

## VEGEPRO FOODS & FEEDS LIMITED

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### Board of Directors

Shyam Sunder Sharma (Chairman & Managing Director)  
Mahesh Kumar Gupta  
Gopal Daga  
Sanjay Rawka

### 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  
Punjab National 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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## VEGEPRO FOODS & FEEDS LIMITED

### DIRECTORS' REPORT

#### To the Members of Vegepro Foods & Feeds Limited

Your Directors have pleasure in presenting their 26th Annual Report to the Members together with the Audited Accounts for the year ended 31st March, 2014.

### FINANCIAL RESULT

(Rs. In thousand)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
Other Income	817	5,368
Profit/(Loss) before Depreciation	160	1,376
Depreciation	(907)	(1,031)
Profit/(Loss) after tax	(747)	345

### DIVIDEND :

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

### OPERATIONAL REVIEW :

During the Financial year 2013-14 the Company has not carried any activities and the Plant Capacity remained unutilized during the whole year. The revival process is still under consideration before the Hon'ble AAIFR.

### DIRECTORS' RESPONSIBILITY STATEMENT :

In compliance with Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms:

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (ii) that the selected accounting policies were applied consistently and the directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit or loss of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of aforesaid Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Annual Accounts have been prepared on the going concern basis.

### AUDITORS :

The Auditors of the Company M/s. S. Mandal & Co., Chartered Accountants retire and are eligible for reappointment. They have confirmed that if reappointed their appointment shall be within prescribed limits. The Directors recommended their appointment for a period of 5 years subject to ratification by the members of the Company at every Annual General Meeting.

### AUDITORS COMMENTS :

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.

### CORPORATE GOVERNANCE :

Under Clause 49 of the Listing Agreement with the Stock Exchanges, the Management Discussion & Analysis and Corporate Governance Report together with a certificate from the practicing Company Secretary confirming compliance are set out in the Annexure forming part of this Annual Report.

### LISTING IN STOCK EXCHANGE :

The trading of equity shares of the Company stands suspended at Bombay Stock Exchange, Delhi Stock Exchange and Uttar Pradesh Stock Exchange and steps are being taken by the management for resumption of normal trading soon.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956 and rules made there under are not applicable since no manufacturing activities was carried during the financial year.

### EMPLOYEE PARTICULARS :

None of the employees of the Company were in receipt of remuneration during the year ended March 31, 2014 in respect of whom particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

### ACKNOWLEDGEMENTS :

The Directors wish to place on record their appreciation of the support received from Government, Local Authorities, Financial Institution, Banks and employees of the Company.

**By Order of the Board**  
**Place: Kolkata** (Shyam Sunder Sharma)  
**Date: 29th May, 2014** Chairman & Managing Director

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## VEGEPRO FOODS & FEEDS LIMITED

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### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry structure & developments

The Company is 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.

#### Opportunities and Threats

The Company is before AAIFR and steps are being taken for its speedy revival and the factory is non-operational since the year 2000.

#### Segment-wise or product wise performance

The Company does not have any reportable segment.

#### Outlook

The company is hopeful for its revival.

#### Risks and Concerns

The Company's plant is lying closed since fourteen years and the Company is before AAIFR.

#### 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 been incurred.

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

The plant is closed as aforesaid since last fourteen years.

#### 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.*

## VEGPRO FOODS & FEEDS LIMITED

### 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 3 (three) are Non-Executive Directors and an Executive Chairman. 3 of the four Directors are Independent. The size and composition of the Board conforms to the requirements of Clause 49 of the Listing Agreement with Stock Exchanges. The details of the Board of Directors as at 31st March, 2014 and their Directorships/Memberships in Committees of other Companies are as under :

Name of the Directors	Category	FY 2013-14 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	3	No	-	-	-
Mr. Sanjay Rawka	Non-Executive Independent	5	Yes	-	4	-
Mr. Gopal Daga	Non-Executive Independent	2	No	-	2	-
Mr. M. K. Gupta	Non-Executive Independent	5	Yes	-	3	-

##### • Board Meetings

During the year, 5 Board Meetings were held on 29.05.2013, 14.08.2013, 13.09.2013, 13.11.2013, 14.02.2014

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

Mr. M. K. Gupta is liable to retire by rotation and being eligible, offer himself for re- appointment. Information as required under clause 49(VI) of the

Listing Agreement is appended to the Notice for the 26th Annual General Meeting.

Mr. Gopal Daga is liable to retire by rotation and being eligible, offer himself for re- appointment. Information as required under clause 49(VI) of the Listing Agreement is appended to the Notice for the 26th Annual General Meeting.

Mr. Sanjay Rawka is liable to retire by rotation and being eligible, offer himself for re- appointment. Information as required under clause 49(VI) of the Listing Agreement is appended to the Notice for the 26th Annual General Meeting.

##### • 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.

##### • CEO & CFO Certification

A certificate as obtained from CEO & CFO of the Company for due compliance under Clause 49(V) of the Listing Agreement is appended herewith.

#### III. AUDIT COMMITTEE

The Audit Committee, constituted in line with the composition as prescribed by the code of Corporate Governance, presently comprise of Mr. M. K. Gupta (Chairman), Mr. Sanjay Rawka and Mr. Gopal Daga. 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.

## VEGEPRO FOODS & FEEDS LIMITED

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	5	5
Mr. Gopal Daga	Non-Executive & Independent	5	2
Mr. Sanjay Rawka	Non-Executive & Independent	5	5

The Committee met five times on 29.05.2013, 14.08.2013, 13.09.2013, 14.11.2013 and 14.02.2014 during the year 2013-14. The Statutory Auditor is invited to the meeting as and when required. The Chairman of the Audit Committee was also present at the last Annual General Meeting of the Company.

#### IV. SHAREHOLDER'S COMMITTEE

##### • Shareholders'/Investors' Grievance Committee

Shareholders' 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 following three Directors are the members of the shareholders'/ Investor's Grievances Committee viz. Mr. M.K. Gupta (as Chairman), Mr. Gopal Daga and Mr. Sanjay Rawka as members.

Two meetings were held during the year on 29.07.2013 and 28.01.2014 and was attended by Mr. M.K.Gupta, Mr. Gopal Daga, Mr. Shyam Sundar Sharma and Mr. Sanjay Rawka respectively.

- Compliance Officer of the Company in terms of Clause 47(a) of the Listing Agreement :

##### 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**

All complaints/queries received during the year under review were duly replied/resolved and no share transfers were pending as on March 31, 2014. There were also no investors complaint pending against the Company as on March 31, 2014 on SCORES, the web based complaint redressal system of SEBI.

The email ID earmarked for investors complaints : **investors.vffl@gmail.com**

##### • Share Transfer Committee

To expedite the process of share transfer, the Board has delegated the powers of share transfers to a committee comprising three Directors namely Mr. M. K. Gupta, Mr. Gopal Daga and Mr. Sanjay Rawka (as Chairman).

During the financial year 2013-14 the committees met 8 times on the following dates:

30.04.2013,	26.08.2013,	30.09.2013,
22.11.2013,	20.01.2014,	15.02.2014,
28.02.2014,	20.03.2014	

#### 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
2010-2011	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Friday 30.09.2011	10.00 AM
2011-12	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Saturday 29.09.2012	10.00 AM
2012-2013	A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001, U.P.	Friday 27.09.2013	10.00 AM

## VEGEPRO FOODS & FEEDS LIMITED

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)	26th Annual General Meeting :	Day : Wednesday Date : December 31, 2014. Time : 10.00 A.M. Venue : Registered Office A/2 Rahiya Industrial Estate, Kalpi Road, Orai, District : Jalaun-285001 U.P.
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(b)	Financial Calendars :	April to March
	Publication of results for the Financial Year 2013-14	
	First Quarter results	On or before Mid August 2014.
	Second Quarter results and half-yearly results	On or before Mid November 2014.
	Third Quarter results	On or before Mid February 2015
	Fourth Quarter results and results for the year ending on 31.03.2015	During May, 2015.
	Annual General Meeting for the year ending March 31, 2015	Last week of September, 2015
(c)	Book closure period :	From Saturday, December 27, 2014 to Wednesday, December 31 2014 (both days inclusive)
(d)	Dividend Payment Date :	Not Applicable
(e)	Listing on Stock Exchanges :	The Company's securities are Listed at :
	1) The Bombay Stock Exchange Ltd.	Phiroza Jeejeebhoy Towers 25th Floor, Dalal Street, Mumbai 400001.
	2) * The Delhi Stock Exchange Ltd.	DSE House, 3/1 Asaf Ali Road New Delhi- 110002
	3) * The Uttar Pradesh Stock Exchange Assn. Ltd	Padam Towers 14/113 Civil Lines Kanpur- 208001
	* Listing Fees not paid.	
(f)	(i) Stock Code :	Bombay Stock Exchange (BSE) - Mumbai Stock Code 519140 Equity ISIN VGPRFOO
	(ii) Depositories	The Equity Shares were admitted into Central Depository Services Limited (CDSL) w.e.f. 27.11.12. The demat security (ISIN) code is INE155O01015
(g)	Stock Market Data :	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)	Custodial Fees to depositories :	The annual custodial fees for the financial year 2013-14 & 14-15 has been paid to Central Depository Services (India) Ltd. (CDSL).

## VEGEPRO FOODS & FEEDS LIMITED

i) Share Holding Pattern as on 31.03.2014 :

Name of the Shareholder	No. of Shares Held	% Holding
Promoter & Promoter Group	12368400	58.12
FIs	0	0.00
NRIs and OBCs	15000	0.07
Mutual Funds	2000	0.01
FIs/Insurance Cos./Banks	600	0.00
Bodies Corporate	2004465	9.42
General Public	6889535	32.38
Total	21280000	100.00

j) Distribution of Share Holdings as on 31.03.2014:

Range of Ordinary Shares	No. of Shares	% to Capital	No. of Holders	% of Holders
1 to 500	3117157	14.65	23374	97.04
501 to 1000	364200	1.71	446	1.85
1001 to 10000	630800	2.96	247	1.03
Above 10000	17167843	80.68	18	0.08
Total	21280000	100.00	24085	100.00

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
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i)	<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 5.06% 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, 2014 under clause 49 of the Listing Agreements with relevant Stock Exchanges.

We have examined the compliance of the conditions of Corporate Governance by Vegepro Foods & Feeds Limited for the year ended 31.03.2014, as stipulated in clause 49 of the Listing Agreement of 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 carried out in accordance with the guidance note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement) and 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: 29th May, 2014

**Anil Dubey**  
*(Practicing Company Secretary)*  
 C.P. No. - 12588

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## VEGEPRO FOODS & FEEDS LIMITED

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### 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, 2014, 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: 29th May, 2014

**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, 2014;
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: 29th May, 2014

**Shyam Sunder Sharma**  
Chairman & Managing Director

**Sanjay Rawka**  
Director

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**Auditors' Report**

**TO THE MEMBERS OF  
VEGEPRO FOODS AND FEEDS LIMITED**

We have audited the attached Balance Sheet of Vegepro Foods and Feeds Limited, as at 31st March, 2014 and also the annexed Profit & Loss Account and the Cash Flow Statement for the year ended as on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit,
2. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books,
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of accounts,
4. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub - Section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable except for comments in Para 6(a) & 6(b) below.

5. Except in case of Mr. Rajendra Sonkar, Nominee of PICUP in whose case no written representation u/s 274(1)(g) of the Companies Act, 1956 has been received by the Company, on the basis of the written representations received from all other directors of the Company as on 31st March 2014 and taken on the record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director u/s 274(1)(g) of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, subject to
  - (a) Note : 2.16 regarding closure of factory since 11.10.2000 and accounts having been prepared on the basis that the Company is a going concern,
  - (b) Note : 2.3 regarding non provision of interest on NCD's.

read together with notes thereon, give the information as required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2014;
- (ii) in the case of the Profit and Loss Account, of the loss of the Company for the Year ended as on that date; and
- (iii) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

**For S. Mandal & Co.  
Chartered Accountants  
FRN — 314188E**

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

**Place : Kolkata  
Dated : 29th May, 2014**

## VEGEPRO FOODS & FEEDS LIMITED

### Annexure to the Auditors' Report

Referred to in paragraph 3 of our Report of even date on the Accounts for the year ended on 31st March, 2014 of Vegepro Foods and Feeds Limited.

- (i) (a) The Company has maintained proper Records showing full particulars including Quantitative details and situation of Fixed Assets.
- (b) The Fixed Assets have not been physically verified during the year by the management due to lockout in the factory.
- (c) The Company has not made any disposal of its Fixed Assets during the year.
- (ii) (a) The Company has no Inventories, hence question of physical verification does not arise.
- (b) Para 4(ii) (b) & (c) of CARO Order is not applicable as Company has no inventory
- (iii) According to information and explanations given to us, the company has neither granted nor taken during the year any Loans, Secured or Unsecured, to and from Companies, Firms or Other Parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (b) to (d) and (f) & (g) of the Order are not applicable to the Company
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and nature of its business for the sales of goods (Forestry/Horticulture product) and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of this area. Further due to closure of the factory there are no transactions of purchase of inventories and Fixed Assets.
- (v) (a) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the Register maintained in pursuance of Section 301 of the Companies Act, 1956.
- (b) In view of the above, clause (v) (b) of Paragraph 4 of the Companies (Auditor's Report) Order 2003 is not applicable.
- (vi) The Company has not accepted any deposits from the public within the meaning of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under. Therefore, the provisions of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public are not applicable to the Company.
- (vii) Internal Audit has not been carried out due to closure of factory during the year.
- (viii) As informed by the management, the Central Government has not prescribed the maintenance of cost records by the Company under Section 209(1)( d) of the Companies Act, 1956 for any of its products.
- (ix) (a) As explained to us, the Company in general is regular in depositing with the appropriate Authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues whenever applicable to it except in case of Investor Education and Protection Fund of unpaid Share Application Money of Rs. 2.25 lacs and TDS of Rs. 1.17 lacs which have not been deposited with appropriate Authorities.
- (b) At the last day of the financial year, according to the records of the Company and the information and explanations given to us, there was no dues of Wealth Tax, Service Tax, Custom duty, Excise Duty and Cess which have not been deposited on account of any dispute. However, there are dues of Income tax and sales tax at the last day of the financial year which have not been deposited on account of disputes but as mentioned in Note : 2.17 management has not ascertained the amount of disputed Income tax and sales tax liability and also not provided to us the details of Authorities before which disputes are pending, we are unable to quantify the same.
- (x) The Company's accumulated Losses at the end of the financial year are Less than the total of Share Capital and Reserve & Surplus due to write off of Advances and Security and Other Deposits from Customers and Unsecured Loans in earlier Financial Years. However, the Company has incurred cash losses both during the Current Year as well as in the immediately preceding Financial Year.
- (xi) The Company had defaulted in repayment of dues to financial institutions / debenture holders, detail of which are given below

	Amount of default As per books of account	Period of default
a. Debenture issued to UTI (as per Note: 2.3)	35.65 lacs	15.03.98

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## VEGEPRO FOODS & FEEDS LIMITED

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- (xii) In our opinion and according to the information and explanations given to us, and based on the documents and records produced to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, considering the nature of activities carried on by the company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us the company has not given any Guarantee for Loans taken by others from Banks and Financial Institutions.
- (xvi) The Company has not raised any new Term Loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short term basis have been used for long term investments.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debentures during the current financial year.
- (xx) The Company has not raised any money through public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For S. Mandal & Co.**  
**Chartered Accountants**  
**FRN — 314188E**

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

**Place : Kolkata**  
**Dated : 29th May, 2014**

## VEGEPRO FOODS & FEEDS LIMITED

### Balance Sheet as at 31st March, 2014

(Rs '000)

Particulars	Note	As at 31st March 2014	As at 31st March 2013
<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	(256,234)	(255,487)
<b>(2) Non-Current Liabilities</b>			
a) Long Term borrowings	2.3	7,560	7,240
<b>(3) Current Liabilities</b>			
a) Trade payables	2.4	216	433
b) Other Current liabilities	2.5	10,049	9,913
c) Short Term Provisions	2.6	47	45
<b>Total</b>		<u>19,391</u>	<u>19,897</u>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
a) Fixed Assets	2.7		
i. Tangible assets	2.7A	14,161	15,068
ii. Capital work-in-progress	2.7B	1,371	1,371
<b>(2) Current Assets</b>			
a) Cash and cash equivalents	2.8	180	19
b) Trade Receivable	2.9	201	—
c) Short-term loans & advances	2.10	3,478	3,439
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	1 & 2		
<b>Total</b>		<u>19,391</u>	<u>19,897</u>

As per our report of even date annexed

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

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

Place : Kolkata  
Dated 29th May, 2014

**For and on behalf of the Board**

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

**Sanjay Rawka**  
*Director*

## VEGEPRO FOODS & FEEDS LIMITED

### Statement of Profit and Loss for the year ended 31st March, 2014

(Rs '000)

Particulars	Note	Year ended 31st March 2014	Year ended 31st March 2013
I. Other Income	2.11	817	5,368
<b>Total Revenue</b>		<b>817</b>	<b>5,368</b>
II. Expenses			
Purchase	2.12	84	—
Employee benefit expense	2.13	136	136
Depreciation and amortization expense	2.7	907	1,031
Other Expenses	2.14	437	3,856
<b>Total Expenses</b>		<b>1,564</b>	<b>5,023</b>
III. Profit before exceptional & extraordinary items and tax	(I-II)	(747)	345
IV. Exceptional Items		—	—
V. Profit before extraordinary items and tax (III-IV)		(747)	345
VI. Extraordinary Items		—	—
<b>VII. Profit before tax (V-VI)</b>		<b>(747)</b>	<b>345</b>
VIII. Tax Expense :			
1) Current Tax		—	—
2) Deferred Tax		—	—
IX. Profit/(Loss) for the period from continued operations	(VII-VIII)	(747)	345
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>(747)</b>	<b>345</b>
XIV. Earning per equity share :			
1) Basic		(0.38)	(0.33)
2) Diluted		(0.38)	(0.33)
<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 29th May, 2014**

**For and on behalf of the Board**

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

**Sanjay Rawka**  
*Director*

## VEGEPRO FOODS & FEEDS LIMITED

### Cash Flow Statement for the year ended 31st March, 2014 (Pursuant to Clause 32 of the listing agreement)

(Rs '000)

Particulars	Year ended 31st March 2014	Year ended 31st March 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) Before tax and Extraordinary items	(747)	345
Adjustment for :		
Depreciation	907	1031
	<u>907</u>	<u>1031</u>
<b>Operating Profit/(Loss) before working capital changes</b>	<b>160</b>	<b>1376</b>
Adjustment for :		
Current Assets	(240)	194
Current Liabilities	<u>(79)</u>	<u>(5246)</u>
	<u>(319)</u>	<u>(5052)</u>
	<u>(159)</u>	<u>(3676)</u>
<b>Cash generated before extraordinary items</b>	<b>-</b>	<b>-</b>
Extra ordinary items :		
Cash generated from Operating Activities	<u>(159)</u>	<u>(3676)</u>
Net Cash from Operating Activities	<u>(159)</u>	<u>(3676)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/(Decrease) in Long Term Borrowings (Net)	<u>320</u>	<u>3675</u>
	<u>320</u>	<u>3675</u>
<b>Net Increase in Cash or Cash equivalents</b>	<b>161</b>	<b>(1)</b>
Cash and Cash Equivalents as at 31.03.2013		
Cash and Bank Balances	19	20
Cash and Cash Equivalents as at 31.03.2014		
Cash and Bank Balances	180	19

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 29th May, 2014

## VEGEPRO FOODS & FEEDS LIMITED

### 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 XIV to the Companies Act, 1956 (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 2014		As at 31 March 2013	
		Number	(Rs. '000)	Number	(Rs. '000)
<b>Authorised</b>					
2,50,00,000	Equity Shares of Rs 10/- each	25,000	250,000	25,000	250,000
45,00,000	14% Cumulative Convertible Preference Shares of Rs. 10/- each	4,500	45,000	4,500	45,000
5,00,000	Preference Shares of Rs. 10/- each	500	5,000	500	5,000
<b>Issued</b>					
2,12,80,000	Equity Shares of Rs. 10/- each	21,280	212,800	21,280	212,800
45,00,000	14% Cumulative Convertible Preference Shares of Rs. 10/- each	4,500	45,000	4,500	45,000
<b>Subscribed &amp; Paid up</b>					
2,12,80,000	Equity Shares of Rs. 10/- each fully paid	21,280	212,800	21,280	212,800
	Less : Calls in Arrears (Due from other than directors)		(47)		(47)
45,00,000	14% Cumulative Convertible Preference Shares of Rs:10/- each	4,500	45,000	4,500	45,000
<b>Total</b>		<b>25,780</b>	<b>257,753</b>	<b>25,780</b>	<b>257,753</b>

## VEGEPRO FOODS & FEEDS LIMITED

### Reconciliation of Shares

Particulars	Equity Shares Number	(Rs. '000)	Preference Shares 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	<b>21,280</b>	<b>212,800</b>	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

### Disclosure of Share holding Above 5 %

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	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%
Dhanani International Limited	5,041,700	23.69%	5,041,700	23.69%

### Note 2.2 Reserves & Surplus

	(Rs. '000)	
	As at 31 March 2014 Rs	As at 31 March 2013 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	(262,107)	(260,452)
(+) Net Profit/(Net Loss) For the current year	(747)	345
<b>Closing Balance</b>	<b>(262,854)</b>	<b>(262,107)</b>
<b>Total</b>	<b>(256,234)</b>	<b>(255,487)</b>



## VEGEPRO FOODS & FEEDS LIMITED

### Note 2.3 Long Term Borrowings

	As at 31 March 2014 Rs	As at 31 March 2013 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>3,995</b>	<b>3,675</b>
(Secured Nil)		
(of the above, Rs. Nil is guaranteed by Directors and / or others)		
Terms of Repayment : On Demand		
<b>Total</b>	<b>7,560</b>	<b>7,240</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 above matter is before Hon'ble Board for Industrial and Financial Reconstruction and pending decision, no interest has been provided in the books of accounts.

#### Note 2.4 Trade Payables :

Trade Payables outstanding beyond normal operating cycle	216	5,801
Less: Trade Payables written off during the year	—	(5,368)
<b>Total</b>	<b>216</b>	<b>433</b>

#### Note 2.5 Other Current Liabilities :

(a) Other payables - Advance from Customers	9,000	9,000
(b) Other Liabilities	1,049	913
<b>Total</b>	<b>10,049</b>	<b>9,913</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 but not deposited Rs.1.17 lacs(Previous year Rs.1.07 lacs)]

#### Note 2.6 Short Term Provisions

Provision for Expenses (Outstanding Audit Fees )	47	45
<b>Total</b>	<b>47</b>	<b>45</b>

## VEGEPRO FOODS & FEEDS LIMITED

### Note 2.7 Fixed Assets

(Rs. '000)

FIXED ASSETS	Gross Block				Accumulated Depreciation					Net Block		
	Balance as at 1 April 2013 Rs	Additions/ (Disposals) Rs	Acquired through business consideration Rs	Revaluation/ (Impairments) Rs	Balance as at 31st March 2014 Rs	Balance at 1st April 2014 Rs	Depreciation charge for the year Rs	Adjustment due to revaluations Rs	On disposals Rs	Balance as at 31st March 2014 Rs	Balance as at 31st March 2014 Rs	Balance as at 31st March 2013 Rs
Tangible Assets												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Lease Hold	4,217	-	-	-	4,217	968	42	-	-	1,010	3,207	3,249
Free Hold	7	-	-	-	7	-	-	-	-	-	7	7
Buildings #	69,686	-	-	-	69,686	57,966	850	-	-	58,816	10,870	11,720
Assets under lease												
Plant and Equipment #	222,185	-	-	-	222,185	222,185	-	-	-	222,185	-	-
Assets under lease												
Furniture and Fixtures	1,646	-	-	-	1,646	1,621	4	-	-	1,625	21	25
Assets under lease												
Vehicles	434	-	-	-	434	433	-	-	-	433	1	1
Assets under lease												
Office equipment	2,294	-	-	-	2,294	2,228	10	-	-	2,238	56	66
Assets under lease												
Total	300,469	-	-	-	300,469	285,401	907	-	-	286,308	14,161	15,068
Capital Work In Progress	1,371	-	-	-	1,371	-	-	-	-	-	1,371	1,371
Total	301,840	-	-	-	301,840	285,401	907	-	-	286,308	15,532	16,439

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

Particulars	Year's				
	2011-12	2010-11	2009-10	2008-09	2007-08
	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 of 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, 2014

## VEGEPRO FOODS & FEEDS LIMITED

### Note 2.8 Cash and Cash Equivalents :

	As at 31 March 2014 Rs	As at 31 March 2013 Rs
<b>(Rs. '000)</b>		
<b>Balance with Banks :</b>		
In Current Accounts with Scheduled Banks	28	17
Cash in Hand	152	2
<b>Total</b>	<b>180</b>	<b>19</b>

### Note 2.9 Trade Receivables

Due within normal operating cycle	201	—
<b>Total</b>	<b>201</b>	<b>—</b>

### Note 2.10 Short-term Loans and Advances

#### Loans and Advances, Considered Good

Advance to Staff	163	163
Rent Receivable	127	126
Loans and Advances	171	131
Advance to Suppliers	3,017	3,017
<b>Total</b>	<b>3,478</b>	<b>3,439</b>

#### Additional Information :

Year-end Loans and Advances considered good include an aggregate amount of Rs. 34.39 lacs (Previous Year Rs. 34.39 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 2014 Rs	As at 31 March 2013 Rs
<b>(Rs. '000)</b>		
Sales of Shares	600	—
Brokerage and Commission	217	—
Rent Received	—	—
Sundry credit Balances written off	—	5,368
<b>Total</b>	<b>817</b>	<b>5,368</b>

#### Additional Information :

The rent from the premises are directly deposited to Allahabad court by the tenant as per court's order, hence not accounted for in the books from August, 2011.

## VEGEPRO FOODS & FEEDS LIMITED

	(Rs. '000)	
	As at 31 March 2014 Rs	As at 31 March 2013 Rs
<b>Note 2.12 Purchase</b>		
Purchase of Shares	84	—
<b>Total</b>	<b>84</b>	<b>—</b>
<b>Note 2.13 Employee Benefit and Expense</b>		
Salary, Wages and Bonus	116	116
Staff Welfare Expenses	12	12
Employers Contribution to Provident Fund	8	8
<b>Total</b>	<b>136</b>	<b>136</b>
<b>Note 2.14 Other Expenses</b>		
Advertisement & Publicity	120	119
Bank Charges	—	1
Legal and Consultancy	29	96
Listing Fees	76	<b>3,307</b>
Interest on secured loan	—	—
Security Expenses	—	—
Printing & Stationery	76	10
Fee Rates and Taxes	15	33
Repairing & Maintenance	—	—
Travelling and Conveyance Expenses	50	—
Miscellaneous	13	31
Share Transfer Expenses	36	228
Postage and Telephone Expenses	—	8
<b>Auditors Fees :</b>		
Statutory Audit Fees	22	23
<b>Total</b>	<b>437</b>	<b>3,856</b>

## VEGEPRO FOODS & FEEDS LIMITED

**Note 2.15 Contingent Liabilities represent**

- a. Arrears of fixed cumulative dividend and tax thereon Rs.1254.63 lacs (Previous year Rs. 1180.92 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 2.16** 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 and the information for closure has also been given to concerned Ministry and Departments. The Company was also referred to the Board for Industrial and Financial Reconstruction, New Delhi (B.I.F.R.) 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 and pending finalization, the Accounts of the Company have been prepared on a going concern basis. B.I.F.R. vide its order dated 19th August 2010 has recommended for winding up of the Company through the Hon'ble Allahabad High Court. However, the Company has already filed an appeal on 12.10.2010 before the Appellate Authority for Industrial and Financial Reconstruction (A.A.I.F.R.) against the said Impugned Order dated 19.08.2010 of the B.I.F.R. Pending outcome of the Appellate proceedings, which the Company expects to be on its favour, the Accounts of the Company for the Financial Year ended 31st March 2014 have been prepared on the basis that the Company is a going concern.

**Note 2.17** Income Tax assessment has been completed up to the Assessment Year 2013-2014 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 2.18** 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 31.03.2014 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, 2014.

**Note 2.19** Disclosure of details pertaining to related party transactions in terms of Accounting Standard 18 :

Related Party	Relationship	Type of Transaction	2013-14 Amount	2012-13 Amount
1. Dhanani International Ltd.	Associate Company	Amount received during the year		194
2. Dhanani International Ltd.	Associate Company	Amount receivable at the end of the year	3018	3018

**Note 2.20** There is no separate reportable segment as per Accounting Standard – 17

**Note 2.21**

(Rs. '000)

Particulars	Year ended 31 .03.2014 Rs	Year ended 31 .03.2013 Rs
a. Net profit/( loss) as per Profit and Loss Account	(747.00)	345.00
Less : Extra ordinary income ( unsecured loan written off)		
b. Profit/ Loss after Extraordinary items	(747.00)	345.00
Less : Preference dividend and tax	7371.00	7371.00
c. Net profit/(loss) for equity shareholders	(8118.)	(7026.00)
d. Weighted average number of equity shares	21280.00	21280.00
e. Basic and diluted earning per share of Rs. 10/- each (in Rs.)	(0.38)	(0.33)

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.

## VEGEPRO FOODS & FEEDS LIMITED

**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>2013-14</b>	2012-13
Employer's Contribution of PF Fund	<b>8</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.

<b>LICENSED CAPACITY</b>	<b>2013-14 (In Tonnes)</b>	<b>2012-13 (In Tonnes)</b>
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

**VEGEPRO FOODS & FEEDS LIMITED**

CIN : L15142UP1987PLC008717

Registered Office : A-2, Rahiya Industrial Estate, Kalpi Road, Orai, Jalaun 285001, U.P.

**ATTENDANCE SLIP**

(Please fill the attendance slip and hand it over at the entrance of the meeting hall)

Regd. Folio No.\*\* ..... DP ID .....

No. of Shares held ..... Client ID .....

Name(s) and address of the shareholder in full .....

I/we hereby record my/our presence at the Annual General Meeting of the Company being held on Wednesday, December 31, 2014 at the registered office of the Company at : A-2, RAHIYA INDUSTRIAL ESTATE, KALPI ROAD, ORIA, JALAUN-285001, U.P.

Please in : MEMBER / PROXY

Signature of Shareholder / Proxy

\*\* Applicable for investor holding shares in physical form

TEAR HERE

**VEGEPRO FOODS AND FEEDS LIMITED**

CIN : L15142UP1987PLC008717

Registered Office : A-2, Rahiya Industrial Estate, Kalpi Road, Orai, Jalaun 285001, U.P.

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Shareholder(s) .....

Registered Address .....

Email ID .....

Folio No. / Client ID..... DP ID .....

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

1. Name ..... E-mail ID .....

Address .....

Signature .....

of failing him

2. Name ..... E-mail ID .....

Address .....

Signature .....

of failing him

3. Name ..... E-mail ID .....  
Address .....  
..... Signature .....

of failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the members of the Company, to be held on Wednesday, 31st of December, 2014 at the registered office of the Company at A-2, RAHIYA INDUSTRIAL ESTATE, KALPI ROAD, ORIA, JALAUN-285001, U.P. and at any adjournment thereof in respect of such resolutions as are indicated below :

1. Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2014.
2. Re-appointment of Auditors and fixation of their remuneration.
3. Alteration of Terms of Appointment of Mr. Shyam Sundar Sharma, Chairman and Managing Director.
4. Appointment of Mr. M. K. Gupta, Independent Director for a term of 5 years.
5. Appointment of Mr. Gopal Daga, Independent Director for a term of 5 years.
6. Appointment of Mr. Sanjay Rawka, Independent Director for a term of 5 years.

Signed this ..... day of ..... 2014

Signature of Shareholder.....

Signature of Proxy holder(s) .....

**Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**



**VEGPRO FOODS & FEEDS LIMITED**

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