Sharma**  
*Chairman & Managing Director*

**Sanjay Rawka**  
*Director*

**Statement of Profit and Loss for the year ended 31st March, 2016**
**(Rs '000)**

Particulars	Note	Year ended 31st March 2016	Year ended 31st March 2015
I. Other Income	2.11	<b>6,988</b>	391
<b>Total Revenue</b>		<b>6,988</b>	391
II. Expenses			
Employee benefit expense	2.12	<b>320</b>	—
Depreciation and amortization expense	2.7	<b>1,946</b>	2,504
Other Expenses	2.13	<b>3,971</b>	2,181
<b>Total Expenses</b>		<b>6,237</b>	4,685
III. Profit before exceptional & extraordinary items and tax	(I-II)	<b>751</b>	(4,294)
IV. Exceptional Items		—	—
V. Profit before extraordinary items and tax (III-IV)		<b>751</b>	(4,294)
VI. Extraordinary Items		—	—
<b>VII. Profit before tax (V-VI)</b>		<b>751</b>	(4,294)
VIII. Tax Expense :			
1) Current Tax		—	—
2) Deferred Tax		—	—
IX. Profit/(Loss) for the period from continued operations	(VII-VIII)	<b>751</b>	(4,294)
X. Profit/(Loss) from discontinuing operations		—	—
XI. Tax Expense for discontinuing operations		—	—
XII. Profit / (Loss) from Discontinuing operations (X- XI)		—	—
<b>XIII. Profit / (Loss) for the period (IX + XII)</b>		<b>751</b>	(4,294)
XIV. Earning per equity share :			
1) Basic		<b>(0.31)</b>	(0.55)
2) Diluted		<b>(0.31)</b>	(0.55)
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	1 & 2		

As per our report of even date annexed

**For S. Mandal & Co.**  
**Chartered Accountants**
**(Arijit Dutta)**  
**Partner**  
**M. No. 066223**
**Place : Kolkata**  
**Dated 28th May, 2016**
**For and on behalf of the Board**
**Shyam Sundar Sharma**  
*Chairman & Managing Director*
**Sanjay Rawka**  
*Director*

**Cash Flow Statement for the year ended 31st March, 2016**  
(Pursuant to Clause 32 of the listing agreement)

**(Rs '000)**

Particulars	Year ended 31st March 2016	Year ended 31st March 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) Before tax and Extraordinary items	751	(4294)
Adjustment for :		
Depreciation	1946	2503
	<u>1946</u>	<u>2503</u>
<b>Operating Profit/(Loss) before working capital changes</b>	<b>2697</b>	<b>(1791)</b>
Adjustment for :		
Current Assets	(415)	(160)
Current Liabilities	<u>(5304)</u>	<u>150</u>
	<u>(5719)</u>	<u>(10)</u>
	<b>(3022)</b>	<b>(1801)</b>
<b>Cash generated before extraordinary items</b>	<b>-</b>	<b>-</b>
Extra ordinary items :		
Cash generated from Operating Activities	<u>(3022)</u>	<u>(1801)</u>
Net Cash from Operating Activities	<u>(3022)</u>	<u>(1801)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/(Decrease) in Long Term Borrowings (Net)	<u>3090</u>	<u>2161</u>
	<u>3090</u>	<u>2161</u>
<b>Net Increase in Cash or Cash equivalents</b>	<b>68</b>	<b>360</b>
Cash and Cash Equivalents as at 31.03.2015		
Cash and Bank Balances	540	180
Cash and Cash Equivalents as at 31.03.2016		
Cash and Bank Balances	608	540

Notes: Figures in brackets represent outflow.

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

**For S. Mandal & Co.**  
**Chartered Accountants**
**(Arijit Dutta)**  
**Partner**  
**M. No. 066223**
**For and on behalf of the Board**
**Shyam Sundar Sharma**  
*Chairman & Managing Director*
**Sanjay Rawka**  
*Director*
**Place : Kolkata**  
**Dated 28th May, 2016**

**1. Statement on Significant Accounting Policies**
**I. Fixed Assets**

Fixed assets are stated at their original cost including Freight, Duties, Taxes and other incidental cost related to acquisition and installation. Also refer to Note 3 below.

**II. Depreciation**

Depreciation on Fixed Assets other than Plant and Machinery has been provided on written down value method and on Plant and Machinery on straight line method in accordance with the rates and manner specified in Schedule II to the Companies Act, 2013 (As amended). Leasehold land is amortized over the life of the lease.

**III. Gratuity**

In keeping with practice generally followed by in the Company, Provision for gratuity is made in respect of employees who have completed five years of service with the Company on the basis of last salary drawn for half month's salary for every completed year of service.

**Note 2.1 SHARE CAPITAL**

		As at 31 March 2016		As at 31 March 2015	
		Number	(Rs. '000)	Number	(Rs. '000)
<b>Authorised</b>					
2,50,00,000	Equity Shares of Rs 10/- each	<b>25,000</b>	<b>250,000</b>	25,000	250,000
45,00,000	14% Cumulative Convertible Preference Shares of Rs. 10/- each	<b>4,500</b>	<b>45,000</b>	4,500	45,000
5,00,000	Preference Shares of Rs. 10/- each	<b>500</b>	<b>5,000</b>	500	5,000
<b>Issued</b>					
2,12,80,000	Equity Shares of Rs. 10/- each	<b>21,280</b>	<b>212,800</b>	21,280	212,800
45,00,000	14% Cumulative Convertible Preference Shares of Rs. 10/- each	<b>4,500</b>	<b>45,000</b>	4,500	45,000
<b>Subscribed &amp; Paid up</b>					
2,12,80,000	Equity Shares of Rs. 10/- each fully paid	<b>21,280</b>	<b>212,800</b>	21,280	212,800
	Less : Calls in Arrears (Due from other than directors)		<b>(47)</b>		(47)
45,00,000	14% Cumulative Convertible Preference Shares of Rs. 10/- each	<b>4,500</b>	<b>45,000</b>	4,500	45,000
<b>Total</b>		<b>25,780</b>	<b>257,753</b>	25,780	257,753

**Reconciliation of Shares**

Particulars	Equity Shares		Preference Shares	
	Number	(Rs. '000)	Number	(Rs. '000)
Shares outstanding at the beginning of the year	21,280	212,800	4,500	45,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	21,280	212,800	4,500	45,000

**Additional Information :**

NIL Equity Shares (Previous year) are held by NIL the holding company.

Above disclosure is required for each class of Shares held by its holding company or its ultimate holding company.

**Disclosure of Share holding Above 5 %**

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Pradeshya Industrial & Investment Corp of U.P	2,230,000	10.48%	2,230,000	10.48%
Kitply Industries Limited	5,011,700	23.55%	5,011,700	23.55%

**Note 2.2 Reserves & Surplus**

	(Rs. '000)	
	As at 31 March 2016 Rs	As at 31 March 2015 Rs
<b>A. Capital Reserves</b>		
Opening Balance	2,500	2,500
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
<b>Closing Balance</b>	<b>2,500</b>	<b>2,500</b>
<b>B. Securities Premium Account</b>		
Opening Balance	4,120	4,120
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
<b>Closing Balance</b>	<b>4,120</b>	<b>4,120</b>
<b>C. Profit &amp; Loss A/c</b>		
Opening balance	(2,67,148)	(262,854)
(+) Net Profit/(Net Loss) For the current year	751	(4,294)
<b>Closing Balance</b>	<b>(2,66,397)</b>	<b>(267,148)</b>
<b>Total</b>	<b>(2,59,777)</b>	<b>(260,528)</b>

**Note 2.3 Long Term Borrowings**

	As at 31 March 2016 Rs	As at 31 March 2015 Rs
<b>(Rs. '000)</b>		
<b>Secured</b>		
<b>(A) Debentures*</b>	<b>3,565</b>	<b>3,565</b>
35,650 Secured Redeemable Non Convertible Debentures of Rs.100/- each		
(The Debentures are secured by first mortgage and charges on all company's immovable and movable properties except book debts, both present and future.)		
<b>Unsecured</b>		
<b>(A) Other loans and advances (specify nature)</b>	<b>9,246</b>	<b>6,156</b>
(Secured Nil)		
(of the above, Rs. Nil is guaranteed by Directors and / or others)		
Terms of Repayment : On Demand		
<b>Total</b>	<b>12,811</b>	<b>9,721</b>

**Additional Information :**

As per the agreement dated 24.09.97 entered by the Company with ICICI (operating agency) it was agreed to redeem the entire amount of Non Convertible Debentures (NCD's) of Rs. 521.17 lacs up to 15.03.1998. Company redeemed the entire amount of NCD's within stipulated time except in case of NCD's of Rs. 35.65 lacs to UTI. The UTI expressed their disagreement on the aforesaid amount as their account was unreconciled at the time of conversion of term loan into NCD's in the year 1995-97 accounts. The Debt has been assigned to M/s Unique Commercial Private Limited and who have raised a demand of Rs. 1279.40 lacs on the company towards the principal and outstanding interest. The Company is in the process formulating a revival scheme and shall approach the appropriate authorities for necessary approvals. Pending such approval, no interest has been provided from the Outstanding Debentures.

**Note 2.4 Trade Payables :**

Trade Payables outstanding beyond normal operating cycle	231	216
Trade Payables outstanding within normal operating cycle	111	—
<b>Total</b>	<b>342</b>	<b>216</b>

**Note 2.5 Other Current Liabilities :**

(a) Other payables - Advance from Customers	3,825	9,000
(b) Other Liabilities	989	1,177
<b>Total</b>	<b>4,814</b>	<b>10,177</b>

**Additional Information :**

[Other liabilities includes Provision for Gratuity Rs 1.25 lacs (Previous year Rs.1.25 lacs)

Investor Education and Protection Fund on account of unpaid Share Application Money Rs.2.25 lacs (Previous year Rs.2.25 lacs) and T.D.S deducted for March qtr Rs. 0.78 lacs (Previous year Rs.1.17 lacs)]

**Note 2.6 Short Term Provisions**

Provision for Expenses ( <b>Outstanding Audit Fees</b> )	2	69
<b>Total</b>	<b>2</b>	<b>69</b>

**Note 2.7 Fixed Assets**
**(Rs. '000)**

FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block		
	Balance as at 1 April 2015 Rs	Additions/ (Disposals) Rs	Acquired through business consideration Rs	Revaluation/ (Impairments) Rs	Balance as at 31st March 2016 Rs	Balance at 1st April 2015 Rs	Depreciation charge for the year Rs	Adjustment due to revaluations Rs	On disposals Rs	Balance as at 31st March 2016 Rs	Balance as at 31st March 2016 Rs	Balance as at 31st March 2015 Rs
Tangible Assets												
Land												
Lease Hold	4,217	-	-	-	4,217	1,052	42	-	-	1,094	3,123	3,165
Free Hold	7	-	-	-	7	-	-	-	-	-	7	7
Buildings #	69,686	-	-	-	69,686	61,278	1,904	-	-	63,182	6,504	8,408
Assets under lease												
Plant and Equipment #	222,185	-	-	-	222,185	222,185	-	-	-	222,185	-	-
Assets under lease												
Furniture and Fixtures	1,646	-	-	-	1,646	1,625	-	-	-	1,625	21	21
Assets under lease												
Vehicles	434	-	-	-	434	433	-	-	-	433	1	1
Assets under lease												
Office equipment	2,294	-	-	-	2,294	2,238	-	-	-	2,238	56	56
Assets under lease												
Total	300,469	-	-	-	300,469	288,811	1,946	-	-	290,757	9,712	11,658
Capital Work In Progress	1,371	-	-	-	1,371	-	-	-	-	-	1,371	1,371
Total	301,840	-	-	-	301,840	286,307	1,946	-	-	290,757	11,083	13,029

The following disclosure should be made for each class of asset as required

Particulars	Year's				
	2015-16	2014-15	2013-14	2012-13	2011-12
	Rs	Rs	Rs	Rs	Rs
<b>Asset details :</b>					
Balance as at 1 April	301,840	301,840	301,840	301,840	301,840
Impairment/ Revaluation	-	-	-	-	-
Balance as at 31 March	301,840	301,840	301,840	301,840	301,840

**Additional Information :**

**# INCLUDING INTEREST CAPITALISED :**

Building Rs. 256.37 lacs

Plant and Machinery Rs. 717.75 lacs

Rs. 974.12 lacs

The Company's production facilities were installed and it began commercial production in phases and the primary operating unit, namely the Solvent Extraction Plant, started operating with effect from 1st April, 1989. Due to acute shortage of raw materials since commencement of commercial production, the various production units of the Plant could not be made fully operational. Upon such insignificant use of the Plant, the Board considered it appropriate to capitalize, interest on Term Loans availed for the purpose of acquisition/installation of relevant fixed assets and expensed in the accounts after commencement of commercial production aggregating Nil for the current year and Rs. 974.12 lacs up to 31st March, 2015.



**Note 2.8 Cash and Cash Equivalents :**

	As at 31 March 2016 Rs	As at 31 March 2015 Rs
<b>(Rs. '000)</b>		
<b>Balance with Banks :</b>		
In Current Accounts with Scheduled Banks	419	435
Cash in Hand	189	105
<b>Total</b>	<b>608</b>	<b>540</b>

**Note 2.9 Trade Receivables**

Due within normal operating cycle	792	342
<b>Total</b>	<b>792</b>	<b>342</b>

**Note 2.10 Short-term Loans and Advances  
Loans and Advances, Considered Good**

Advance to Staff	163	163
Rent Receivable	127	127
Loans and Advances	—	171
Advance to Suppliers	3,017	3,017
TDS	155	19
<b>Total</b>	<b>3462</b>	<b>3,497</b>

**Additional Information :**

Year-end Loans and Advances considered good include an aggregate amount of Rs. 34.97 lacs (Previous Year Rs. 34.78 lacs) in respect of which appropriate steps have been taken by the Company for recovery.

**Notes to financial statement of Profit and Loss Account**
**Note 2.11 Other Income**

	As at 31 March 2016 Rs	As at 31 March 2015 Rs
<b>(Rs. '000)</b>		
Sales of Shares	—	—
Brokerage and Commission	577	319
Rent Received	364	—
Sundry credit Balances written off	5,292	—
Miscellaneous Income	755	—
<b>Total</b>	<b>6,988</b>	<b>391</b>

	(Rs. '000)	
	As at 31 March 2016 Rs	As at 31 March 2015 Rs
<b>Note 2.12 Employee Benefit and Expense</b>		
Salary, Wages and Bonus	290	—
Staff Welfare Expenses	30	—
Employers Contribution to Provident Fund	—	—
<b>Total</b>	<u>320</u>	<u>—</u>
<b>Note 2.13 Other Expenses</b>		
Advertisement & Publicity	183	160
Bank Charges	—	—
Legal and Consultancy	130	730
Listing Fees	225	169
Interest on unsecured loan	769	62
Security Expenses	167	—
Printing & Stationery	246	245
Fee Rates and Taxes	—	—
Repairing & Maintenance	451	—
Travelling and Conveyance Expenses	453	77
Miscellaneous	23	13
Share Transfer Expenses	38	36
Postage and Telephone Expenses	721	648
General Expenses	121	—
Lease Land Rent	54	—
Office Expenses	20	—
Professional Charge	321	—
<b>Auditors Fees :</b>		
Statutory Audit Fees	35	28
Other Services	14	13
<b>Total</b>	<u>3,971</u>	<u>2,181</u>

**Note 2.14 Contingent Liabilities represent**

- a. Arrears of fixed cumulative dividend and tax thereon Rs.1,328.34 lacs (Previous year Rs. 1254.63 lacs) on 14% Cumulative Convertible Preference Shares the amount of dividend are in arrear since the Accounting period 1995-97, the period of allotment of Preference Shares.
- b. Liability which may arise due to appeals pending with Income Tax Authorities - amount unascertainable.

**Note 2.15** The Company has closed its factory with effect from 11.10.2000 due to heavy accumulated losses vide its notice for closure dated 08.10.2000 The Company was also referred to the Board for Industrial and Financial Reconstruction, New Delhi (BIFR) under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) vide Company's letter dated 4th September 2000 for its revival. BIFR vide its order dated 19th August 2010 has recommended for winding up of the Company through the Hon'ble Allahabad High Court. The Hon'ble Allahabad High Court vide its order dated 02.08.2011 passed an order for appointment of Provisional Liquidator. The Company in the mean time preferred an appeal before the Appellate for Industrial and Financial Reconstruction against the impugned order of BIFR. The Hon'ble AAI FR vide its order dated 21.08.2014 was pleased to set aside the order of BIFR and discharge the company from the purview of the BIFR. The company approached the Hon'ble Allahabad High Court for setting aside the order of appointment of Provisional Liquidator and hand back the possession of the assets to the Company. The Hon'ble Allahabad High Court vide its order dated 12.05.2015 was pleased to dismiss the winding up order and quashed the appointment of the Provisional Liquidator. The company is in the process of formulating a revival plan and pending approval by the appropriate authorities, the accounts have been prepared on a going concern basis.

**Note 2.16** Income Tax assessment has been completed up to the Assessment Year 2015-2016 and no demand is outstanding for payment. Appeals filed by the Company in respect of several Assessment Years are still pending. No provision has been made for tax liability, if any, that may arise on disposal of such appeals as the amount is not ascertainable.

**Note 2.17** In terms of Accounting Standard (AS-22) "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has determined the deferred tax assets as on 31.03.2016 but the same has not been recognized in view of uncertainty of future taxable income. In view of the brought forward losses no provision for taxation is required to be made as on 31st March, 2016.

**Note 2.18** Details of Loan taken during the year and total Loan outstanding at the end of the Year (Rs. in '000)

Sl. No	Related Party	Type of Loan	Amount o/s as on 1.04.2015	Loan taken during 2015-16	Interest during 2015-16	Amount o/s as on 31.03.2016
1	Unique Commercial (P) Ltd	Non Convertible Debentures	35.65	—	—	—
2	Videocon International Ltd.	Unsecured Loan	66	24	6.9	96.9

**Note 2.19** There is no separate reportable segment as per Accounting Standard – 17

**Note 2.20** (Rs. '000)

Particulars	Year ended 31 .03.2016 Rs	Year ended 31 .03.2015 Rs
a. Net profit/( loss) as per Profit and Loss Account	751.00	(4294.00)
Less : Extra ordinary income ( unsecured loan written off)		
b. Profit/ Loss after Extraordinary items	751.00	(4294.00)
Less : Preference dividend and tax	7371.00	7371.00
c. Net profit/(loss) for equity shareholders	(6620.00)	(11665.00)
d. Weighted average number of equity shares	21280.00	21280.00
e. Basic and diluted earning per share of Rs. 10/- each (in Rs.)	(0.31)	(0.55)

Potential equity shares are anti-dilutive as their conversion to equity shares would either increase profit per share or decrease loss per share from continuing ordinary activities. The effects of anti-dilutive potential equity have been ignored in calculating diluted earnings per share. Consequently, the basic and diluted earning per share of the company remain the same.

**Note 2.22** As per Accounting Standard 15 “Employee Benefits” the disclosure of Employee benefits as defined in the Accounting Standard are given below:

a) <b>Defined Contribution Plan :</b>	<b>2015-16</b>	2014-15
Employer’s Contribution of PF Fund	<b>0</b>	8

b) **Defined Benefit Plan:**

- i) **Leave encashment :** The Company has not provided leave encashment as all the employees have availed off their leaves during the year and there was no dues in this account at the end of year.
- ii) **Gratuity :** During the year the company has made a provision of Rs. NIL (Nil in previous year) for gratuity as per the provisions of the Payment of Gratuity Act i.e. half month’s salary for every completed year of service. Since there are only few employees in the company, the management does not see any need for actuarial valuation of the defined benefit plan.

**Note 2.23** Previous year figures have been regrouped/recast wherever necessary to confirm to this year’s presentation

**Note 2.24** Details of licensed capacity, installed capacity and actual production.

LICENSED CAPACITY	2015-16 (In Tonnes)	2014-15 (In Tonnes)
Solvent Extraction Plant (input basis)	Not applicable	Not applicable
Refinery	Not applicable	Not applicable
Texturised Soya Plant	Not applicable	Not applicable
Edible Soya Flour (FDS)	Not applicable	Not applicable
Dehauling Plant (Dall Mill)	Not applicable	Not applicable
Cattle Feed Plant	Not applicable	Not applicable
<b>INSTALLED CAPACITY PER ANNUM</b> (as certified by Company’s Technical Expert )		
Solvent Extraction Plant (input basis)	120000	120000
Refinery	3000	3000
Texturised Soya Plant	2880	2880
Edible Soya Flour (FDS)	67500	67500
Dehauling Plant (Dall Mill)	50000	50000
Cattle Feed Plant	15000	15000
<b>ACTUAL PRODUCTION</b>	NIL	NIL

ROUTE MAP



