

ANNUAL REPORT

2018- 2019

Sunil Agro Foods Limited

An ISO22000 : 2005 Certified

**SUNIL AGRO FOODS LIMITED
THIRTY FIRST ANNUAL GENERAL MEETING****CONTENTS :**

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BOARD OF DIRECTORS:

Mr. B. Shantilal	Managing Director
Mr. Pramod Kumar S	Chief Executive Officer & Director
Mr. AVS Murthy	Director
Mrs. Sarika Bhandari	Director
Mrs. Pinky Jain	Director
Mrs. Gayithri Shankarappa	Chief Financial Officer

REGISTERED OFFICE & FACTORY

Plot No: 39/A2
Hosakote Industrial area,
Chokkahalli
Hoskote - 562 114

CORPORATE OFFICE

No: 1/104, Ahuja Chambers,
Kumara Krupa Road,
Bengaluru - 560 001

AUDITORS

Messrs GRV & PK
Chartered Accountants
Bengaluru

COMPANY SECRETARY ADVISOR

Mr. Vijayakrishna K T
Practising Company Secretary

BANKERS

HDFC Bank Ltd.
Seshadripuram Branch, Bengaluru

SHARE TRANSFER AGENTS

Integrated Registry Management Services Private
Limited, Bengaluru

SUNIL AGRO FOODS LIMITED

REGD. OFFICE : PLOT NO. 39/A2, HOSAKOTE INDUSTRIAL AREA
CHOKKAHALLI, BENGALURU - 562 114
CIN: L01111KA1988PLC008861

NOTICE

Notice is hereby given that the Thirty First (31st) Annual General Meeting of the Shareholders of the Company will be held at 10.30 A.M. on Thursday, the 19th day of September, 2019 at Bharatiya Vidya Bhavan, Race Course Road, Bengaluru – 560 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements including Audited Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow for the year ended on that date, together with Independent Auditors Report and the Board's Report including Secretarial Audit Report thereon.
2. To appoint Mrs. Pinky Jain (DIN: 03636974), Director, who retires by rotation and being eligible, offers herself for reappointment.
3. To declare a Dividend of Re. 0.50 per Equity Share of Rs.10/- each for the financial year ended 31st March, 2019.

SPECIAL BUSINESS:

4. **RE-APPOINTMENT OF MR. B SHANTILAL (DIN: 00719808) AS MANAGING DIRECTOR OF THE COMPANY:**

To consider and if thought fits to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 2(54), 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, approval of the members be and is hereby accorded for the re-appointment of, and remuneration payable to, Mr. B Shantilal (DIN: 00719808), Managing Director of the Company for a period of three (3) years with effect from 01.10.2019 to 30.09.2022 on the following terms and conditions as mentioned below:

1. Salary:

Sl. No.	Tenure	Salary per month
i.	01.10.2019 - 30.09.2022	Rs.1,00,000/-

2. Commission:

Commission: At 1% of the net profits of the Company computed in the manner laid down in the Companies Act, 2013, but subject to a ceiling of Rs. 1,20,000 (Rupees One Lakh Twenty Thousand only).

3. Perquisites:

Perquisites: As detailed hereinafter restricted to an amount equal to the annual salary or Rs. 3,60,000/- (Rupees Three Lakhs Sixty Thousand only) per annum, whichever is less. Unless the context otherwise requires, the perquisites are classified into three categories “A”, “B” and “C” as follows:

CATEGORY “A”

- i. Housing:

The expenditure incurred by the Company on providing furnished residential accommodation for the appointee shall be subject to a ceiling of 60% (sixty percent) of the appointee's salary over and above 10% (ten percent) payable by the appointee himself;

Alternatively:

In case the accommodation is provided by the Company, 10% (ten percent) of the salary of the appointee shall be deducted by the Company;

Alternatively:

In case no accommodation is provided by the Company, the appointee shall be entitled to House Rent Allowance, subject to a ceiling of 60% (sixty percent) of salary payable to the appointee.

Explanation:

The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per Income-Tax Rules, 1962, as amended from time to time; however, such expenditure shall be subject to a ceiling of 10% (ten percent) of appointee's salary.

- ii. Medical Reimbursement:

Expenses incurred for the appointee and his family, subject to, a ceiling of one month's salary over a period of three years.

iii. Leave Travel Concession:

For appointee and his family once in a year, while on leave, in accordance with the rules and regulations applicable to Senior Managers of the Company from time to time.

iv. Personal Accident Insurance: Premium not to exceed Rs. 4,000/- (Rupees four thousand only) per annum.

Explanation:

For the purpose of Category "A"; "Family" means spouse, dependent children and dependent parents of the appointee.

CATEGORY "B"

1. Contribution to Provident Fund, Superannuation Fund or Annuity Fund: these will be in accordance with the schemes applicable to senior Managers of the Company from time to time and will not be included in the computation of the ceiling of perquisites mentioned above to the extent they, either singly or put together are not taxable under the Income Tax Act, 1961 and as amended from time to time.
2. Gratuity: In accordance with the Rules and Regulations applicable to Senior Managers of the Company from time to time not exceeding half month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure- in accordance with the Rules and Regulations applicable to the Senior Managers of the Company from time to time; the monetary equivalent of such encashed leave shall not be included in the computation of the ceiling on perquisites referred to in paragraph(c).

CATEGORY "C"

Provision of car for use on Company's business and telephone at residence. Both these facilities will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to the appointee.

OTHER BENEFITS

'Keyman Insurance' shall be taken in the name of the Managing Director and all premium(s) in this respect to be paid by the Company.

Apart from aforesaid remuneration, the Managing Director shall be entitled to reimbursement of expenses incurred in connection with the business of the Company.

Managing Director shall not be paid any sitting fees for attending the Meetings of the Board of Directors or Committees thereof.

MINIMUM REMUNERATION

In the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment, the Managing Director may be paid the substantive remuneration as stated above as the Minimum Remuneration; the amount of salary, commission, perquisites and other allowances payable to the Managing Director shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013, as may be in force for the time being. Further, in the event of any Statutory Amendments or modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc., with such prescribed limit or ceiling and any arrangement between the Company and Mr. B Shantilal be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting.

5. APPOINTMENT OF MR. AKSHAT JAIN (DIN: 08424334) AS DIRECTOR OF THE COMPANY.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mr. Akshat Jain (DIN: 08424334), who was appointed as an Additional Director of the Company w.e.f. 1st June, 2019 by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and who holds office only up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

6. APPOINTMENT OF MR. AKSHAT JAIN (DIN: 08424334) AS WHOLE TIME DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, consent of the Members be and is hereby accorded to the appointment of, and remuneration payable to, Mr. Akshat Jain

(DIN: 08424334), as Whole-time Director of the Company for the period of three years with effect from 01.06.2019 to 31.05.2022 on the following terms and conditions as mentioned below:

REMUNERATION:

Overall Remuneration of Rs. 50,000/- per month which includes the following:

	Rs
Basic Salary	: 25,000/-
HRA	: 10,000/-
Special Allowance	: 11,800/-

OTHER PERQUISITES:

Medical Insurance (Hospital): Self and his immediate dependant family to be covered under "Mediclaim Insurance Policy".

Contribution to Provident fund, superannuation fund or annuity fund will not be considered as perquisites.

Gratuity not exceeding half a month's basic salary for each completed year of service.

Conveyance and Telephone: Provisions of car for use on Company business and telephone at residence will not be considered as perquisites. The Whole Time Director will repay the Company the cost of any personal long distance calls on telephone. Personal use of car to be considered as a perquisite.

Reimbursement of Entertainment Expenses: The Whole Time Director shall also be entitled to reimbursement of reasonable entertainment expenses actually and properly incurred in the course of legitimate business of the Company.

Subject to the provisions of Schedule V to the Companies Act, 2013 and applicable guidelines if any, the aforesaid remuneration and terms and conditions may be varied by the Board, including the overall ceiling on remuneration, any other allowances, benefits and perquisites may also be paid in accordance with the policy of the Company.

The Perquisites allowed/paid shall be evaluated as per the Income Tax Rules, 1962 wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at cost.

OTHER BENEFITS:

'Keyman Insurance' shall be taken in the name of the Whole time Director and all premium(s) in this respect to be paid by the Company.

Apart from aforesaid remuneration, the Whole time Director shall be entitled to reimbursement of expenses incurred in connection with the business of the company.

The Whole time Director shall not be paid any sitting fees for attending the Meetings of the Board of Directors or committees thereof.

MINIMUM REMUNERATION:

In the event of absence or inadequacy of profits in any Financial Year during the tenure of his appointment, the Whole time Director may be paid the substantive remuneration as stated above as the Minimum Remuneration; the amount of salary, commission, perquisites and other allowances payable to the Whole time Director shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013, as may be in force for the time being. Further, in the event of any Statutory Amendments or modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary or increase the remuneration, including the salary, commission, perquisites, allowances, etc., with such prescribed limit or ceiling and any arrangement between the Company and Mr. Akshat Jain be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Company in General Meeting."

7. APPOINTMENT OF MRS. SARIKA BHANDARI (DIN: 07140112) AS A DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 160 and 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 Mrs. Sarika Bhandari (DIN: 07140112), who was appointed as an Additional Director of the Company w.e.f. 28th January, 2019 by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and who holds office only up to the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."

8. APPOINTMENT OF MRS. SARIKA BHANDARI (DIN: 07140112) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149, 150 and 152 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV to the Companies Act, 2013

(including any statutory modification(s) or enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded to appoint Mrs. Sarika Bhandari (DIN: 07140112), as an Independent Director of the Company, for a period of 5 years up to 27th January, 2024 and whose office shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

By the Order of the Board
For Sunil Agro Foods Limited

Place: Bengaluru
Date: 09.08.2019

Pramod Kumar S
Chief Executive Officer
& Director
DIN: 00719828
No. 10, Kamal Nivas
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate, not more than ten (10) percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other member.

The instrument of proxy in order to be effective must be deposited / lodged at the Registered / Corporate office of the Company duly completed and signed not later than 48 hours before the time fixed for holding the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

2. Explanatory Statement as per Section 102 of the Companies Act, 2013 is attached hereto.
3. Listing fee has been paid to the BSE Ltd, Mumbai up to date.

4. a. As Dividend of Re 0.50 (5%) Per Equity Share as recommended by the Board, if approved by the members, will be paid to those members whose names appear on the Register of members of the Company/beneficial owners as per the records of depositories as on 12th September, 2019.
b. The Register of Members and the Share Transfer books of the Company will remain closed from 13th September, 2019 (Friday) to 19th September, 2019 (Thursday) (both days inclusive).
5. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the Registrar and Share Transfer Agents of the Company.
6. The shares of the Company are mandated by the Securities and Exchange Board of India for trading in dematerialized form by all investors. Members holding shares in physical form are requested to consider converting their holding to dematerialized to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Integrated Registry Management Services Private Limited (formerly Integrated Enterprises (India) Limited) for assistance in this regard.
7. Pursuant to SEBI Notification No. LIST/COMP/15/2018-19, dated July 05, 2018, it has become mandatory that transfer of securities would be carried out in dematerialized form only. Members can contact the Company or Integrated Registry Management Services Private Limited (formerly Integrated Enterprises (India) Limited) for assistance in this regard.
8. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through Depository Participants. The Company has entered in to agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN is INE224D01012. All the Shareholders holding Shares in the physical form are requested to make use of this facility. Members are requested to open Demat Account with any of the Depository Participants to enable transacting in the Stock Exchange.
9. Electronic copy of the Notice of the 31st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to

all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 31st Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

10. Members are requested to bring copy of the Annual Report along with them to the Annual General Meeting. Only Members/ Proxies will be admitted into the Hall for the Meeting.
11. The Shares of the Company are compulsorily traded in electronic form. Members are requested to inform the Company's Registrars and Share Transfer Agents viz., Integrated Registry Management Services Private Limited Unit: Sunil Agro Foods Limited, 30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleshwaram, Bengaluru-560 003, about the changes, if any, in their registered addresses, along with the PIN Code number quoting their folio number. All correspondence relating to transfer of shares may be sent directly to the aforesaid Transfer Agents of the Company.
12. Members may refer Additional Information on Directors recommended for appointment / re-appointment under the provisions of the Listing Regulations.
13. Pursuant to Section 72 of the Companies Act, 2013, Shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant.
14. As regards the re-appointment of Mrs. Pinky Jain (DIN: 03636974), referred to in item No. 2 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Particulars	Details
Name	Mrs. Pinky Jain
Date of Birth	12.01.1971
Date of Appointment	30.07.2011
Qualifications	Graduate in Arts
Expertise in specific functional area	General Management

Directorships held in other Companies (excluding	1. Micro Labs Limited
Membership/Chairmanships of Committees of other public companies (included only Audit and Shareholders/ Investors Grievance Committee)	0
No. of Board Meetings attended during the year	4

15. Voting through electronic means:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 31st Annual General Meeting to be held on Thursday, the 19th September, 2019 at 10.30 am. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility.

The instructions for e-voting are as under:

(i) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 12th September, 2019 (Thursday) i.e., the date prior to the commencement of Book closure date are entitled to vote on the Resolution set forth in this Notice. The voting period begins on Monday, 16th September, 2019 (9.00 AM) and ends on Wednesday, 18th September, 2019 (5.00 PM). 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 12th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The Members desiring to vote through remote e-voting mode may refer to the detailed procedure on e-voting given hereinafter.

The instructions for e-voting are as under:

- (i) The Shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on 'Shareholders/Members' tab.

- (iii) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) 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> <ul style="list-style-type: none"> 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 last 8 digits of the sequence number in the PAN field. 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.
Dividend Bank OR Date of Birth OR DOB	<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> <ul style="list-style-type: none"> 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 (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) 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.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of Sunil Agro Foods Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed 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.
- (xvii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) 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 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.
- 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 should be mailed to 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.

(xix) 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- (i) The voting rights of Shareholders shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of 12th September, 2019.
- (ii) if the share holder exercises his vote both electronically and physically, then the vote cast by him electronically will supercede.
- (iii) Mr. Vijayakrishna KT, Practising Company Secretary (Membership No. FCS - 1788) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (iv) The Scrutinizer shall within a period not exceeding Forty Eight (48) hours from the

conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- (v) The Results shall be declared within Forty Eight (48) hours from the conclusion of the AGM. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.sunilagro.in and on the website of CDSL. The results will also be communicated to the Stock Exchanges where the Shares of the Company are listed.
- (vi) Further, members may note the following:
 - a. Remote e-voting shall not be allowed beyond the said date and time.
 - b. The Company is providing facility to vote on a poll to the members present at the meeting.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting in the General Meeting.

16. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company i.e. Plot No. 39-A2, Industrial Area, Chokkahalli, Hosakote – 562 114 during normal hours (10.00 am to 12.00 noon) on all working days, up to and including the date of the Annual General Meeting of the Company.

By the Order of the Board
For SUNIL AGRO FOODS LIMITED

Place: Bengaluru

Date: 09.08.2019

Pramod Kumar S
Chief Executive
Officer & Director
DIN: 00719828
No. 10, Kamal Nivas
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4:

Mr. B Shantilal has been associated with the Company as a Promoter since inception. He was instrumental in the significant growth of the Company and has good amount of experience in the line of the business. The tenure of Mr. B Shantilal expires on 30th September, 2019, as per the terms approved by the Shareholders of the Company. It is proposed to re-appoint Mr. B Shantilal (DIN: 00719808) as Managing Director of the Company with such terms and conditions as mentioned in the aforesaid resolution. Based on the recommendation of the Nomination and Remuneration Committee and the justifications, the Board recommends the resolution for your approval.

None of the Directors and Key Managerial Personnel other than Mr. B. Shanthilal and Mr. Pramod Kumar S and Mrs. Pinky Jain, being his relatives, is concerned or interested in the said resolution.

This may be deemed as abstract under Section 190 of the Companies Act, 2013, of the terms and conditions of appointment of Mr. B. Shantilal as Managing Director.

ITEM NOS. 5 & 6 :

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 28th May, 2019, appointed Mr. Akshat Jain (DIN: 08424334) as an Additional Director and Whole time Director of the Company with effect from 1st June, 2019 . Mr. Akshat Jain is responsible for Factory operations of the Company.

The tenure of Mr. Akshat Jain will be for three years i.e., 01.06.2019 to 31.05.2022, and was appointed as Whole Time Director of the Company with such terms and conditions as mentioned in the aforesaid resolution. The Board recommends the resolutions at Item Nos. 5 & 6 for your approval.

None of the Directors and Key Managerial Personnel other than Mr. Akshat Jain, Mr. B. Shanthilal, Mr. Pramod Kumar S and Mrs. Pinky Jain, being his relatives, is concerned or interested in the Resolutions at Item Nos. 5 & 6.

This may be deemed as abstract under Section 190 of the Companies Act, 2013, of the terms and conditions of

appointment of Mr. Akshat Jain as Whole Time Director.

ITEM NOS. 7 & 8:

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on 28th January, 2019, appointed Mrs. Sarika Bhandari (DIN: 07140112) as an Additional Director and Independent Director of the Company with effect from 28th January, 2019 for a term of five consecutive years upto 27th January, 2024.

As regards appointment of Mrs. Sarika Bhandari as an Independent Director referred to, in Item No.8 of the notice, the following necessary disclosures are made for the information of the Shareholders:

Mrs. Sarika Bhandari has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act"). In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and is independent of the Management. Brief background of Mrs. Sarika Bhandari is exhibited in this document separately.

Mrs. Sarika Bhandari is a proactive and enthusiastic entrepreneur. She is a Civil Engineer who has taken leaps in her field. Her areas of expertise include marketing, operations, accounts, sales etc.

Considering the experience and knowledge of Mrs. Sarika Bhandari, the Board recommends the resolutions at Item Nos. 7 & 8 for your approval.

None of the Directors/Key Managerial Personnel except Mrs. Sarika Bhandari, being the appointee, is concerned or interested in the Resolutions at Item Nos. 7 & 8.

By the Order of the Board
For SUNIL AGRO FOODS LIMITED

Place: Bengaluru
Date: 09.08.2019

Pramod Kumar S
Chief Executive
Officer & Director
DIN: 00719828
No. 10, Kamal Nivas
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

Annexure to Notice

Information pertaining to Directors seeking appointment or reappointment at the 31st Annual General Meeting as Required by Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

Particulars	Mr. Shantilal Bansilal	Mr. Akshat Jain	Mrs. Sarika Bhandari
Date of Birth	9.11.1942	03.05.1995	21.01.1968
Date of Appointment	01.10.2016	01.06.2019	28.01.2019
Qualifications	Graduate	Graduate in Business Administration	Graduate (Civil Engineer)
Expertise In Specific Functional Area	General Management Managing Director	Operations Management, Director	General Management, Director
Number of Shares held in the Equity Capital of the Company	600 Equity Shares	Nil	781 Equity Shares
Directorships Held In Other Public Companies (Excluding Foreign Companies)	Nil	Nil	1
Membership / Chairmanships Of Committees Of Other Public Companies (Included Only Audit And Shareholders/ Investors Grievance Committee)	NIL	NIL	2

BOARD'S REPORT

Your Board of Directors has pleasure in presenting the Thirty First (31st) Annual Report together with the Audited Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL RESULTS : (Rs. in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Total Income	13646.22	14305.00
Less: Expenditure	13164.13	13838.93
Profit before Interest and Depreciation	482.09	466.07
Less: Interest	231.89	263.39
Less: Depreciation	161.68	112.32
Profit Before Taxation	88.52	90.36
Less: Provision for Taxation	41.27	23.94
Profit After Taxation	47.25	66.42
Less: Other Comprehensive Income		
Items that will not be reclassified to profit or loss	1.75	1.84
Items that will be reclassified to profit or loss	0	0.25
Total Comprehensive Income	45.50	64.33

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Your Company continued to perform well during the year under report under certain challenges and hurdles. Overall business improved satisfactorily with better resource optimization and more effective controls. The Company's expansion program completed in previous year increased the production capacity, although the Company will take some time to stabilize the total production in the upcoming months. During the year under review, your Company has faced lot of challenges due to higher Minimum Support Price. Your Company has shown significant growth and registered higher turnover in manufacturing segment; however, there was no turnover from trading segment during the year. Further, higher depreciation provision resulted in decrease in profit of the Company.

Your Company has also installed Flour Silos and started the uniform mixing of flour and now the Company is in the process of installing Whole

Wheat Silos in the coming months.

The Shareholders may note that there is decrease in the revenues from Sales and Services to Rs. 13646.22 Lakhs in the current year as compared to Rs. 14305.00 Lakhs in the previous year due to reasons as mentioned above. Profit has decreased to Rs. 88.52 Lakhs in the current year compared to Rs. 90.36 Lakhs in the previous year.

Your Company has been facing competition from other players in the same space. Immense experience of the operating team at the factory helped the Company to achieve better performance. Rationalization of various inputs, expenditures and other resource allocation has been continuously followed.

3. MANAGEMENT DISCUSSION AND ANALYSIS:

a. Industry outlook and developments:

The food processing industry is one of the largest industries in India in terms of production, consumption and exports. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry. The Government of India has been instrumental in the growth and development of the food processing industry. The Government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. This sector is among the few that serves as a vital link between the agriculture and industrial segments of the economy. A thrust to the food processing sector implies significant development of the agriculture sector and ensures value addition to it.

b. Business Overview:

The Company has achieved a turnover of Rs. 13493.86 Lakhs (previous year Rs. 14213.07 Lakhs) for the financial year ended 31.03.2019 with a net profit of Rs. 45.49 Lakhs (previous year Rs. 64.33 Lakhs).

c. Opportunities: As stated earlier, your Company has completed its expansion which resulted in increase in production and is looking to commission Silos for blending and bulk supply of whole wheat flour.

d. No risk is expected during this year.

e. Outlook: The Company will strive for Better Values.

f. Internal Control System:

The Company has effective control system commensurate with its operations. The Company has internal audit system through outside agency with qualified Chartered Accountant, carries out the audit based on a planned program. The audit also reviews the adequacy and effectiveness of the internal control system and the follow up action taken pursuant to audit observation.

g. Human Resource Development:

The Company conducts regular training programs both internally and externally for Employees at all levels to improve the skills and overall development. Employees' relations at all the levels continue to remain cordial.

4. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments which occurred, affecting the financial position of the Company between 31st March, 2019 and the date on which this report has been signed.

5. CHANGE IN THE NATURE OF BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

6. DIVIDEND:

Your Directors are pleased to recommend dividend of Re. 0.50 per Equity Share of the face value Rs. 10/- (5%) which is provided for in the accounts absorbing a sum of Rs. 15,01,450/- subject to the approval of Shareholders in the ensuing Annual General Meeting.

7. RESERVES:

The Board has not proposed to transfer any amount to its reserves.

8. SHARE CAPITAL:

The paid up Equity Share Capital as on 31st March, 2019 was Rs. 300.29 Lakhs. During the financial year under review, the Company has not issued shares with differential voting rights nor granted Stock Options nor Sweat Equity.

9. CAPITAL INVESTMENTS

Capital Investments during the financial year 2018-19 was at Rs. 536.50 Lakhs (Net of capital work-in-progress and capital advances).

10. CORPORATE SOCIAL RESPONSIBILITY:

Since the Company does not meet the criteria for

the applicability of Section 135 of the Companies Act read with the Companies (Accounts) Rules, 2015, this clause is not applicable.

11. RISK MANAGEMENT:

The Company has formulated a Risk Management Policy and a mechanism to inform the Board about risk assessment and mitigation procedures. The Company also undertakes periodical review to ensure that executive management controls risks by means of a properly designed framework.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy for vigil mechanism pursuant to the provisions of Sections 177(9) and (10) of the Companies Act, 2013 and as per Regulation 4(2)(d)(iv) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 which is available on website of the Company at <http://sunilagro.in/wp-content/uploads/2019/08/whistle-blower-policy.pdf> and there were no cases reported during last year.

13. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV:

The Company does not have any Subsidiary, Joint Venture or Associate Company.

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Pinky Jain (holding DIN: 03636974), Non-Executive Director, retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

Ms. Garima Garg is the Company Secretary and Compliance Officer (KMP) of the Company.

Mr. Shailesh Siroya resigned from the Board of Directors w.e.f 12th November, 2018 to comply with the Regulation 16 of SEBI (LODR) Regulations, 2015. Further in terms of Section 149(10) of the Companies Act, 2013, the Board in its Meeting held on 28th January, 2019, on the recommendation of the Nomination and Remuneration Committee, has appointed Mrs. Sarika Bhandari (DIN: 07140112) as an Additional and Independent Director, for term for a period of 5 years for a term up to 27th January, 2024, subject to the approval of Shareholders and the same has been included as one of the agenda items in the Notice convening the Annual General Meeting. Board received a declaration that

Mrs. Sarika Bhandari meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ("the Act").

Brief resume of Mrs. Sarika Bhandari, is attached to the Notice of the Annual General Meeting.

Further, the Board in its Meeting held on 29th May, 2019, based on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Akshat Jain (DIN: 08424334) as an Additional and Whole Time Director, for term for a period of 3 years for a term up to 31st May, 2022, subject to the approval of Shareholders and the same has been included as one of the agenda items in the Notice convening the Annual General Meeting.

Brief resume of Mr. Akshat Jain, is attached to the Notice of the Annual General Meeting.

15. BOARD MEETINGS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. During the period under review Four (4) Board Meetings were held on 23rd May, 2018, 30th July, 2018, 12th November, 2018 and 28th January, 2019.

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal. The details of other Committee Meetings during the financial year 2018-19 are given in the Corporate Governance Report.

16. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

A separate Report on Corporate Governance in terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing regulations") along with a Certificate from a Practising Company Secretary regarding compliance to the Conditions stipulated under Chapter IV of the Listing Regulations is annexed as Annexure - I.

17. ANNUAL BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has established an annual performance evaluation of its own performance, its Committee's and the Directors individually. The manner of evaluation has been explained in the Corporate Governance Report.

Further, the Independent Directors, at their

exclusive meeting held during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

18. DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

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

19. INTERNAL FINANCIAL CONTROL:

The Company continued to maintain high standards of internal control designed to provide adequate assurance on the efficiency of operations and security of its assets. The adequacy and effectiveness of the internal control across various activities, as well as compliance with laid-down systems and policies are comprehensively and frequently monitored by your Company's management at all levels of the organization. The Audit Committee, which meets at-least four times a year, actively reviews internal control systems as well as financial disclosures with adequate participation, inputs from the Statutory, Internal and Corporate Secretarial Auditors.

20. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received necessary declaration

from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

21. EXTRACT OF ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT-9 is annexed as Annexure – II as a part of this Annual Report.

22. DEPOSITS:

Your Company has not invited/accepted/renewed any deposits from the public as defined under the provisions of Companies Act, 2013 and accordingly, there were no deposits which were due for repayment on or before 31st March, 2019.

23. RELATED PARTY TRANSACTIONS:

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2018-19 in the prescribed format, AOC 2 is enclosed as Annexure – III as a part of this Annual Report.

24. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY:

The Company has duly complied with the provisions of Section 186 of the Companies Act, 2013 and it has taken:

Secured Loans:	Rs. 63,92,298/-
Unsecured Loans:	Rs. 2,54,59,464/-
Current/Non-Current Investments:	Rs. 6,71,350/-
Guarantees:	Nil

Securities Extended: Secured by the certain immovable properties of the Company, hypothecation by way of first charge on company's stock, book debts, plant and machinery, vehicles and term loan repayable within 3 years in equal monthly installments.

25. AUDITORS:

Messrs GRV & PK, Chartered Accountants, Bangalore (Firm Registration No. 008099S) were appointed, in the Annual General Meeting held on 21st September 2017, for a consecutive term of five years from the conclusion of 29th Annual General Meeting till the Conclusion of 34th Annual General Meeting.

Remuneration Details (2018-19):

	In Rs
Statutory Audit	2,00,000/-
Taxation Audit Fee	-
Limited Review Fee	48,100/-
Total	2,48,100/-

The Statutory Auditors have observed below material weaknesses in the Auditor's Report:

- a) The Company does not have appropriate control system over cash handling as so many payments at factory are made in cash, this could potentially result in unauthorised cash payments resulting in fraudulent transactions.
- b) The Company did not have an appropriate internal control system for obtaining external balance confirmation on periodic basis. This could potentially result in inaccurate assets and liabilities disclosed in the books of accounts.

Board's Response:

- a) The Company will ensure to non-occurrence of such events and comply with the provisions in future.
- b) Independent firm of Chartered Accountants who have been appointed as Internal Auditors of the Company periodically checks the internal control system.

26. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Vijayakrishna KT, Bangalore, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed as Annexure – IV to this Report.

27. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Details/Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration is annexed as Annexure – V to this report.

Further, the statement showing details in respect of employees of the Company are given in the Annexure – V forming part of the Report.

28. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the financial year 2018-2019 to BSE Limited where the Company's Shares are listed.

29. MATERIAL ORDER PASSED BY ANY COURT OR REGULATOR OR TRIBUNALS IMPACTING GOING CONCERN STATUS OF COMPANY:

No order was passed by any court or regulator or tribunal during the year under review which impacts going concern status of the Company.

30. COMPOSITION OF AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE & STAKEHOLDERS RELATIONSHIP COMMITTEE

Following are the composition of various Committees:

i) Composition of Audit Committee:

- 1. Mr. AVS Murthy - Chairman
- 2. Mrs. Sarika Bhandari - Member
- 3. Mr. Pramod Kumar S - Member

ii) Composition of Nomination and Remuneration Committee:

- 1. Mrs. Sarika Bhandari - Chairman
- 2. Mr. AVS Murthy - Member
- 2. Ms. Pinky Jain - Member

iii) Composition of Stakeholders' Relationship Committee:

- 1. Mr. AVS Murthy - Chairman
- 2. Mrs. Sarika Bhandari - Member
- 2. Ms. Pinky Jain - Member

31. CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of Energy:

1. Energy Conservation measures taken:

The Company has a system to monitor consumption of energy and all efforts for conservation of energy wherever possible are made and have installed Solar Energy lights in the plant. Energy efficient electric Tubes have been installed to save energy. The Company has also installed energy efficient meters controlling waste of power.

2. Additional investments and proposal being implemented for reduction and consumption of energy and the impact of the same in the cost of production of goods.

3. Energy Audit done

Investment was made in machinery designed for

low energy consumption and such machinery was in operation in the period under review.

(B) Technology Absorption:

The Company is committed to maintaining its standard and high quality of its production and is constantly engaged in efforts to confer to the guaranteed customer satisfaction.

(C) Foreign Exchange Earnings and Outgo:

The Company expended Rs. 12,93,326/- in foreign exchange during the year under review and the Company's earnings in foreign currency is Nil during the year under review.

32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed-off during the financial year 2018-19:

- No of complaints received: NIL
- No of complaints disposed: NIL
- No. of complaints pending: NIL

33. ACKNOWLEDGEMENTS:

The Directors place on record their appreciation for valuable contribution made by employees at all levels, active support and encouragement received from Government of India, Government of Karnataka, Company's Bankers, Customers, Principals, Business Associates and other Acquaintances.

Your Directors recognize the continued support extended by all the Shareholders and gratefully acknowledge with a firm belief that the support and trust will continue in the future also.

For and Behalf of the Board of Directors

Place : Bengaluru	SHANTILAL BANSILAL	PRAMOD KUMAR S
Date : 29.05.2019	Managing Director	Chief Executive
	DIN: 00719808	Officer & Director
	No. 10, Kamal Nivas	DIN: 00719828
	Srikantaiah Layout	No. 10, Kamal Nivas
	Crescent Cross Road	Srikantaiah Layout
	Bengaluru - 560 001	Crescent Cross Road
		Bengaluru - 560 001

**ANNEXURE - I
CORPORATE GOVERNANCE REPORT**

1. Company's Philosophy on Code of Governance :

The Company's philosophy is sustained profitable growth and increase in stakeholders' value. This will be done through proper transparency and disclosures, adequate internal controls in its business practices and risk management, proper communication and good standards in safety, health, environment management, highest standards in accounting fidelity, product and service quality. The Company complies with the listing requirements of the Stock Exchange, where its Shares are listed and endeavors to meet necessary listing guidelines. The Company has complied with all the provisions of Companies Act, SEBI guidelines, regulations and also those of the Stock Exchange guidelines and is committed to good Corporate Governance. The Board fully understands and takes responsibility for its commitments to stakeholders, employees, vendors, customers and the communities where it operates. The primary objective of Customer Satisfaction is relentlessly pursued.

2. Board of Directors :

Composition and Size of the Board.

The Board comprises of six (6) Directors including two (2) Non-Executive Independent Directors, and one (1) Non-Executive Non-Independent Director. The Board is primarily responsible for the overall management of the Company's business.

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors including a Woman Director and not less than fifty percent (50%) of the Board of Directors comprises Non-Executive Directors and is in conformity with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein referred as 'the Listing Regulations').

None of the Directors is a Director in more than eight (8) Listed Companies or ten (10) Public Limited Companies or acts as an Independent Director in more than seven (7) Listed Companies. Further, none of the Directors acts as members of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees in public limited companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their directorships and have been taken on record by the Board. The Board of Directors confirms that all the Independent Directors of the Company fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company.

The Board of Directors has met at reasonable periods of intervals to transact business on various Board's functions, responsibilities and accountabilities. The agenda for each Board Meeting along with explanatory notes are distributed in advance to the Directors.

Name of Directors Messrs	DIN	Designation	No. of Board Meetings attended	Attendance at last AGM on 8th Sep, 2018	No. of other Directorships in other Companies	No. of Committee Membership of Board Committees in other Companies	Category
B. Shantilal	00719808	Managing Director	4	Yes	5	0	Executive
Pramod Kumar S	00719828	Whole Time Director	4	Yes	7	2	Executive
AVS Murthy	00085805	Director	3	Yes	4	0	Non-Executive Independent
¹ Shailesh Siroya	00048109	Director	3	No	6	1	Non-Executive Independent
Pinky Jain	03636974	Director	4	Yes	1	1	Non-Executive Non-Independent
² Sarika Bhandari	07140112	Director	1	NA	1	2	Non-Executive Independent
³ Akshat Jain	08424334	Whole Time Director	NA	NA	0	0	Executive

Annual Report 2018 - 2019

1. Mr. Shailesh Siroya resigned w.e.f. 12.11.2018.
2. Mrs. Sarika Bhandari appointed w.e.f. 28.01.2019.
3. Mr. Akshat Jain appointed w.e.f. 01.06.2019.

As required, a brief profile and other particulars of the Directors seeking appointment/re-appointment are given in the Notice convening the 31st Annual General Meeting.

Number of Board Meetings held during the period along with the dates of the Meetings:

During the period the Board met four (4) times on the following dates:

23rd May, 2018, 30th July, 2018, 12th November, 2018 and 28th January, 2019.

During the period, separate meeting of the Independent Directors was held on 28th January, 2019 without the attendance of non-independent Directors and members of the management.

The Board at its Meetings reviewed Compliance reports prepared by the Company on quarterly basis.

Matrix setting out the skills/expertise/competence of the Board of Directors:

The present Board Members have varied experience and possess professional background and experience in General Management of Business, Marketing, Operations, Finance, Grain Science and Industry.

Following is the gist of skills / expertise / competencies identified by the Board of Directors:

- Knowledge on the Company's businesses, policies, threats and opportunities and knowledge of the industry in which the Company operates.
- Competencies to use their knowledge and professional skills
- Financial, Taxation, Law and Management skills.

Brief Profile of the Directors of the Company

i. Mrs. Pinky Jain

Particulars	Details
Name	Mrs. Pinky Jain
Father's Name	Mr. Champalal Jain
Address:	10 Kamal Nivas, Srikantaiah Lyt, Crescent Cross Road Gpo, Bangalore – 560 001
Designation	Non Executive Director
DIN	03636974
Date of Birth	12.01.1971
Date of Appointment	30.07.2011
Qualifications	Graduate in Arts
Expertise in specific functional area	General Management
Directorships held in other Companies (excluding foreign companies)	Micro Labs Limited

ii. Mr. AVS Murthy

Particulars	Details
Name	Mr. AVS Murthy
Father's Name	Mr. Alampalli Venkataramana Setty
Address:	No. 105, Shreyas, Bull Temple Road, K G Naga, Bangalore-560 019
Designation	Independent Director
DIN	00085805
Date of Birth	23.06.1952
Date of Appointment	08.09.2018
Qualifications	BE (Mechanical) Bangalore University, MS (Grain Science & Industry), Kansas State University, USA, MIE Institution of Engineers, India
Expertise in specific functional area	General Management
Directorships held in other Companies (excluding foreign companies)	1. Krishna Industries Private Limited 2. Mysore Snack Foods Limited 3. Mysore Vegetable Oil Limited 4. Alampalli Investments Private Limited

iii. Mrs. Sarika Bhandari

Particulars	Details
Name	Mrs. Sarika Bhandari
Father's Name	Mr. Premchand Bhandia
Address:	Yash Inc No.18, Andree Street, Shanthinagar, Next To Jain Bhavan Bangalore, Karnataka-560 027
Designation	Independent Director
DIN	07140112
Date of Birth	21.01.1968
Date of Appointment	28.01.2019
Qualifications	Graduate (Civil Engineer)
Expertise in specific functional area	General Management like Marketing, Operations Sales
Directorships held in other Companies (excluding foreign companies)	Bal Pharma Limited

iv. Mr. Shantilal Bansilal

Particulars	Details
Name	Mr. Shantilal Bansilal
Father's Name	Mr. Bansilal Pokharna
Address:	No. 10, Kamal Nivas, Srikantaiah Layout, Crescent Cross Road, Bangalore-560 001
Designation	Managing Director
DIN	00719808
Date of Birth	9.11.1942
Date of Appointment	01.10.2016
Qualifications	Graduate
Expertise in specific functional area	General Management Managing Director
Directorships held in other Companies (excluding foreign companies)	1. BRFM India Private Limited 2. Brindavan Roller Flour Mills Private Limited 3. Puskar Investments Private Limited 4. Roller Flour Millers Federation of India. 5. Federation of Karnataka Chambers of Commerce and Industry

v. Mr. Pramod Kumar Shantilal

Particulars	Details
Name	Mr. Pramod Kumar Shantilal
Father's Name	Mr. Shantilal Bansilal
Address:	No. 10 Kamal Nivas, Srikantaiah Layout, Crescent Cross Road, Bangalore-560 001
Designation	Whole-Time Director
DIN	00719828
Date of Birth	15.07.1968
Date of Appointment	08.09.2018
Qualifications	Graduate
Expertise in specific functional area	General Management
Directorships held in other Companies (excluding foreign companies)	1. Puskar Investments Private Limited 2. BRFM India Private Limited 3. Brindavan Softland Private Limited 4. Roller Flour Millers Federation of India. 5. Kithur Channamma Roller Flour Mills Private Limited 6. Bal Pharma Limited 7. Markasia Foods Private Limited

Declaration under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018:

All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India /the Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate from a Practising Company Secretary to this effect from Mr. Vijayakrishna K.T., Practising Company Secretary, Bangalore as mandated under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

3. Committees of the Board:

The Board has constituted the following mandatory committees to have a more focused attention on business and for better governance and accountability:

- Audit Committee
- Stakeholders' Relationship Committee and
- Nomination and Remuneration Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time.

4. Audit Committee:

The Audit Committee having powers, role and terms of reference as per Listing Regulations and Section 177 of the Companies Act, 2013.

The terms of reference:

The terms of reference of the Audit Committee as per guidelines set out under Listing Regulations read with Section 177 of the Companies Act, 2013, are set out below:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

The Committee comprises of Mr. AVS Murthy, Mrs. Sarika Bhandari and Mr. Pramod Kumar S with Mr. AVS Murthy as Chairman and all of them have financial and accounting knowledge.

The Internal Auditors and Statutory Auditors attend the Meetings of the Audit Committee, by invitation.

Meetings and the attendance during the period:

The Committee met four (4) times during the year on the following dates:

23rd May, 2018, 30th July, 2018, 12th November, 2018 and 28th January, 2019.

The attendance of each member of the Committee is stated below:

Name of Directors	No. of Meetings Attended
Mr. AVS Murthy	4
Mr. Shailesh Siroya	3*
Mr. Pramod Kumar S	4
Mrs. Sarika Bhandari	1*

*Mr. Shailesh Siroya has resigned w.e.f 12th November, 2018.

*Mrs. Sarika Bhandari was appointed w.e.f 28th January, 2019

5) Nomination and Remuneration Committee:

In compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has constituted Nomination and Remuneration Committee.

As per Regulation 19 of the Listing Regulations and the applicable Sections of the Companies Act, 2013, role and terms of reference of Nomination and Remuneration Committee are as follows:

- (a) Chairman: Chairman of the Committee shall be an Independent Director as may be elected by the members of the Committee.
- (b) Quorum: Quorum for Meeting of the Committee shall be a minimum of two members provided one of them shall always be an Independent Director.
- (c) Frequency of Meetings: The Committee may meet at such times as may be deemed necessary.
- (d) Role: The Role of the Committee shall include *inter-alia* the following:
 - Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
 - Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
 - Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance.
 - Devising a Policy on Board diversity.
 - Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
 - Such other matters as may be prescribed under the Companies Act, 2013, Listing Regulations and by the Board of Directors of the Company from time to time.

The Company's detailed Nomination and Remuneration Policy is available on the website of the Company i.e. <https://sunilagro.in/wp-content/uploads/2019/08/nomination-and-remuneration-policy.pdf>

The Committee comprises of Mr. AVS Murthy, Mrs. Sarika Bhandari and Mrs. Pinky Jain with Mrs. Sarika Bhandari as Chairman.

Meetings and the attendance during the year:

The Committee met two (2) times on 30th July, 2018 and 28th January, 2019:

Name of Directors	No. of Meetings Attended (includes participation through video conferencing)
Mr. Mr. AVS Murthy	2
Mr. Shailesh Siroya	1*
Mrs. Pinky Jain	2
Mrs. Sarika Bhandari	1*

*Mr. Shailesh Siroya has resigned w.e.f 12th November, 2018.

*Mrs. Sarika Bhandari was appointed w.e.f 28th January, 2019.

Remuneration Policy:

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives. The components of the total remuneration vary from different cadres and are governed by industry pattern, qualifications and experience of the employee, responsibilities handled by him, individual performance etc.

The objectives of the remuneration policy are to motivate employees to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The details of remuneration paid to the Directors during the period are furnished below:

a) Managing Director:

Amount in Rs.

Name	Salary	Performance Bonus & incentive	Other Perquisites	PF & Superannuation	Total
Mr. B Shantilal	12,00,000	-	-	-	12,00,000
Mr. Pramod Kumar S	24,00,000	-	-	-	24,00,000

b) Non-Executive Independent Directors:

Amount in Rs.

Name	Sitting fees	Commission for the period
Mr. AVS Murthy	15,000	-
Mr. Mr. Shailesh Siroya	5,000	-
Mrs. Sarika Bhandari	5,000	-
Total	25,000	-

c) Non-Executive Directors:

Amount in Rs.

Name	Sitting fees	Commission for the period
Mrs. Pinky Jain	15,000	-

The Company does not have any Stock Option Scheme.

6. Stakeholders' Relationship Committee:

In compliance with the provisions of Section 178(5) of the Companies Act, 2013 and the Listing Regulations, the Board has constituted Stakeholders' Relationship Committee.

The Stakeholders' Relationship Committee comprises of Mr. AVS Murthy, Mrs. Sarika Bhandari and Ms. Pinky Jain with Mr. AVS Murthy as Chairman.

The terms of references of the Committee are as follows:

- To consider and approve share transfers, transmissions, transposition of names.
- Issue and split/duplicate certificates.
- Ratify confirmations made to the demat requests received by the Company
- Review the status report on redressal of shareholders' complaints received by the Company/ share transfer agents.

Name, designation & address of Compliance Officer:

Name: Mr. Pramod Kumar S
Address: 1/104, Ahuja Chambers, Kumara Krupa Road,
Bengaluru – 560 001

Designation: Chief Executive Officer & Director

E-Mail: cs@sunilagro.in

Phone: 080-22251555

Fax: 080-27971459

7. Independent Directors' Meeting and Performance Evaluation:

During the year under review, the Independent Directors met on 28th January, 2019, *inter alia*, and transacted the following business:

- Evaluation of the performance of the Non-Independent Directors and the Board in general.
- Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive and Non- Executive Directors.
- Evaluation of the process of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors viz., Mr. AVS Murthy and Mrs. Sarika Bhandarl were present at the Meeting held on 28th January, 2019.

All the Independent Directors of the Company have met the criteria as per the Companies Act, 2013 and the Listing Regulations.

The Company's familiarization program for Independent Directors is available on the website of the Company i.e. <http://sunilagro.in/wp-content/uploads/2019/08/familiarization-program.pdf>

8. Risk Management

As an established practice, at each Meeting of the Board, the Directors are updated on Risks Identification and steps taken to mitigate the same.

Risk Management Policy is hosted on the Company's Website: <http://sunilagro.in/wp-content/uploads/2019/08/risk-management-policy.pdf>

9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

10. CEO/CFO Certification

The Managing Director and the CFO of the Company have certified to the Board of Directors, *inter alia*, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the year ended 31st March, 2019.

11. General Body Meetings:

Location and time of the last three Annual General Meetings:

Year	Date	Time	Location
2015-2016	7th September, 2016	10.30 am	Bharatiya Vidya Bhavan, Race Course Road, Bengaluru - 560 001
2016-2017	21st September, 2017	10.30 am	Bharatiya Vidya Bhavan, Race Course Road, Bengaluru - 560 001
2017-2018	8th September, 2018	10.30 am	Bharatiya Vidya Bhavan, Race Course Road, Bengaluru - 560 001

Particulars of Special Resolutions passed in the last three AGMs are given below:

7th September, 2016	<ol style="list-style-type: none">1. Appointment of Mr. B Shantilal as Managing Director of the Company.2. Appointment of Mr. Pramod Kumar S as Whole Time Director of the Company.
21st September, 2017	<ol style="list-style-type: none">1. Increase in Borrowing Powers pursuant to Section 180(1)(c) of the Companies Act, 20132. Powers to Hypothecate pursuant to Section 180(1)(a) of the Companies Act, 2013
8th September, 2018	<ol style="list-style-type: none">1. Re-appointment of Mr. Pramod Kumar S (DIN: 00719828) as Whole Time Director designated as Chief Executive Officer & Director.2. Re-appointment of Mr. AVS Murthy (DIN: 00085805) as an Independent Director of the Company.

There were no Extra Ordinary General Meetings held and no Postal Ballot was conducted during the year under review.

12. Disclosures

a. Related party transactions:

The Company has formulated a Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. There were Related Party Transactions during the year. It has been disclosed in **Annexure III**.

The detailed disclosures under Regulation 23(9) of the Listing Regulations, as specified in the accounting standards format can be accessed on the website of the Company: <https://sunilagro.in/wp-content/uploads/2019/08/regulation-23-9-disclosure-rpt.pdf>

b. Compliances:

During the year under review, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

c. Accounting Treatment:

The Financial statement of the Company is prepared as per the prescribed Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance.

d. Code of Conduct:

The Company has adopted Code of Conduct which has been implemented. The Code of Conduct is made applicable to the Directors and Senior Management Team. The Code of Conduct is available on the website of the Company at.

<http://sunilagro.in/wp-content/uploads/2019/08/code-of-practice-and-procedure-for-fair-disclosure-of-unpublished-price-sensitive-information.pdf>

Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company for the period 1st April, 2018 to 31st March, 2019.

The Certificate by the CEO of the Company concerning compliance with the Code of Conduct for Directors and Senior Management is given below:

Code of Conduct for Directors and Senior Management

CEO Confirmation

I hereby confirm that:

The Company has obtained from the Directors and Senior Management personnel affirmation that they have complied with the above code for, and in respect of, the year ended March 31, 2019.

Place: Bengaluru
Date: 29.05.2019

(B. Shantilal)
Managing Director
DIN: 00719808

e. Vigil Mechanism / Whistle Blower Policy:

The Board of Directors has laid down Whistle Blower Policy for Directors and employees of the Company, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Further, the Company affirms that no employees have been denied access to Audit Committee on any issue related thereto. The copy of Whistle Blower policy is available on the website of the Company at <http://sunilagro.in/wp-content/uploads/2019/08/whistle-blower-policy.pdf>.

f. Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of the Listing Regulations.

This Corporate Governance Report of the Company for the financial year 2018-19 is in compliance with the requirements of the Listing Regulations.

g. Adoption of the Non-Mandatory Requirements:

- i. Nomination and Remuneration Committee has duly been constituted.
- ii. The Company consistently trains its Board members, on an on-going basis, in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as Directors, and the best ways to discharge them.
- iii. The Company has a procedure of bringing to the notice of management, any matter/s regarding concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethics policy.
 - Independent Directors of the Company have the option and freedom to meet Company Management regularly. They are provided with all information sought by them to perform their duty effectively and efficiently.
 - Audit Committee has duly been constituted, and its scope and functions has already detailed elsewhere in this report.
 - Matters referred to Audit Committee, as detailed elsewhere in the report include, *inter alia*, recommendation to the Board, on appointment of Statutory, Auditors.
 - Reconciliation of Share Capital Audit Report is conducted every financial quarter and placed before the Audit Committee and the Board for review.

13. Means of Communication:

- Quarterly results are published in the prominent daily newspapers.
- Necessary disclosures as per the requirement of SEBI/Listing Regulations and Corporate Laws are made within prescribed time as required.
- Management Discussion and Analysis forms part of the Annual Report.

The general information about the Company and the information as required under the Companies Act, 2013 and the Listing Regulations have been uploaded on the Company's website: <http://sunilagro.in/about-sunil-agro-foods>.

14. General Information to Shareholders:**a) Annual General Meeting:**

Annual General Meeting will be held at 10.30 a.m. on Thursday, the 19th September, 2019 at Bharatiya Vidya Bhavan, Race Course Road, Bengaluru – 560 001.

b) Financial Results Calendar (Tentative):

Particulars	Dates
Unaudited Results for the quarter and three months ended 30.06.2019	Last Week of July/Second Week of August, 2019
Unaudited Results for the quarter and six months ended 30.09.2019	Last Week of October, 2019/ First Week of November, 2019
Unaudited Results for the quarter and nine months ended 31.12.2019	Last Week of January, 2019/ First Week of February, 2019
Audited Results for the year ended 31.03.2020	Last Week of May, 2020

c) Date of Book Closure for the year 2018-2019: 13th September, 2019 to 19th September, 2019

d) Listing of Equity Shares on Stock Exchange at: BSE Limited

e) Registrar and Share Transfer Agent:

Integrated Registry Management Services Private Limited, No.30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleswaram, Bengaluru - 560 003. Phone Nos: 23460815 to 18, Fax: 23460819, Email id: irg@integratedindia.in

f) Share Transfer System:

The Company's Shares are traded in the Stock Exchange compulsorily in the demat mode. Shares in physical mode which are lodged for transfer at the Investor Service Center are processed and subject to exercise of option under compulsory transfer cum demat procedures; Share certificates are either dematerialized or returned within the time prescribed by the authorities.

g) Distribution of Shareholding as on 31.03.2019:

Range of Shares	No. of Members	% to Total Shareholders	No. of Shares Held	Amount (Rs.)	% to Total Shares
Upto - 5,000	1362	87.87	183795	1837950	6.12
5,001 - 10,000	78	5.03	62391	623910	2.08
10,001 - 20,000	59	3.81	88303	883030	2.94
20,001 - 30,000	12	0.77	31880	318800	1.06
30,001 - 40,000	8	0.52	27956	279560	0.93
40,001 - 50,000	7	0.43	34710	347100	1.16
50,001 - 1,00,000	5	0.32	36630	366300	1.22
1,00,001 and above	18	1.16	2533415	25334150	84.37
Total	1550	100.00	3002900	30029000	100.00

h) Categories of Shareholders as on 31.03.2019 :

Category	No. of Shares held	% of Shareholding
Promoters	2110676	70.29
Persons acting in concert	60500	2.01
Institutional Investors	40000	1.33
Others	791724	26.37
TOTAL	3002900	100.00

Pursuant to SEBI Circular No. Cir/ISD/3/2011 dated 17th June, 2011; the Company has achieved 100% of Promoters' shareholding in dematerialized Form

i) Dematerialization of shares and liquidity

Summary of Shareholding as on 31.03.2019:

Particulars	No. of Shares	Percentage	No. of Shareholders
Physical mode	152660	5.08	501
Electronic Mode	2850240	94.92	1049
TOTAL	3002900	100.00	1550

J) Stock Market Data:

The monthly high, low and closing prices of Equity Shares of the Company traded on BSE Limited from 1st April, 2018 to 31st March, 2019 are given below:

Month	Volume	High Price	Low Price	Close Price	Sensex
Apr-18	16240	73.00	58.15	63.95	35160.36
May-18	17199	65.00	55.50	58.50	35322.38
Jun-18	13441	59.40	46.00	47.60	35423.48
Jul-18	5664	55.00	41.00	50.10	37606.58
Aug-18	7599	54.85	44.20	50.05	38645.07
Sep-18	10456	54.85	46.00	46.00	36227.14
Oct-18	3164	50.00	41.00	44.85	34442.05
Nov-18	2904	44.45	37.90	37.90	36194.30
Dec-18	11096	42.35	32.30	38.60	36068.33
Jan-19	6064	38.75	29.25	30.05	35591.25
Feb-19	18364	31.55	23.80	24.30	35867.44
Mar-19	6763	26.25	23.05	24.20	38672.91

k) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity - NIL

l) Plant Locations :

Plot No; 39-A2, Hosakote Industrial area, Chokkahalli, Hosakote -562 114

m) Address for correspondence :

The Company's Registered Office is situated at Plot No. 39-A2, Hosakote Industrial area, Chokkahalli, Hosakote - 562 114.

Shareholders' correspondence should be addressed to Plot No. 39-A2, Hosakote Industrial area, Chokkahalli, Hosakote - 562 114.

Shareholders holding Shares in electronic mode should address all their correspondence to their respective Depositories Participants (DPs).

For and on behalf of the Board of Directors

Place : Bengaluru
Date : 29.05.2019

B. Shantilal Bansilal
Managing Director
DIN: 00719808
No. 10, Kamal Nivas
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

Pramod Kumar S
Executive Director
DIN: 00719828
No. 10, Kamal Nivas
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

CEO & CFO Certification

We confirm that:

1. We have reviewed the financial statements including the cash flow statement for the year ended 31st March, 2019 and certify to the best of our knowledge and belief that:
 - i. the statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. the statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into, by the Company during the year ended were fraudulent, illegal or against to the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and to the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps we had taken or propose to take to rectify those deficiencies.
4.
 - i. There has not been any significant change in internal control during the year;
 - ii. There has not been any significant change in Accounting Policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instances during the year of significant fraud with involvement therein, of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Bengaluru
Date : 29.05.2019

B. Shantilal
Managing Director
DIN:00719808

Pramod Kumar S
Chief Executive Officer & Director
DIN: 00719828

Gayithri Shankarappa
Chief Financial Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members
SUNIL AGRO FOODS LIMITED
Plot No.39-A2, Industrial Area
Chokkahalli Hosakote-562114

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors SUNIL AGRO FOODS LIMITED having CIN L01111KA1988PLC008861 and having registered office at Plot No.39-A2, Industrial Area Chokkahalli, Hosakote-562114 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2019 has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	VENKATARAMANASANJEEV ALAMPALLI MURTHY	0000085805	30/07/2002
2	SHANTILAL BANSILAL	0000719808	01/10/2010
3	PRAMOD KUMAR SHANTILAL	0000719828	20/01/1988
4	PINKY JAIN	0003636974	30/07/2011
5	PREMCHAND BHANTIA SARIKA BHANDARI	0007140112	28/01/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Vijayakrishna K T
Practising Company Secretary
FCS - 1788
CP - 980

Place: Bengaluru
Date: 29.05.2019

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE AS REQUIRED UNDER THE SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

To

The Members of
SUNIL AGRO FOODS LIMITED
Bengaluru

I have examined all the relevant records of Sunil Agro Foods Limited ('the Company') for the purpose of certifying the compliance of the conditions of Corporate Governance by the Company for the financial year ended 31st March, 2019 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I 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: Bengaluru
Date: 29.05.2019

Vijayakrishna K T
Practising Company Secretary
FCS - 1788
CP - 980

**ANNEXURE - II
Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2019

[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: L01111KA1988PLC008861
ii) Registration Date: 20/01/1988
iii) Name of the Company: SUNIL AGRO FOODS LIMITED
iv) Category/Sub-Category of the Company: Company limited by shares and Indian Non Government Company
v) Address of the registered office and contact details:

Registered Office Address

Plot No.39-A2, Industrial Area, Chokkahalli,
Hosakote, Bengaluru, Karnataka - 562114

Tel. : 080 - 40201400/03/04

Fax. : 080 - 28391661

Email : info@sunilagro.in

Website: www.sunilagro.in

- vi) Whether Listed Company: Yes
vii) Name, Address and Contact details of Registrar and Transfer

Registrars

Integrated Registry Management Services Private Limited
30, Ramana Residency, Ground Floor, 4th Cross,
Sampige Road, Malleshwaram, Bengaluru - 560 003

Tel. : 080 - 23460815 to 818

Fax : 080 - 23460819

Email : irg@integratedindia.in

Website : www.integratedindia.in

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	% total turnover of the Company
1.	Manufacture of grain mill products	10611	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary	% of shares held	Applicable
	Nil	-	-	-	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				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	
A. Promoters									
(1) Indian	2110376	-	2110376	70.28	2110376	-	2110376	70.28	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	300	-	300	0.01	300	-	300	0.01	-
d) Bank/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Person Acting in Concert	60500	-	60500	2.01	60500	-	60500	2.01	
SUB TOTAL: (A) (1)	2171176	-	2171176	72.30	2171176	-	2171176	72.30	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	2171176	-	2171176	72.30	2171176	-	2171176	72.30	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Cenntral govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	40000	-	40000	1.33	40000	-	40000	1.33	-
h) Foreign Venture									

Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	40000	-	40000	1.33	40000	-	40000	1.33	-
(2) Non Institutions									
a) Bodies Corporates									
i) Indian	27412	15600	43012	1.43	30179	15300	45479	1.51	0.08
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakhs	319635	145260	464895	15.48	294367	135260	429627	14.31	-1.17
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	247273	-	247273	8.23	286480	-	286480	9.54	1.31
c) Others (specify)									
NRI	28398	2100	30498	1.02	26110	2100	28210	0.94	-0.08
Clearing Member	6046	-	6046	0.20	1928	-	1928	0.06	-0.14
Trust	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	628764	162960	791724	26.37	639064	152660	791724	26.37	0.00
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	668764	162960	831724	27.70	679064	152660	831724	27.70	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2839940	162960	3002900	100.00	2850240	152660	3002900	100.00	0.00

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the period			Shareholding at the end of the period			% change in share holding during the period
		No. of Shares	%of total Shares of the Company	%of Shares Pledged/encumbered to total Shares	No. of Shares	%of total Shares of the Company	%of Shares Pledged/encumbered to total Shares	
	Messrs							
1	B Shantilal	600	0.02	-	600	0.02	-	-
2	Brindavan Roller Flour Mills Private Limited	300	0.01	-	300	0.01	-	-
3	Pramod Kumar S	2099776	69.92	-	2099776	69.92	-	-
4	Pramod Kumar HUF	10000	0.33	-	10000	0.33	-	-
5	Pinky Jain	30300	1.01		30300	1.01	-	-
6	Vidhya Jain	30200	1.01		30200	1.01	-	-
	Total	2171176	72.30		2171176	72.30	-	-

(iii) Change in Promoters' Shareholding (No change):

Sl. No.	Shareholders Name	Share Holding at the beginning of the Year		Date	Increase/ Decrease in Share Holding	Reason	Share Holding at the end of the year	
		No. of Shares	% of total shares of the company				No of Shares	% of total Shares of the company
	NA	NA	NA	NA	NA	NA	NA	NA

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

Sl. No.	Name of the Shareholder Messrs	Share holding at the beginning of the Year 01.04.2018		Date	Increase/ Decrease in Share Holding	Reason	Cumulative Share holding during the year 31.03.2019	
		No. of Shares	% of total shares of the company				No of Shares	% of total Shares of the company
1	DILIP SURANA	56145	1.87	01.04.2018	NO MOVEMENT DURING THE YEAR		56145	1.87
				31.03.2019				
2	ANAND SURANA	50000	1.67	01.04.2018	NO MOVEMENT DURING THE YEAR		50000	1.67
				31.03.2019				
3	MONICA SURANA	50000	1.67	01.04.2018	NO MOVEMENT DURING THE YEAR		50000	1.67
				31.03.2019				
4	SONEX INVESTMENTS LTD	40000	1.33	01.04.2018	NO MOVEMENT DURING THE YEAR		40000	1.33
				31.03.2019				
5	M SUBRMANYA BHATT	26400	0.88	01.04.2018	NO MOVEMENT DURING THE YEAR		26400	0.88
				31.03.2019				
6	M SRINIVASA RAO	23370	0.78	01.04.2018	NO MOVEMENT DURING THE YEAR		23370	0.78
				31.03.2019				
7	GAUTAM CHAND MEHTA	20000	0.67	01.04.2018	NO MOVEMENT DURING THE YEAR		20000	0.67
				31.03.2019				
8	ASHOK KUMAR MANDHANI	17127	0.57	01.04.2018	NO MOVEMENT DURING THE YEAR		17127	0.57
				05.05.2019				
9	ASHISH CHUGH	16215	0.54	01.04.2018	NO MOVEMENT DURING THE YEAR		16215	0.54
				31.03.2019				
10	MICRO LABS LIMITED	14559	0.48	01.04.2018	NO MOVEMENT DURING THE YEAR		14559	0.48
				31.03.2019				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors & KMP Messrs	Share holding at the beginning of the Year		Date	Increase/ Decrease in Share Holding	Reason	Share holding at the end of the year	
		No. of Shares	% of total shares of the company				No of Shares	% of total Shares of the company
1.	B Shantilal	600	0.02	-	-	-	600	0.02
2.	Pramod Kumar S	2099776	69.92	-	-	-	2099776	69.92
3.	Pinky Jain	30300	1.01	-	-	-	30300	1.01

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: **(Amount in Rs.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	20,76,94,814	3,15,13,830	-	23,92,08,644
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20,76,94,814	3,15,13,830	-	23,92,08,644
Change in Indebtedness during the financial year				
• Addition	1,66,01,99,200	2,96,24,265	-	1,68,98,23,465
• Reduction	1,62,59,70,919	1,78,10,576	-	1,64,37,81,495
Net Change	3,42,28,281	1,18,13,689	-	4,60,41,970
Indebtedness at the end of the financial year				
i) Principal Amount	24,19,23,095	1,97,00,141	-	26,16,23,236
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	24,19,23,095	1,97,00,141	-	26,16,23,236

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director/ Whole-time Directors (WTD) and/or Manager:

Sl. No.	Particulars of Remuneration	Name of Managing Director	Name of Whole-time Director	Total Amount (In Rupees)
		Mr. B. Shantilal	Mr. Pramod Kumar S	
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under Section 17(2) of the Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	12,00,000	24,00,000	36,00,000
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others			
5.	Others			
	Total(A)	12,00,000	24,00,000	36,00,000

B. Remuneration to other Directors: Nil

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel (Company Secretary)	Name of Key Managerial Personnel (CFO)	Total Amount (In Rupees)
		Ms. Garima Garg	Mrs. Gayithri Shankrappa	
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites under Section 17(2) of the Income-Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	3,00,000	4,07,040	7,07,040
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others			
5.	Others			
	Total(A)	3,00,000	4,07,040	7,07,040

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

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 Punishment Compounding			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding			None		

For and on behalf of the Board of Directors

Place: Bengaluru
Date: 29.05.2019

Shantilal Bansilal
Managing Director
DIN: 00719808
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

Pramod Kumar S
Chief Executive Officer & Director
DIN: 00719828
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

**ANNEXURE - III
FORM NO. AOC-2**

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

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

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

NIL

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

Name of the party and nature of relationship	Markasia Foods Private Limited	Brindavan Roller Flour Mills Private Limited
Nature of contracts/arrangements/ transactions	Sale of goods and providing of Services Receipt of Rent, Trade Receivables	Purchase and Sale of Goods and Services
Duration of the contracts/ arrangements/transactions	Ongoing - based on periodical requirements	Ongoing - based on periodical requirements
Salient terms of the contracts or arrangements or transactions including the Value:	Value: For 2018-19 - Rs. 51,46,415/-	Value: For 2018-19 - Rs. 88,19,381/-
Date(s) of approval by the Board:	23.05.2018	23.05.2018
Amount paid as advances	-	2,113,054

For and on behalf of the Board of Directors

Place: Bengaluru
Date: 29.05.2019

Shantilal Bansilal
Managing Director
DIN: 00719808
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

Pramod Kumar S
Chief Executive Officer & Director
DIN: 00719828
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

ANNEXURE - IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To

The Members

SUNIL AGRO FOODS LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sunil Agro Foods Limited (CIN: L01111KA1988PLC008861) (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 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 31.03.2019 complied with the statutory provisions listed hereunder and also that 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 the Company for the financial year ended on 31.03.2019 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (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
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (j) Circulars/Guidelines issued thereunder.
- (vi) The Industry specific laws applicable to the Company are as follows.
 - Prevention of Food Adulteration Act, 1954
 - Food Safety and Standards Act, 2006
 - The Legal Metrology Act, 2009
 - The Narcotic Drugs and Psychotropic Substances (Karnataka) Rules 1985
 - The Trade Marks Act, 1999

(vii) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

- i. Industries (Development & Regulation) Act, 1951
- ii. The Factories Act, 1948
- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979
- xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
- xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013

- xxiii. Dangerous Machines (Regulation) Act, 1983
- xxiv. Indian Boilers Act, 1923
- xxv. The Karnataka Shops & Establishments Act, 1961
- xxvi. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxvii. The Labour Welfare Fund Act, 1965
- xxviii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxix. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981
- iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
- v. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

(3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non material findings made during

the course of the audit relating to the Labour Laws were addressed suitably and the Management has undertaken to ensure full compliances.

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

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.

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 are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I further report that there are adequate systems and processes 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: Bengaluru

Date: 29th May, 2019

Vijayakrishna K T

FCS No.: 1788

CP No.: 980

'Annexure'

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 our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. 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.

Place: Bengaluru

Date: 29th May, 2019

Vijayakrishna K T

FCS No.: 1788

CP No.: 980

(Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report).

**ANNEXURE - V
THE RATIO OF REMUNERATION OF EACH DIRECTOR**

(i) The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year;	Managing Director – 127 : Executive Director – 249 : Median Remuneration of Employees - 6.80
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year;	Mrs. Gayithri Shankarappa Chief Financial Officer - 7%
(iii) The percentage increase in the median remuneration of employees in the Financial Year;	5.35%
(iv) The number of permanent employees on the rolls of Company;	As on 31.03.2019 - 99 members
(v) The explanation on the relationship between average increase in remuneration and company performance;	Increase in remuneration is based on the industrial standard & experience of each employees.
(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	Remuneration paid to Key Managerial person is based on remuneration policy of the Company.
(vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current Financial Year and previous Financial Year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last Public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current Financial Year and previous Financial Year;	There is no material variation in the share price.
(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	This is as per the Company's increment guidelines.
(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	This is as per the Company's increment guidelines.
(x) The key parameters for any variable component of remuneration availed by the Directors;	Not Applicable
(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year;	Not Applicable
(xii) Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes

STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(i) Designation of the employee;	Not Applicable
(ii) remuneration received;	
(iii) nature of employment, whether contractual or otherwise;	
(iv) qualifications and experience of the employee;	
(v) date of commencement of employment;	
(vi) the age of such employee;	
(vii) the last employment held by such employee before joining the company;	
(viii) the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above; and	
(ix) whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	
The Top ten employees, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two lakhs rupees;	
The Top ten employees, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand rupees per month;	
The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	

For and on behalf of Board of Directors

Place: Bengaluru
Date: 29.05.2019

Shantilal Bansilal
Managing Director
DIN: 00719808
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

Pramod Kumar S
Chief Executive Officer & Director
DIN: 00719828
No.10, Kamal Nivas,
Srikantaiah Layout
Crescent Cross Road
Bengaluru – 560 001

INDEPENDENT AUDITORS' REPORT

**To the Members of
M/s Sunil Agro Foods Limited**

Opinion

We have audited the accompanying Standalone financial statements of M/s. Sunil Agro Foods Limited ("the Company") which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and its Profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addresses the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

We have fulfilled the responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

The Company has certain significant open legal proceedings under arbitration for various complex matters with the Government of India and other parties, continuing from earlier years, which are as under :

- a) Claims against the Company from the Central Excise Department related to period from 05/08/2010 to 31/10/2013. The company has filed an appeal against the order demanding interest and penalty with the Customs Excise and Service Tax Appellate Tribunal. (Refer Note 33)

Due to the complexity involved in these litigation matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases and determined. Accordingly it has been considered as a Key Audit Matter.

Our Audit procedures included and were not limited to the following :

- Discussion with the management on the development in these litigations during the year ended March 31,2019
- Review of the disclosures made by the Company in the Financial Statements in this regard.
- Obtained representation letter from the management on the assessment of these matters.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate

accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection, application, implementation and maintenance of appropriate of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements:

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "**Annexure A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required

by law have been kept by the Company so far as it appears from our examination of those books .

- c. The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting standards) Rules, 2015.
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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**". Our Report expresses an Qualified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company has disclosed the impact of pending litigations which could impact its financial position as mentioned in note no.33 Contingent Liability.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For GRV & PK.
Chartered Accountants
Firm Reg. No. 008099S

Place : Bengaluru
Date : 29.05.2019

Kamal Kishore
Partner
Membership No. 205819

ANNEXURE - A TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of **M/s. Sunil Agro Foods Limited ("the Company")** on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. These fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) (a) On basis of information and explanation given to us, Physical verification of Inventory has been conducted at reasonable intervals by the management.
- (b) Procedure of physical verification of Inventory followed by the management is reasonable & adequate in relation to the size of company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stocks as compared to book records.
- (iii) In our opinion and according to the information and explanations given to us, The Company has not granted any unsecured loans to any of the parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause (iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has not provided any loans, guarantees, and Investments to which the provision of sec 185 of the act apply. However regarding loans, guarantees, and Investments to which the provision of sec 186 apply such investment are within the limit provided under Section 186 of the act.
- (v) The company has not received any public deposits during the year to which section 73 to 76 or any other relevant provisions of the act are applicable. Accordingly, clause (v) of the order is not applicable.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) a) According to the records of the company and information and explanations given to us and on the basis of our examination of the records of the company, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, employees state insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax deducted at sources, Tax collected at source, Professional Tax, GST, Cess and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the company did not have any dues on account of employee's state insurance and duty of excise:
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident fund, Income-tax, Custom Duty, sales tax, VAT, GST, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2019 for a period of more than six months from the date they became payable except Excise Duty.
- (c) According to the information and explanations given to us, details of disputed Excise duty which have not been deposited as on 31st March, 2019 on account of any dispute are given below:

Name of the statute	Nature of Dues	Disputed amount pending	Period to which the amount relates (Financial Years)	Forum where dispute is pending
Central Excise Act, 1944	Central Excise duty	Rs. 1,95,51,297/-	05/08/2010 to 31/10/2013	Appeal against order is pending before CESTAT
	Excise duty Penalty	Rs. 1,95,51,297/-		
	Excise duty Interest	Department yet to quantify the interest liability	Until payment made	

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in the repayment of dues to financial institutions and banks.
- (ix) No money has been raised by way of initial public offer or further public offer (including debt instruments) during the year but Term Loans has been utilized for the purposes for which they were raised during the year.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company the managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act with respect to Managerial Remuneration.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly, clause (xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, clause (xiv) of the order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GRV & PK.**
Chartered Accountants
Firm Reg. No. 008099S

Place : Bengaluru
Date : 29.05.2019

Kamal Kishore
Partner
Membership No. 205819

ANNEXURE - B TO INDEPENDENT AUDITORS' 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 **M/s. Sunil Agro Foods Limited** ("the Company") as of 31 March 2019 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 judgment, 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. According to the information and explanation given to us and based on our audit, the following material weaknesses have been identified as at March 31st, 2019.

- a) *The company does not have appropriate control system over cash handling as so many payments at factory are made in cash, this could potentially result in unauthorised cash payments resulting in fraudulent transactions.*
- b) *The company did not have an appropriate internal control system for obtaining external balance confirmation on periodic basis. This could potentially result in inaccurate assets and liabilities disclosed in the books of accounts.*

A "material weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, 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 31 March 2019, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 standalone financial statements of the Company, and our aforesaid report and opinion on Internal Financial Control over Financial Reporting should be read in conjunction with our report of even date issued on the standalone financial statements of the Company.

**For GRV & PK.
Chartered Accountants
Firm Reg. No. 008099S**

Place : Bengaluru
Date : 29.05.2019

Kamal Kishore
Partner
Membership No. 205819

BALANCE SHEET AS AT MARCH 31st 2019

PARTICULARS	Notes	Figures at the end of Current Reporting Period	Figures at the end of Previous Reporting Period
A. ASSETS			
1. NON-CURRENT ASSETS			
(a) Property, plant and Equipment	1	15,68,34,691	12,10,04,444
(b) Capital Work-in Progress	1	79,83,852	3,48,48,484
(c) Investment Property	2	17,08,334	17,08,334
(d) Goodwill	-	-	-
(e) Other Intangible Assets		-	-
(f) Financial Assets			
i) Investments	3	6,71,350	6,71,350
(g) Deferred tax Asset		-	-
(h) Other non current assets	4	98,88,431	81,96,201
Total Non current assets		17,70,86,658	16,64,28,813
2. CURRENT ASSETS			
(a) Inventories	5	11,67,41,592	11,44,72,422
(b) Financial Assets			
i. Trade Receivables	6	14,73,36,875	14,85,22,630
ii. Cash and cash equivalent	7	5,95,999	28,26,929
iii. Bank balances other than cash and cash equivalent	8	12,93,848	52,75,602
(c) Current Tax Assets	9	20,37,712	15,10,592
(d) Other current assets	10	1,96,17,955	2,22,56,823
Total Current Assets		28,76,23,982	29,48,64,999
TOTAL ASSETS		46,47,10,639	46,12,93,812
B. EQUITY & LIABILITIES			
1. EQUITY:			
(a) Equity Share Capital	11	3,00,29,000	3,00,29,000
(b) Other Equity	12	9,94,14,428	9,66,75,609
Total Shareholders Fund		12,94,43,428	12,67,04,609
2. NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	13	3,18,51,762	4,04,48,886
(b) Provisions	14	3,4,06,447	26,48,382
(c) Deferred tax Liabilities	15	90,10,820	70,99,803
Total Non-Current liabilities		4,42,69,030	5,01,97,071
3. CURRENT LIABILITIES			
(a) Financial Liabilities			
i. Borrowings	16	23,02,93,508	17,81,27,453
ii. Trade Payables	17	4,74,56,664	5,38,47,663
iii. Other financial liabilities	18	1,03,23,483	2,73,52,306
(b) Short term Provisions	19	10,83,304	5,87,563
(c) Other Current Liabilities	20	2,41,222	2,24,77,148
(d) Current Tax Liabilities	21	16,00,000	20,00,000
Sub Total Current Liabilities		29,09,98,181	28,43,92,133
Total Equity & Liabilities		46,47,10,639	46,12,93,812

Notes from 01 to 41 form the integral part of Financial statements

On Behalf of the Board of Directors

Pramod Kumar S.
Chief Executive Office & Director
DIN: 00719828

Gayithri Shankarappa
Chief Finance Officer
PAN: AYSPG9226G

Place: Bengaluru
Date : 29.05.2019

B. Shantilal
Managing Director
DIN: 00719808

Garima Garg
Company Secretary
M No.: A39556

As per our report of even date

For G R V & P K
Chartered Accountants
Firm Reg. No. 008099S

(Kamal Kishore)
Partner
M No.: 205819

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31st 2019

PARTICULARS	Sch. No.	Figures at the end of Current Reporting Period	Figures at the end of Previous Reporting Period
Income			
Revenue From Operations	22	1,34,93,86,258	1,42,13,07,329
Other income	23	1,52,35,260	91,93,039
Total revenue		1,36,46,21,518	1,43,05,00,368
Expenses			
Cost of materials consumed	24	11,528,59,782	1,02,63,26,124
Purchase of traded goods		5,71,19,382	24,22,33,531
Manufacturing Expenses	25	4,85,50,224	4,64,48,233
Changes in inventories	26	(82,40,553)	15,68,635
Employee benefits expense	27	2,60,72,299	2,57,15,973
Finance costs	28	2,31,89,089	2,63,38,662
Depreciation and amortisation expense	1	1,61,67,944	1,12,32,176
Other expenses	29	4,00,52,257	4,16,00,292
Prior period		4,12,292	-
Total expenses		1,35,61,82,717	1,42,14,63,626
Profit / (Loss) before tax		84,38,801	90,36,742
Tax expense:			
Current tax		16,00,000	20,00,000
Tax expense/(reversal) relating to previous year		2,03,692	(33,148)
Deferred tax		19,11,017	4,27,728
		37,14,709	23,94,580
Profit / (Loss) After Tax		47,24,092	66,42,162
Other Comprehensive Income (OCI)			
ai) Items that will not be reclassified to profit or loss			
Defined benefit plan actuarial gains/(losses)		(1,75,123)	(1,84,364)
ii) Income Tax relating to items that will not be reclassified to profit or loss			
bi) Items that will be reclassified to profit or loss on fair Value			
Changes on Investment		-	(31,956)
ii) Income Tax relating to items that will be reclassified to profit or loss			
		-	6,583
Total other Comprehensive income for the period		(1,75,123)	(2,09,737)
Total Comprehensive income for the period		45,48,969	64,32,425
Earning Per Share			
Basic	30	1.57	2.21
Diluted	30	1.57	2.21

Notes from 01 to 41 form the integral part of Financial statements

On Behalf of the Board of Directors

Pramod Kumar S.
Chief Executive Office & Director
DIN: 00719828

Gayithri Shankarappa
Chief Finance Officer
PAN: AYSPG9226G

Place: Bengaluru
Date : 29.05.2019

B. Shantilal
Managing Director
DIN: 00719808

Garima Garg
Company Secretary
M No.: A39556

As per our report of even date

For G R V & P K
Chartered Accountants
Firm Reg. No. 008099S

(Kamal Kishore)
Partner
M No.: 205819

CASH FLOW STATEMENT

PARTICULARS	Sch. No.	Amount in Rs.	
		For Year ended 31 st March 2019	For the Year ended 31 st March 2018
A. Cash flows arising from operating activities			
Net Profit/(Loss) Before Tax		84,38,801	90,36,742
Add: Depreciation		1,61,67,944	1,12,32,176
Loss on Sale of Fixed Assets		3,22,491	-
Interest Paid		2,31,89,089	2,63,38,662
Less: Other comprehensive Income loss		1,75,123	1,84,364
Provision for fall in value of investment		-	31,956
		4,79,43,203	4,63,91,260
Less: Profit on sale of machinery		15,45,443	19,993
Interest Received		13,21,788	18,33,759
Profit on sale of Shares		2,30,000	-
Dividend received		550	1,112
		4,48,45,422	4,45,36,396
Operating profit before working capital changes			
(Increase)/Decrease in Inventory		(22,69,170)	2,31,570
(Increase)/Decrease in Debtors		11,85,755	(5,30,36,379)
(Increase)/Decrease in Loans & Advances		-	4,80,977
(Increase)/Decrease in Other current assets		21,11,748	32,81,805
Increase/(Decrease) in Trade Payables		(63,90,999)	1,05,00,766
Increase/(Decrease) in Provisions		10,78,683	(22,21,200)
Increase/(Decrease) in other current liabilities		(2,22,35,926)	1,50,72,801
Cash flow from Operations		1,83,25,514	1,88,46,736
Payment of Income Tax		22,03,692	14,77,444
		1,61,21,822	1,73,69,292
B. Cash flows arising from Investment activities			
Inflows:			
Receipt of Loans and Advance		-	18,45,628
FD matured		39,81,754	89,41,774
Sale of Fixed Asset		28,75,696	19,993
Change in capital Work in Progress			
Sale of Investment		2,30,000	
Provision for dimunition in Investment		-	31,956
Interest Received		13,21,788	18,33,759
Dividend Received		550	1,112
Outflows:			
Investment in Fixed Assets		5,36,50,934	2,95,27,993
Change in capital Work in Progress		(2,68,64,631)	(77,91,477)
Payment of Loans and Advance		16,92,230	-
		(2,00,68,745)	(90,62,295)

CASH FLOW STATEMENT

PARTICULARS	Sch. No.	For Year ended 31 st March 2019		For the Year ended 31 st March 2018	
C. Cash flows arising from finance activities					
Inflows:					
Proceeds/(Repayment) of Loan		2,65,40,109		1,82,26,677	
Other comprehensive Income loss		1,75,123		1,84,364	
Outflows:					
Dividend Paid		18,10,149		-	
Interest paid		2,31,89,089		2,63,38,662	
Cash flow from all activities-(A+B+C)		(22,30,928)	17,15,993	3,79,376	(79,27,621)
Add: Cash & cash equivalents at beginning of the year		28,26,929		24,47,553	
Cash & cash equivalents at year end of the year		5,95,999		28,26,929	

Notes from 01 to 41 form the integral part of Financial statements

On Behalf of the Board of Directors

Pramod Kumar S.
Chief Executive Office & Director
DIN: 00719828

Gayithri Shankarappa
Chief Finance Officer
PAN: AYSPG9226G

Place: Bengaluru
Date : 29.05.2019

B. Shantilal
Managing Director
DIN: 00719808

Garima Garg
Company Secretary
M No.: A39556

As per our report of even date

For G R V & P K
Chartered Accountants
Firm Reg. No. 008099S

(Kamal Kishore)
Partner
M No.: 205819

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Note 1: Property Plant & Equipment

SL No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Original Cost as on 01.04.2018	Addition	Sales 01.04.17 to 31.03.2019	Total Gross Block 31.03.2019	Up to 01.04.2018	For the year	Depreciation Adjustment on sales	Total Depreciation 31.03.2019	As On 31.03.2019	As On 31.03.2018
A)	TANGIBLE ASSETS:										
	FREE HOLD LAND	70,08,261	-		70,08,261	-	-	-	-	70,08,261	70,08,261
	BUILDINGS	5,48,67,217	90,66,152		6,39,33,370	1,96,39,166	14,83,392	-	2,11,22,559	4,28,10,811	3,52,28,051
	PLANT AND MACHINERES	13,31,88,453	3,88,61,422	2,99,80,612	1,420,69,264	6,70,99,208	1,19,65,853	2,95,71,550	4,94,93,512	9,25,75,753	6,60,89,245
	FURNITURES AND FIXTURES	30,68,279	18,46,237		49,14,516	20,70,994	1,81,603	-	22,52,597	26,61,919	9,97,285
	VEHICLES- TRANSPORTATION	86,74,342	15,080	15,080	86,74,342	59,33,670	6,99,083	-	66,32,752	20,41,590	27,40,672
	VEHICLES- OTHERS	1,30,51,638	35,55,251	43,42,396	1,22,64,493	60,38,250	13,46,329	31,13,793	42,70,785	79,93,708	70,13,388
	OFFICE EQUIPMENTS	28,94,196	95,250		29,89,446	19,19,300	2,60,532	-	21,79,832	8,09,614	9,74,896
	LAB EQUIPMENTS	13,75,350	1,48,916		15,24,266	7,16,237	1,32,152	-	8,48,389	6,75,877	6,59,113
	COMPUTERS	16,33,715	62,625		16,96,340	14,08,949	99,000	-	15,07,949	1,88,391	2,24,766
	POOJA ITEMS	68,767	-		68,767	-	-	-	-	68,767	68,767
	TOTAL	22,58,30,219	5,36,50,934	3,43,38,088	24,51,43,065	10,48,25,775	1,61,67,944	3,26,85,343	8,83,08,376	15,68,34,690	12,10,04,444
B)	CAPITAL WORK IN PROGRESS:										
	BUILDINGS	51,55,811	56,47,306	62,55,101	45,48,015					45,48,015	51,55,811
	PLANT AND MACHINERES	2,04,12,478	96,04,203	2,65,80,845	34,35,837					34,35,837	2,04,12,478
	ELECTRICAL EQUIPMENT	92,80,195	17,48,627	1,10,28,822	-					-	92,80,195
	TOTAL	3,48,48,484	1,70,00,136	4,38,64,768	79,83,852					79,83,852	3,48,48,484

Note 2: Investment Property

SL No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Original Cost as on 01.04.2018	Addition	Sales 01.04.17 to 31.03.2019	Total Gross Block 31.03.2019	Up to 01.04.2018	For the year	Depreciation Adjustment on sales	Total Depreciation 31.03.2019	As On 31.03.2019	As On 31.03.2018
	PROPERTY INVESTMENTS	17,08,334	-	-	17,08,334	-	-	-	-	17,08,334	17,08,334
	TOTAL	17,08,334	-	-	17,08,334	-	-	-	-	17,08,334	17,08,334
	Previous Year	17,08,334	-	-	17,08,334	-	-	-	-	17,08,334	17,08,334

Disclosures:

- Depreciation on the investment property has not been charged & the same has not been revalued at FMV as the FMV is higher than the cost as per management estimation.
- Income from investment property for the period:
Rent Received - Nil (PY -30,000/-)
- Expenses incurred on investment property for the period:
Maintenance - Nil (PY - 90,000/-)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	As at Current Reporting Period	As at Previous Reporting Period
Note 3: Investments		
a Investment in Equity Shares		
Quoted Investments		
Refinery and Petrochemicals Limited 40(40) equity shares of Rs.10/- each, fully paid	5,873	5,873
Mercator Limited 1000(1000) equity shares of Rs.1/- each, fully paid	1,62,833	1,62,833
Mukunda Industrial Finance Limited 12119(12119) equity shares of Rs.10/- each, fully paid	93,863	93,863
Pentamedia Graphics Limited 18650(18650) equity shares of Rs.1/- each fully paid	7,85,472	7,85,472
Reliance Industries Limited 150(150) equity shares of Rs.10/- each fully paid	1,76,377	1,76,377
Shree Digvijay Cement Company Limited 2500(2500) equity shares of Rs.10/- each fully paid	1,01,325	1,01,325
Sphere Global Services Limited 400(400) equity shares of Rs.10/- each fully paid	1,19,662	1,19,662
Surat Textile Mills Limited 10000(10000) equity shares of Rs.10/- each fully paid	1,31,185	1,31,185
Valuemart info Technologies Limited 2500(2500) equity shares of Rs.10/- each fully paid	25,000	25,000
Welspun Enterprises Limited 345(345) equity shares of Rs.10/- each fully paid	49,629	49,629
Xchanging Solutions Limited 2000(2000) equity shares of Rs.10/- each fully paid	4,87,588	4,87,588
	<u>21,38,807</u>	<u>21,38,807</u>
Less: Provision for impairment in value	16,84,188	16,84,188
	<u>4,54,619</u>	<u>4,86,575</u>
Unquoted Investments		
Lamina Foundries Limited 10000(10000) equity shares of Rs.10/- each, fully paid	-	2,35,000
Datar Switchgear Limited 1000(1000) equity shares of Rs.10/- each, fully paid	1,08,123	1,08,123
Karnataka Financial Service Limited 6800(6800) equity shares of Rs.10/- each, fully paid	91,721	91,721
Sanmitra Credit Limited 10000(10000) equity shares of Rs.10/- each fully paid	1,00,000	1,00,000
SH Krish Pol Limited 10000(10000) equity shares of Rs.1/- each fully paid	28,082	28,082
SJ Max Golden Ko Limited 24000(24000) equity shares of Rs.10/- each fully paid	2,40,000	2,40,000
Pushpa Packages Limited	1,06,900	1,06,900

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	As at Current Reporting Period	As at Previous Reporting Period
10600(10600) equity shares of Rs.10/- each fully paid Tejassvi Aahram Limited	49,000	49,000
4900(4900) equity shares of Rs.10/- each fully paid Mazda Controls Limited	1,11,200	1,11,200
2000(2000) equity shares of Rs.10/- each fully paid Tata Teleservices (Maharashtra) Limited	79,900	79,900
500(500) equity shares of Rs.10/- each fully paid Vyshali Energy Private Limited	14,500	14,500
1450(1450) equity shares of Rs.10/- each fully paid	9,29,426	11,64,426
Less: Provision for impairment in value	9,14,926	11,49,926
	14,500	14,500
b Investment in mutual funds		
Kotak Standard Multicap Regular fund (P.Y shown as Kotak Lifestyle (12303.36 units having NAV value of of Rs.35.55/- each)	1,00,000	1,00,000
	1,00,000	1,00,000
c Other Investment		
Investment in gold (50gms having market value of Rs.1,58,200/-)	1,00,831	1,00,831
National Savings Certificate	1,400	1,400
	1,02,231	1,02,231
Total Investment	6,71,350	7,03,350
Note 4: Other Non-Current Asstes		
a Capital Advances		
For Plant & Machinery	15,51,907	1,29,677
	15,51,907	1,29,677
b Advances Other then Capital Advances		
Security Deposits	83,36,524	80,66,524
	83,36,524	80,66,524
	98,88,431	81,96,201
Note 5: Inventories		
Raw Materials	5,88,28,224	7,60,26,301
Finished Goods	3,47,34,837	2,64,94,284
Packing Materials	1,53,52,923	61,34,088
Stores, Spares & Consumption	78,25,609	58,17,749
(Raw material, Finished Products, Packing material & Stores and Spares has been valued at cost or Net Realisable Value whichever is lower.)	11,67,41,592	11,44,72,422

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	As at Current Reporting Period	As at Previous Reporting Period
Note 6: Trade Receivables		
a Unsecured, Considered good		
Debtors outstanding for a period exceeding 6 months	2,32,04,037	68,24,600
Other Debts	12,35,03,993	13,76,19,827
Related Party	6,28,845	40,78,203
	<u>14,73,36,875</u>	<u>14,85,22,630</u>
Note 7: Cash & Cash Equivalents		
a Balaces with Banks		
- For Unpaid dividend	4,68,940	3,64,307
- Other balances	1,21,444	1,17,371
b Cash in hand	5,615	23,45,252
	<u>5,95,999</u>	<u>28,26,929</u>
Note 8: Bank Balances other then cash & cash equivalent		
Deposit for margin money*	12,93,848	52,75,602
*These deposits can be withdrawn by the company at any time without prior notice and without any penalty on the principal		
	<u>12,93,848</u>	<u>52,75,602</u>
Note 9: Current Tax Assets		
TDS Receivable	9,37,712	9,10,592
Advance Tax	11,00,000	6,00,000
	<u>20,37,712</u>	<u>15,10,592</u>
Note 10: Other Current Assets		
Loans & Advances to employees	15,49,276	13,44,741
Accrued Interest	4,91,082	4,84,599
Advance to suppliers	1,27,91,357	1,57,87,949
Advance to related party	21,13,054	4,65,002
Prepaid expenses	7,19,894	2,67,002
Bank Guarantee	2,87,404	2,87,404
Receivable for statutory dues	1,24,540	20,78,778
Other Receivables under protest	15,41,348	15,41,348
	<u>1,96,17,955</u>	<u>2,22,56,823</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	As at Current Reporting Period	As at Previous Reporting Period
Note 11: Equity Share Capital		
AUTHORIZED		
35,00,000 Equity Shares of Rs. 10.00 each (P.Y 35,00,000 Equity Shares of Rs. 10 each)	3,50,00,000	3,50,00,000
ISSUED, SUBSCRIBED, AND PAID UP		
30,02,900 Equity Shares of Rs. 10.00 each (Previous year 30,02,900 shares of Rs.10 each)	3,00,29,000	3,00,29,000
	<u>3,00,29,000</u>	<u>3,00,29,000</u>

a. Details of the Shares hold by shareholders holding more than 5% of the aggregate shares in the Comapany

Name of Shareholder	As at 31.03.2019		As at 31.03.2018	
	No of Shares	% of Shares	No of Shares	% of Shares
Pramod Kumar S	20,99,776	69.92	20,99,776	69.92

b. Reconciliation of number of shares outstanding at beginning & end of the reporting period.

Particular	As at 31.03.2019	As at 31.03.2018
Outstanding as at beginning of the reporting period	30,02,900	30,02,900
Add: Shares issued during the year	-	-
Outstanding as at end of the Reporting period	30,02,900	30,02,900

c. The Company has only one class of equity shares having a par value of Rs.10 per share, Each Shareholder is eligible for one vote per share.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Note 12: Other Equity

a. Reserves and Surplus		
- Security Premium	2,18,33,200	2,18,33,200
Opening Balance	-	-
Add : Addition during the year	2,18,33,200	2,18,33,200
Closing Balance		
- Profit & Loss A/c		
Opening Balance	7,48,42,409	6,84,09,986
Add : Profit During the year	45,48,969	64,32,425
Less : Dividend Paid	15,01,450	-
Less : Tax on Dividend	3,08,699	-
Closing Balance	7,75,81,229	7,48,42,409
	9,94,14,429	9,66,75,609

Note 13: Financial Non-Current Borrowings

a. Secured

Term Loans from bank - Vehicle*	24,98,812	18,04,216
Term Loans from bank - Machinery**	23,24,374	22,23,905
Term Loans from bank - Others***	68,06,402	1,25,22,792
	1,16,29,588	1,65,50,913
Less: Current Maturities of Long Term debt	52,37,290	76,15,859
	63,92,298	89,35,055

Particulars	Interest Rate	Final Repayment	As at 31st March 2019	As at 31st March 2018
A] Term Loans from Bank - Vehicle				
- HDFC Bank	9.45%	Sep-20	4,79,053	7,65,687
- Axis Bank	10.56%	May-18	-	23,054
- Yes Bank	8.90%	Aug-23	13,52,425	-
- Yes Bank	8.00%	Aug-23	6,67,334	-
- Daimler Financial Services Ltd.	7.90%	Dec-18	-	10,15,475
			24,98,812	18,04,216
B] Term Loans from Bank - Machinery				
- Tata Capital Financial Services Ltd.	11%	Nov-21	23,24,374	22,23,905
			23,24,374	22,23,905

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Particulars	Interest Rate	Final Repayment	As at 31st March 2019	As at 31st March 2018
C] Term Loans from Bank - Others				
- HDFC Bank	9.45%	Nov-20	59,14,185	90,22,470
- HDFC Bank	9.45%	Jan-19	-	18,65,871
- HDFC Bank	9.45%	Sep-20	8,92,216	16,34,451
			<u>68,06,402</u>	<u>1,25,22,792</u>
(*Secured by certain vehicles, term loan repayable within 3 to 5 years in equal monthly installments)				
(**Secured by certain machinery, term loan repayable within 3 years in equal monthly installments)				
(***)Secured by certain immovable properties of the company, hypothecation by way of first charge on company's stock, book debts, term loan repayable within 3 years in equal monthly installments)				
b. Unsecured				
Loans & Advances from others			57,59,323	-
Loans & Advances from directors (Repayable on Demand)			<u>1,97,00,141</u>	<u>3,15,13,831</u>
			<u>3,18,51,762</u>	<u>4,04,48,886</u>

Note 14: Provisions

Provision for Employee Benefits

Provision for Gratuity	36,06,896	29,04,869
Less: Short Term Provision	2,00,449	2,56,487
	<u>34,06,447</u>	<u>26,48,382</u>
	<u>34,06,447</u>	<u>26,48,382</u>

Note 15: Deferred Tax Liabilities

Opening deferred tax liability	70,99,803	66,78,658
Deferred tax(Assets)/Liabilities arising in current year on account of timing difference	19,11,017	4,21,145
	<u>90,10,820</u>	<u>70,99,803</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Note 16: Financial Current Borrowings

a. Secured

Repayable on demand

Bank overdraft

HDFC Bank *	16,32,09,447	13,04,92,813
YES Bank #	6,70,84,061	2,95,74,640
Letter of Credit#	-	1,80,60,000

Short term loans & borrowings

Particulars	Interest Rate Base	Interest Rate	As at 31st March 2019	As at 31st March 2018
HDFC Bank	MCLR+1.25%	9.4%-9.55%	13,04,92,813	13,04,92,813
Yes Bank	MCLR+1.5%	10.7%-10.8%	2,95,74,640	2,95,74,640
(*Secured by Hypothecation of Wheat & Wheat Products, Packing Material, Book Debts & certain immovable properties of company and also personal guarantee of some of the directors.Repayable on Demand)				
(#Secured by Hypothecation of Wheat & Wheat Products, Packing Material, Book Debts & certain immovable properties of company and also personal guarantee of some of the directors.Repayable on Demand)				
			23,02,93,508	17,81,27,453

Note 17: Trade Payables

- Creditors for goods	3,89,26,113	4,44,02,861
- Creditors-Others	81,20,239	81,33,117
- Creditors-Packing Materials	4,10,313	13,11,686
- Creditors-MSME	-	-
	4,76,56,664	5,38,47,663

Note 18: Other Financial Liabilities

Current Maturities of long term debt		
- Term Loan	52,37,290	76,15,859
- Buyers Credit	-	34,74,396
Bills Discounting with Bank	-	95,42,053
Unpaid Dividends	4,69,040	3,64,407
Other Payables		
- Statutory Payable	8,61,438	28,01,789
- Others	37,55,715	35,53,804
	103,23,483	2,73,52,306

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Note 19: Current Provisions

a. Provision for Employee Benefits

Provision for gratuity	2,00,449	2,56,487
Leave Encashment Payable	1,51,274	-
Provided Fund Payable	2,10,417	2,59,841
ESI Payable	60,199	71,235
Bonus Payable	4,60,965	-
	10,83,304	5,87,563

Note 20: Other Current Liabilities

a. Income received in advance

Advance from customers	2,41,222	2,21,04,207
Advance from customers - Related Party	-	72,941
Advance for sale of car	-	3,00,000
	2,41,222	2,24,77,148

Note 21: Current Tax Liabilities

a. Provision for Income Tax

	16,00,000	20,00,000
	16,00,000	20,00,000

Note 22: Revenue from Operations

(i) Sale of Products		
Maida	85,46,05,976	76,08,60,010
Sooji	8,82,56,637	8,27,49,879
Atta	5,29,96,487	5,05,97,293
Bran rough (fine, delux)	17,20,82,969	16,61,34,692
Bran Flakes	8,06,21,754	7,14,22,496
Wheat (including husk)	4,45,94,052	24,07,35,376
Gunny bag Sales	1,86,94,950	1,45,65,584
Others	88,17,973	50,23,705
	1,32,06,70,798	1,39,20,89,035
(ii) Sale of Services (Conversion charges)	2,87,15,460	2,92,18,294
Less: Excise Duty	-	-
	1,34,93,86,258	1,42,13,07,329

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

Note 23: Other Income

Interest Income	13,21,788	18,33,759
Dividend Income	550	1,112
Rental Income	14,14,224	10,12,224
Other non-operating income	1,07,23,255	63,01,839
Profit on foreign exchange	-	24,112
Profit on sale of Shares	2,30,000	-
Profit on sale of machinery	15,45,443	19,993
	<u>1,52,35,260</u>	<u>91,93,039</u>

Note 24: Cost of Material Consumed
RAW MATERIALS

Opening Stock		
Wheat	7,60,26,301	7,27,75,912
Packing Materials	61,34,088	1,16,57,024
Add: Purchases		
Wheat	1,17,10,39,356	1,24,45,69,629
Packing Materials	1,46,07,600	1,26,03,443
Less: Cost of wheat sold	4,07,66,415	23,31,19,495
Less: Closing Stock		
Wheat	5,88,28,224	7,60,26,301
Packing Materials	1,53,52,923	61,34,088
	<u>1,15,28,59,782</u>	<u>1,02,63,26,124</u>

Note 25: Manufacturing Expenses

(a) consumption of stores & spares	10,97,666	23,51,213
(b) freight Inward	2,60,376	1,06,264
(c) Power and Fuel	4,11,07,229	4,06,59,582
(d) Laboratory expenses	15,51,488	1,34,986
(e) Repairs & Maintainence	-	-
- Building	6,71,682	4,94,927
- Machinery	18,39,074	11,77,153
- Others	18,57,269	12,39,463
(f) Insurance	1,65,440	2,84,645
	<u>4,85,50,224</u>	<u>4,64,48,233</u>

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

**Note 26: Changes In Inventories Of Finished Goods
And Work In Progress**

Increase/Decrease in stocks

Stock at the Beginning of the year

Maida	1,27,47,318	1,77,12,687
Sooji	66,58,067	63,61,043
Atta	33,30,953	32,55,295
Bran rough	12,86,710	5,98,480
Bran Flakes	24,71,236	1,35,414

2,64,94,284 **2,80,62,919**

Stock at the end of the year

Maida	2,18,22,527	1,27,47,318
Sooji	66,18,705	66,58,067
Atta	28,58,820	33,30,953
Bran rough	6,26,612	12,86,710
Bran Flakes	28,08,173	24,71,236

3,47,34,837 **2,64,94,284**

Finished Goods

(Increase)/ Decrease in Stock

(82,40,553) **15,68,635**

NOTE 27: Employee Benefits Expenses

Wages & Salaries	1,42,80,678	1,47,06,830
Contribution to provident fund and other funds	19,16,764	27,06,121
Staff Welfare expenses	23,18,109	27,07,463
Bonus	11,65,583	10,60,667
Gratuity	2,72,064	6,63,450
Director Remuneration	49,87,973	38,71,443
Leave Encashment Salary	6,76,316	-
Employee Final Settlement	6,29,935	-

2,62,47,422 **2,57,15,973**

Director Remuneration, under Section 197 of the Companies Act, 2013 are as follows

Salary & Perks	36,00,000	36,00,000
Sitting Fees	40,000	56,500
Club Membership Fees	2,37,232	2,14,943
Entertainment Expenses	11,10,741	-

49,87,973 **38,71,443**

NOTE 28: Financial Expenses

- Interest Expenses		
- Interest on Cash Credit	1,64,15,629	1,20,34,494
- Interest on Term Loan	18,29,391	17,69,528
- Interest on Unsecured Loan	32,28,927	48,03,085
- Interest on others	7,19,248	67,14,209
- LC charges	4,09,356	66,592
- Other Borrowing Costs	5,86,539	9,50,754

2,31,89,089 **2,63,38,662**

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019

NOTE 29: Other Expenses

Rent	6,07,371	57,31,157
Communication Expenses	4,02,961	4,10,901
Repair & Maintenance vehicle	1,09,60,167	97,40,882
Printing & Stationery	6,31,523	5,07,321
Rates & Taxes	3,41,696	8,87,057
freight & forwarding	92,10,960	97,77,475
Business Promotion	-	1,02,708
Commission	6,90,014	21,26,283
Loss on sale of Machinery	16,605	-
Loss on sale of vehicle	3,05,886	-
Interest on Income Tax	83,347	15,59,444
Sales discount	53,43,018	29,35,236
Legal & professional	13,60,294	17,10,917
Payment to Auditors	2,48,100	2,67,035
Miscellaneous Expenses	63,38,281	34,78,504
Bank Charges	38,867	3,819
Listing Fees	2,95,000	2,90,425
Travelling and other Expenses	21,24,399	9,01,239
Website design and development charges	33,410	-
Water charges	8,27,358	9,01,889
Donation	1,93,000	2,68,000
	4,00,52,257	4,16,00,292

Payments to the Auditors Comprises

(a) Statutory Audit Fee	2,00,000	1,66,000
(b) Tax Audit Fee	-	50,000
(c) Limited Review Fee	47,200	20,000
(d) Other	900	31,035
	2,48,100	2,67,035

NOTE 30: Earning Per Share (EPS)

As required by Ind-AS 33 "Earning Per Share" as notified by Ministry of Corporate Affairs", the Earning Per Share (EPS) is calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year and is ascertained as follows.

Particulars	Year ended 31st March 2019 (Rs.)	Year ended 31st March 2018 (Rs.)
Net Profit After Tax (A) (Rs.)	47,24,092	66,42,162
Number of Equity Shares (B)	30,02,900	30,02,900
Face Value Per Equity Share (Rs.)	10	10
Earning Per Share (Rs) – Basic & Diluted	1.57	2.21

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2019**NOTE 31: Deferred Tax**

Deferred Tax Assets has been provided due to timing difference between Book Profit and Tax income arising as per accounting standard 22 and adjusted with deferred tax liability to make it NIL.

Particulars	Year ended 31st March 2019 (Rs.)	Year ended 31st March 2018 (Rs.)
B/f Deferred Tax Liability	70,99,803	66,78,658
Deferred Tax (Asset)/Liability arising on account of timing difference in WDV as per Income tax act & Companies Act:		
WDV as per Income Tax Act	10,94,14,474	8,63,07,648
WDV as per Companies Tax Act	14,97,57,662	11,39,96,183
Difference	4,03,43,188	2,76,88,535
Provision for fall in share value	25,99,114	27,10,437
Provision for Gratuity	36,06,896	29,04,869
Net Deferred Tax (asset)/Liability at the end of year	90,10,820	70,99,803
Deferred Tax (asset)/liability to be provided for the current year	19,11,017	4,21,145

32. STATEMENT OF SIGNIFICANT ACCOUNTING

1. CORPORATE INFORMATION

The Company was incorporated on January 20th, 1988, having its registered office at plot No.39-A2, Industrial Area, Chokkahalli, Hosakote – 562114 and corporate office at – 1/104, Ahuja Chambers, Kumara Krupa Road, Bangalore–560 001. The company is primarily engaged in the business of Manufacturers of Wheat Products and Dealers in Wheat and Wheat Products.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 (i) BASIS FOR PREPARATION OF FINANCIAL STATEMENT:

The financial statements are prepared in accordance with Indian Accounting Standards (IndAS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('The Act') (to the extension notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company has adopted all the applicable Ind AS standards and adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act read with Rule 3 of the Companies(Accounts)Rules, 2014(IGAAP), which was the previous GAAP.

(ii) BASIS OF MEASUREMENT

The financial statements have been prepared under historical cost convention and on an accrual basis, except for the following items which have been measured as required by relevant Ind AS:

- a) Financial Instruments classified as fair value through other comprehensive income or fair value through profit or loss &
- b) The defined benefit asset/(liability) is recognized as at the present value of defined benefit obligation less fair value of plan assets

(iii) USE OF ESTIMATES AND JUDGEMENT

The presentation of financial statement in conformity with Ind AS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management best knowledge of current events and actions the company may undertake in future, actual results ultimately may differ from the estimates.

2.2 INVENTORY VALUATION:

Raw Materials, Finished Products, Packing Materials, Stores and Spares are stated at lower of cost or net realizable value.

2.3 CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby net profit (loss) before tax is adjusted for the effective transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flow from regular revenue generating, investing and financing activities of the group are segregated.

2.4 DEPRECIATION:

Depreciation on Property, Plant & Equipment is provided on straight-line basis on the useful life of the asset as mentioned in Schedule II to the companies Act, 2013. Free hold land and Investment Property is not depreciated. The estimated useful life of assets are reviewed annually. The estimated useful life of assets are as follows:

Category	Useful Life
Buildings	30 to 60 years
Plant & Machinery	15 years (Triple Shift)
Computer & Equipment	3 to 5 years
Furniture & Fixture	10 years
Vehicles	8 to 10 years

2.5 REVENUE RECOGNITION:

- Sales are recognized when the significant risk attached to the goods are passed on to the seller and are recorded net of trade discounts, rebates but excluding VAT & GST wherever applicable.
- The company recognizes revenue significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method for recognizing revenues and cost depends on the nature of the services rendered.
- Dividend income is recognized when the right to receive the dividend is established.
- Interest income is recognized on an accrual basis.
- Rental income on leased property is recognized on accrual basis, based on the terms and conditions agreed with the lessee.

2.6 PROPERTY, PLANT AND EQUIPMENT:

- Fixed Assets are stated at cost of acquisition and subsequent improvements thereto including non-refundable taxes, duties, freight and other incidental expenses related to acquisition and installation.

- Interest on term loan taken for acquisition of assets is capitalized upto the date of asset being ready for use.
- Capital work in progress comprises of the cost of Fixed Assets that are not put to use as at the Balance Sheet date.

2.7 FOREIGN CURRENCY TRANSACTION:

- Initial recognition – Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency approximately at the date of the transaction.
- Conversion – Foreign currency monetary items are reported using the closing rate. Non monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.
- Exchange Differences – Exchange differences arising on the settlement or conversion of monetary items are recognized as income or as expenses in the period in which they arise.

2.8 INVESTMENTS:

The company carries certain equity instruments which are not held for trading. The company has elected the FVTOCI irrevocable option for these instruments. Movements in fair value of these investments are recognized in other comprehensive income and the gain or loss is not reclassified to statement of profit or loss. Dividends from these investments are recognized in statement of profit and loss when the company's right to receive dividends is established.

2.9 EMPLOYEE BENEFITS:

2.9.1 Gratuity:

The company has taken Group Gratuity Scheme for its eligible employees from Life Insurance

Corporation of India, for the gratuity liability. The same has been accounted on an actuarial basis.

2.9.2 Leave Encashment:

Leave Encashment Liability of eligible employees is accounted as and when incurred.

2.9.3 Provident Fund:

Company's contribution to provident fund is charged to Profit & Loss Account and the same is remitted to provident fund Commissioner along with the employee contribution.

2.10 BORROWING COST:

Borrowing cost that is specifically attributable to the

acquisition, construction or production of qualifying asset is capitalized as part of the cost of such asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.11 SEGMENT REPORTING:

The company is engaged in the business of manufacturing and trading of wheat and wheat products and therefore has only one reportable segment in accordance with IND AS-108 "Operating Segments".

2.12 INCOME TAX:

- Tax expenses comprises of current and deferred tax.

Current taxes are measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax act, 1961.

Deferred income taxes reflect the impact of current year timing differences between the taxable income and accounting income for the year and reversal of timing differences of earlier years, based on the tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which such deferred tax assets can be realized. If the company has carry forward of unabsorbed depreciation and tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax asset can be realized.

2.13 PROVISIONS:

Provision is recognized when the company has a present obligation as a result of past events: it is probable that the outflow of resources will be required to settle this obligation, in respect of which reliable estimate can be made. The provision is not discounted at present value and are determined based on the best estimate is required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.14 CONTINGENT LIABILITIES:

All known liabilities wherever material are provided for. Liabilities that are material, whose future outcome cannot be ascertained with reasonable certainty are contingent and disclosed by way of notes to accounts.

NOTES ON GENERAL INFORMATION FORMING PART OF THE FINANCIAL STATEMENTS

33. Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31st March, 2019	As at 31st March, 2018
A. Contingent liabilities		
(a) Claims against the company not acknowledged as debt		
Excise Duty	1,95,51,297	1,95,51,297
Penalty on excise duty	1,95,51,297	1,95,51,297
(b) Guarantees	2,87,404	2,87,404
B. Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL

Company has received an order from the commissioner, commissionerate - 5 central excise department Bangalore demanding the central excise duty of Rs. 1,95,51,297/- and interest there on and also penalty of Rs. 1,95,51,297/- for the period 05/08/2010 to 31/10/2013. The company has filed an appeal against above order before the appellate authorities. Further company is of the opinion that it has strong prima facie case and accordingly not made any provision against the above said demand. The company has paid Rs.15,41,348/-under protest.

Company has filed suit for recovery of money from debtors. Company is confident of obtaining favorable verdict and recovery of money. Hence Company has not made any provision on the debtors.

34. Related parties

(i) Names of related parties and description of relationship with the Company

1 Key Managerial Personnel	Sri. B Shanthilal Sri. PramodKumar S Sri. Akshat Jain Smt. Pinky Jain Sri. Premchand Bhandia Sri.AVS Murthy Smt.Garima Garg Smt.Gayithri Shankarappa Smt. Sarika Bhandari
2 Enterprise with significant influence	Krishna Industries Private Limited Mysore Vegetable Oil Products Limited Mysore Snack Foods Limited Alampalli Investments Private Limited BRFM India Private Limited Brindavan Roller Flour Mills Private Limited Puskar Investments Private Limited Roller Flour Millers Federation Of India. Bal Pharma Limited Brindavan Softland Private Limited Dnr Corporation Private Limited Kithur Channamma Roller Flour Mills Private Limited Markasia Foods Private Limited Puskar Investments Private Limited Roller Flour Millers Federation Of India. Micro Labs Limited Bal Pharma Limited

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The following transactions were carried with the related parties in the ordinary course of business during the year ended March 31, 2019

Particulars	Relation	Transaction	FY 2017-19	FY 2016-18
Brindavan Roller Flour Mills Pvt. Ltd.	Enterprise with significant influence	Sales	70,54,717	3,17,49,735
Markasia Foods Pvt. Ltd.	Enterprise with significant influence	Sales	80,26,654	58,37,090
Brindavan Roller Flour Mills Pvt. Ltd.	Enterprise with significant influence	Purchase	-	1,85,755
Brindavan Roller Flour Mills Pvt. Ltd.	Enterprise with significant influence	Repairs & Maintenance	-	3,04,635
Markasia Foods Pvt. Ltd.	Enterprise with significant influence	Rent received	6,63,424	6,45,153
Sri. B. Shantilal	KMP/ Director	Interest on loan paid	1,22,237	1,50,831
Sri Pramod Kumar S	KMP/ Director	Interest on loan paid	19,85,495	35,80,653
Smt.Pinky Jain	KMP	Interest on loan paid	7,98,299	10,71,601
Sri AVS Murthy	KMP	Sitting Fees	15,000	18,000
Sri. Shailesh Siroy	KMP	Sitting Fees	5,000	18,000
Smt.Pinky Jain	KMP	Sitting Fees	15,000	20,500
Smt.Sarika Bhandari	Director	Sitting Fees	5,000	-

Balance Outstanding:

Balance payable	Transaction	FY 2018-19	FY 2017-18
Brindavan Roller Flour Mills Pvt. Ltd.	Advance Received	72,941	72,941
Balance receivable			
Brindavan Roller Flour Mills Pvt. Ltd.	Trade Receivables	79,244	Nil
Brindavan Roller Flour Mills Pvt. Ltd.	Advance paid	21,13,054	4,65,002
Markasia Foods Pvt. Ltd.	Trade Receivables	5,49,601	40,78,203

Unsecured Loans balances of KMP and Directors as on 31st March 2019:

Particulars	Opening	Receipt	Payment	Closing
Sri. B Shantilal	15,09,521	1,22,237	16,31,757	-
Sri. Pramod Kumar S	2,16,06,175	1,64,24,298	2,50,73,637	1,29,56,836
Smt. Pinky Jain	83,98,135	12,64,041	29,18,871	67,43,305
Total	3,15,13,831	1,78,10,576	2,96,24,265	1,97,00,141

Notes:

- Related Party relationships are as identified by the company on the basis of information available with them and relied upon by the auditors.
- No amounts is written off/ Written Back during the year in respect of debts due from or to related parties
- Reimbursement is not disclosed as related party transaction
- Company does not have any subsidiary

35. Remuneration to Managerial Personnel

Amount (In Rs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Mr. Pramod Kumar (Chief Executive Office & Director)	24,00,000	24,00,000
Mr. B. Shantilal (Managing Director)	12,00,000	12,00,000
Total	36,00,000	36,00,000

Notes:

- a. The above Remuneration is inclusive of Bonus and Commission
- b. Remuneration does not include the premium paid to LIC, gratuity and leave encashment as the same is provided on actuarial valuation company as whole.

36. Dividend on Equity Shares

According to Companies Act 2013, any dividend should be declared out of accumulated distributable profits. The cash dividend paid per equity share was 50 paise during the year ended 31st March 2019(P.Y Nil). The Board of Directors in their meeting held on May 29th 2019 did not declare any dividend for the year ended 31st March 2019.

37. Micro, Small Or Medium Enterprises

The company has identified the suppliers who are registered under the Micro, Small & Medium Enterprises Development Act 2006 and there are no outstanding dues to any of the suppliers under Micro, Small & Medium Enterprises Development Act 2006 as at 31-03-2019.

38a. Employee Benefit Plan

Gratuity

In accordance with Ind AS 19 actuarial valuation based on projected unit credit method as on 31st March 2019 has been carried out in respect of the aforesaid defined benefit plan of Gratuity, the details thereon is given below:

Particulars	For the year ended 31st March 2019 (In Rupees)	For the year ended 31st March 2018 (In Rupees)
Components of employer expense		
Current service cost	5,21,580	4,08,853
Interest cost	2,44,584	2,23,989
Expected return on plan assets	(45,153)	(61,204)
Past service cost - vested / non vested benefit	-	-
Actuarial losses / (gains)	1,75,123	1,84,364
Total expense / (income) recognized in the statement of profit & loss	8,96,134	7,56,002
Change in fair value of assets		
Opening fair value of plan assets	5,86,397	7,89,726
Expected return on plan assets	45,153	61,204
Actuarial gains/(losses)	(28,936)	2,378
Assets acquired on acquisition/ (distributed on divestiture)	-	-
Contributions by employer	1,94,107	1,70,092

Benefits paid	(6,29,707)	(4,37,003)
Closing fair value of plan assets	1,67,014	5,86,397
Change in Defined Benefit Obligation (DBO)		
Present value of DBO at the beginning of the year	34,91,266	31,08,685
Current service cost	5,21,580	4,08,853
Interest cost	2,44,584	2,23,989
Actuarial (gains)/losses due to change in assumption		
Actuarial (gains)/losses due to change in experience	1,46,187	1,86,742
Past service cost - vested / non vested benefit		
Benefits paid	(6,29,707)	(4,37,003)
Present value of DBO at the end of the year	37,73,910	34,91,266
Net asset/(liability) recognized in balance sheet		
Fair value of plan assets	1,67,014	5,86,397
Present value of defined benefit obligation	(37,73,910)	(34,91,266)
Net asset/(liability) recognized in balance sheet	(36,06,896)	(29,04,869)

Actuarial Assumptions	31-Mar-19	31-Mar-18
Discount Rate	7.70%	7.75%
Expected Return on plan assets	7.70%	7.75%
Rate of increase in compensation	6.00%	6.00%
Employee Turnover Rates	Table a	Table a
Mortality rates*	100% of IAL	100% of IAL

*IAL : Indian Assured lives mortality (1994-96) Modified Ultimate

Table a Employee Turnover Rates

31-Mar-19		31-Mar-18	
Age	Rate	Age	Rate
Upto 25 Years	8%	Upto 25 Years	8%
26 - 30	7%	26 - 30	7%
31 - 35	6%	31 - 35	6%
36 - 40	5%	36 - 40	5%
41 - 45	4%	41 - 45	4%
46 - 50	3%	46 - 50	3%
51 - 55	2%	51 - 55	2%
Above 56 Years	1%	Above 56 Years	1%

38b. Defined contribution plans

The company has recognised, in the statement of profit and loss for the year ended March 31, 2019 an amount of Rs.19,05,764/- (previous year: Rs. 22,03,224/-) under defined contribution plans:

Benefit (Contribution to)	For the year ended 31st March 2019 (In Rupees)	For the year ended 31st March 2018 (In Rupees)
Provident Fund	13,12,053	15,48,327
Employee State Insurance Corporation	5,93,711	6,54,897
Total	19,05,764	22,03,224

39 A. Value of raw materials, spare parts and components consumed during the year

Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
	Percentage	Value (In rupees)	Percentage	Value (In rupees)
(a) Raw materials				
Imported	0%	-	0%	-
Indigenous	100%	1,15,28,59,782	100%	1,02,63,26,124
(b) Spare parts and components				
Imported	0%	-	0%	-
Indigenous	100%	10,97,666	100%	23,51,213

39 B. Value of imports on CIF basis (excluding purchases from canalising agencies and imported items purchased locally)

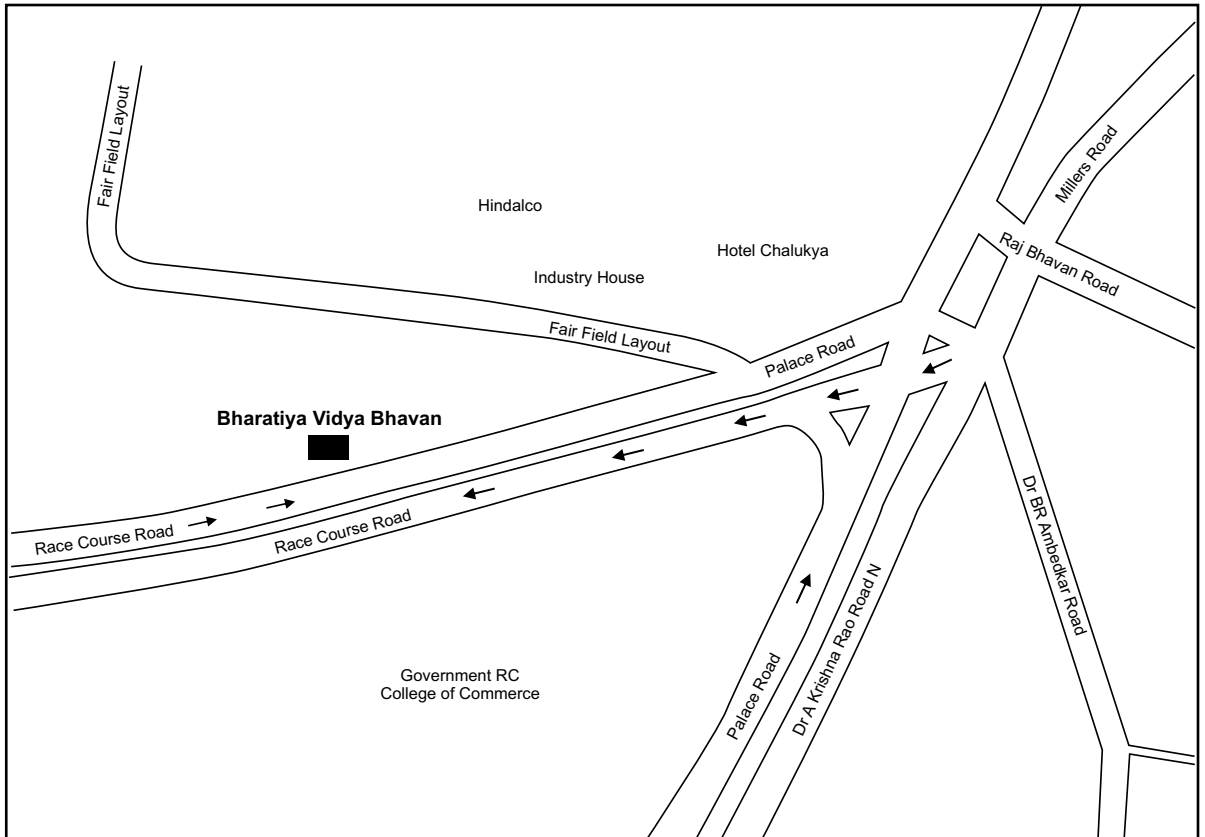
Particulars	For the year ended 31st March, 2019 In rupees	For the year ended 31st March, 2018 In rupees
Raw materials	-	-
Spare parts and components	-	-
Capital goods	-	23,84,959
Total	-	12,12,51,758

39 C. Expenditure in foreign currency (on payment basis, subject to deduction of tax where applicable)

Particulars	For the year ended 31st March, 2019 In rupees	For the year ended 31st March, 2018 In rupees
Interest	-	-
Travelling Expenses	12,93,326	5,27,675
Purchase of Capital Goods	-	16,35,474
Total	12,93,326	4,56,785

40. Previous year figures have been regrouped/restated wherever necessary to conform to this year's presentation disclosure.

Route Map of AGM Venue



Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Registered Office: Plot No.39-A2, Industrial Area, Chokkahalli, Hosakote, Bengaluru - 562114

Tel: 080 2797 1371 / 2797 1463 Email: info@sunilagro.in, Web: www.sunilagro.in

Dear Shareholder,

The Ministry of Corporate Affairs, Government of India ("MCA) has, by its circular dated 21st April, 2011 announced a "Green Initiative in the Corporate Governance "by allowing paperless compliance by companies. In terms of the said circular, service of notice/documents by a Company to its Shareholders required to be made under the provisions of the Companies Act, 2013 can be made through the electronic mode.

In line with the above initiative of the MCA, the Company proposes to send documents such as the Notice of the Annual General Meeting, Audited financial statements, Board's Report, Independent Auditors' Report, Poll Papers etc., henceforth to all its esteemed shareholders, including your good self, in electronic form, through e-mail. To facilitate the same, we request you to furnish our e-mail id, quoting your folio number/DPID/Client ID to our Registrar and share Transfer Agent at the following address:

Integrated Registry Management Services Private Limited

No. 30, Ramana Residency

4th Cross, Sampige Road

Malleswaram, Bengaluru – 560 003

Phone: 080-23460815-18, Fax: 080-23460819

E-mail: irg@integratedindia.in

We are sure you would appreciate this welcome initiative taken by the MCA to reduce consumption of paper and thereby, protect the environment. We expect to receive your support and co-operation in helping the Company to contribute its share to the said initiative.

Thanking you

Yours faithfully

For **Sunil Agro Foods Limited**

Pramod Kumar S

Chief Executive Officer & Director

DIN: 00719828

Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Registered Office: Plot No.39-A2, Industrial Area, Chokkahalli, Hosakote, Bengaluru - 562114

Tel: 080 2797 1371 / 2797 1463 Email: info@sunilagro.in, Web: www.sunilagro.in

Form No. MGT-11

PROXY FORM

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

CIN: L01111KA1988PLC008861

Name of the company: Sunil Agro Foods Limited

Registered office: Plot No.39-A2, Industrial Area, Chokkahalli Hosakote, Bengaluru – 562 114

Name of the member (s) :.....

Registered address :.....

E-mail Id:.....

Folio No/ Client Id :.....

DP ID :.....

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

1. Name :

Address :.....

E-mail Id :.....

Signature :....., or failing him

2. Name :

Address :.....

E-mail Id :.....

Signature :....., or failing him

3. Name :

Address :

E-mail Id :

Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty First Annual General Meeting of the Company, to be held on the on Thursday, the 19th September, 2019 at 10.30 a.m. at Bharatiya Vidya Bhavan, Race Course Road, Bengaluru – 560 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS

1. Adoption of Financial Statements for the year ended March 31, 2019.
2. Appointment of Mrs. Pinky Jain (DIN: 03636974), Director who retires by rotation.
3. Declaration of Dividend.

SPECIAL BUSINESS

4. Re-appointment of Mr. B. Shantilal (DIN: 00719808) as Managing Director.
5. Appointment of Mr. Akshat Jain (DIN: 08424334) as a Director of the Company.
6. Appointment of Mr. Akshat Jain (DIN: 08424334) as Whole time Director of the Company.
7. Appointment of Mrs. Sarika Bhandari (DIN: 07140112) as a Director of the Company.
8. Appointment of Mrs. Sarika Bhandari (DIN: 07140112) as an Independent Director of the Company.

Signed this..... day of..... 2019

Affix One Rupee Revenue Stamp
--

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.

Sunil Agro Foods Limited

CIN: L01111KA1988PLC008861

Registered Office: Plot No.39-A2, Industrial Area, Chokkahalli, Hosakote, Bengaluru - 562114

Tel: 080 2797 1371 / 2797 1463 Email: info@sunilagro.in, Web: www.sunilagro.in

Form No. MGT-12

BALLOT PAPER

[Pursuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: **SUNIL AGRO FOODS LIMITED**

Registered office: Plot No. 39/A2, Hosakote Industrial Area, Chokkahalli, Hoskote - 562 114

BALLOT PAPER

Sl. No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sl. No	Item	No. of shares held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1.	Adoption of Financial Statements for the year ended March 31, 2019.			
2.	Appointment of Mrs. Pinky Jain (DIN: 03636974), Director who retires by rotation.			
3.	Declaration of Dividend of Re.0.50 per Equity Share of Rs. 10/- each.			
SPECIAL BUSINESS				
4.	Re-appointment of Mr. B. Shantilal (DIN: 00719808) as Managing Director.			
5.	Appointment of Mr. Akshat Jain (DIN: 08424334) as a Director of the Company.			
6.	Appointment of Mr. Akshat Jain (DIN: 08424334) as Whole time Director of the Company.			
7.	Appointment of Mrs. Sarika Bhandari (DIN: 07140112) as a Director of the Company.			
8.	Appointment of Mrs. Sarika Bhandari (DIN: 07140112) as an Independent Director of the Company.			

Place:

Date:

(Signature of the Shareholder)

